

# CITY OF BOULDER, COLORADO

## Comprehensive Annual Financial Report

For the fiscal year ended

December 31, 2013

Prepared by the Finance Department

Contents printed on recycled paper.



**CITY OF BOULDER, COLORADO**  
**Comprehensive Annual Financial Report**

**December 31, 2013**

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**City of Boulder**  
Finance Department  
1777 Broadway  
Boulder CO 80301  
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June 13, 2014

To: Members of the City Council,  
City Manager Jane Brautigam and the Residents of the City of Boulder

Both the City of Boulder Charter and State law require that an audit of city financial records be conducted each year by an independent certified public accountant. Such an audit has been performed and this report is being published as part of the requirement for the fiscal year ended December 31, 2013.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that has been established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from any material misstatements.

BKD, LLP, has issued an unmodified (“clean”) opinion on the City of Boulder’s financial statements for the year ended December 31, 2013. The independent auditor’s report is located at the front of the financial section of this report.

Management’s Discussion and Analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter and should be read in conjunction with it.

## **PROFILE OF THE GOVERNMENT**

The City of Boulder is located in north central Colorado, approximately 25 miles northwest of Denver via the Denver-Boulder Turnpike (U.S. 36). The city is located at the base of the foothills of the Front Range of the Rocky Mountains at an altitude of 5,354 feet. Nestled at the foot of the Rockies, Boulder has a special beauty that is complemented by its diverse culture. Boulder has a diverse economy that is supported by computer, aerospace, scientific and research firms, the University of Colorado, and several federal laboratories.

Superior educational and cultural resources make Boulder a fulfilling place to live, work, and

play. The city encompasses approximately 25.4 square miles and is the county seat of Boulder County. The population of the city according to a 2013 estimate made by the City of Boulder is 101,824.

The City of Boulder is a municipal corporation duly organized and existing under the laws of the State of Colorado. In particular, the city is a home rule city and adopted a charter pursuant to Article XX of the Constitution of the State of Colorado by vote of the electorate on October 30, 1917.

The council/manager form of government was adopted in the city's charter and has been in operation since January 1918. The City Council, an elected body of nine members, is the policy-making arm of the government. Eight of the members of the City Council are elected for staggered four-year terms and one is elected for a two-year term, with five council members elected in November of each odd-numbered year. A City Manager, appointed by the City Council, serves as the city's chief administrative officer.

The city provides a full range of services. These services include police and fire protection; cultural and recreational facilities and events; open space and mountain parks acquisition and maintenance; environmental services, housing and human services; construction and maintenance of highways, streets and infrastructure; water, wastewater, and stormwater/flood control utilities; and parking facilities and services.

Certain parking facilities and services are provided through two legally separate entities, Downtown Commercial District and University Hill Commercial District. In addition, acquisition and construction of certain city properties and facilities is provided by Boulder Municipal Property Authority. These separate entities function, in essence, as separate departments of the City of Boulder and have therefore been included as blended components of the City of Boulder's financial statements.

### Budgetary Process

The City Charter includes provisions for proper budgeting, fiscal control, and auditing. It requires the establishment and maintenance of a budgetary control system for general operations. The objective of budgetary control is to ensure compliance with legal provisions embodied in the annual appropriated budget, approved by the City Council, which serves as the foundation of the city's financial planning and control. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The city budgets revenues and expenditures/expenses for all funds except the Pension Trust Fiduciary Funds and the Gifts and Contributions Fund.

The city has implemented an annual budget process and adopts the coming year's budget by December 1, as provided by state law. The City of Boulder Charter established the time limits pertaining to the adoption of the budget. The budget process and schedule of development is designed to fit within the Charter mandate and to allow for active and early participation by the City Council, with an emphasis on public input. The city's budget is developed throughout the year, but the bulk of the effort occurs during a nine month period beginning in February and ending in October. The budget and annual Appropriation Ordinances for the ensuing term are generally adopted in October during public hearings.



Any budget revisions affecting fund totals are adopted in a supplemental appropriation ordinance approved by the City Council. The City Council may make additional appropriations or budgetary transfers during the fiscal year for unanticipated revenues received by the city. City management, with the approval of the Central Budget Office, may also transfer budgeted amounts within a fund without City Council approval. All appropriations lapse at year end.

Detailed budget to actual comparisons are provided in this report for the General Fund and all annually budgeted special revenue, debt service and capital project funds.

## **FACTORS AFFECTING FINANCIAL CONDITION**

Original projections for sales and use tax revenues for 2013 expected a 3.00% increase from 2012. Actual sales and use tax revenues for the City increased by 7.56% over 2012. During 2013, Retail Sales Tax was up 4.81%, Business/Consumer Use Tax was down 1.30%, Construction Use Tax was up 52.04% and Motor Vehicle Use Tax was up 10.54%. Significant audit revenue collected during the month of September contributed to the 4.81% increase in the Retail Sales Tax. The increase in the Construction Use Tax is primarily due to a number of large one-time projects.

Sales and use tax revenues in 2013 made up approximately 45% of the General Fund, 94% of the Open Space and Mountain Parks Fund and 73% of the Transportation Fund total revenues.

The property tax base for 2013 was appraised at the 2012 actual value. The assessed valuation for property within the City of Boulder increased from \$2.501 billion in 2012 to \$2.567 billion in 2013, or by 2.64%. Taxes levied against the 2013 assessed valuation will be collected in 2014. In November 2008, the voters within the City of Boulder approved a ballot question which removed the remaining TABOR restriction on property tax revenues for 2009 and beyond. This increase in retained taxes was limited to .5 mills per year until the full amount of the existing tax levy of 11.981 mills was restored and retained. During 2012, the remaining TABOR limitation was fully eliminated.

### Projections for the Future

According to The Colorado Outlook Report, released March 18, 2014, economic growth is expected to be moderate as noted by the Office of State Planning and Budgeting (OSPB).

The level of economic and policy uncertainty fell during 2013 and continues to decline. Lower levels of policy uncertainty should contribute to a more favorable environment for economic growth because businesses are more likely to take risks, hire employees, and move forward with expansion plans. Growing business investment signals the likelihood of future growth. Forecasts for improving consumer spending, which results from improvements in the labor market, better household balance sheets, and more consumer confidence, also will support business investment by encouraging businesses to invest in equipment repairs and upgrades to meet new demand.

The change in March 2014 year-to-date sales and use tax revenue, including use tax compared to March 2013 is as follows:

<b>TAX CATEGORY</b>	<b>% CHANGE IN REVENUE Increase/(Decrease)</b>	<b>% OF TOTAL</b>
Sales Tax	3.82%	78.27%
Business/Consumer Use Tax	2.75%	9.23%
Construction Use Tax	17.88%	9.45%
Motor Vehicle Use Tax	13.21%	3.05%
<b>Total Sales &amp; Use Tax</b>	<b>5.17%</b>	<b>100.00%</b>

The following information analyzes the results of the above sales and use tax chart:

- Retail Sales Tax – Actual retail receipts are up by 3.82%. A portion of this increase was due to audit revenue collected during the month of February. The increase also can be attributed to a rise in sales at eating places and apparel stores and an increase in retail sales on natural gas and electricity.
- Business/Consumer Use Tax – Revenues are up by 2.75%. Strength in business-to-business sales makes up the majority of this increase.
- Construction Use Tax – This category is up 17.88% year to date as of March 2014. This increase is due primarily to a construction use tax paid for large projects.
- Motor Vehicle Use Tax is up by 13.21%. Vehicles purchased by Boulder citizens, regardless of where in the state the vehicle is purchased, generate use tax revenues for the city. Given the strength of the economy and increasing confidence in the future, both individuals and businesses continue more aggressively replacing their aging vehicles.

In the future, as revenues continue to recover, any proposed increases in expenditures will be evaluated based on Priority Based Budgeting, a decision making tool which helps the city make strategic recommendations regarding priorities for current and future funding changes. By using the Priority Based Budgeting process, existing financial policies and the six-year planning model for operations, the city will be able to maintain targeted fund balances, redirect any funding increases to the highest priority areas and ensure that operating revenues exceed ongoing operating expenditures each year.

The actual percentages for 2012 and 2013, along with the 2014 sales tax projections for the City of Boulder and statewide forecasts from the Colorado Office of State Planning and Budgeting are as follows:

<b>Forecast</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>2014 Projected</b>
Base Sales/Use Tax - City of Boulder	3.97%	7.56%	2.43%
Denver-Boulder CPI-U	1.94%	2.80%	2.40%
Statewide Retail Sales Trade Growth	5.40%	4.50%	5.70%
Statewide Personal Income Growth	5.10%	3.50%	5.70%

## **THE IMPORTANCE OF SOUND FINANCIAL PLANNING, DOWNSIZING STRATEGY AND ACTIONS**

The following narrative was extracted from the City Manager's message found in the 2014 Annual Budget, Volume I:

The budget continues to be guided by recommendations made by the Blue Ribbon Commissions (BRC) I and II. Major long-term recommendations included:

- Establish a long-term balanced revenue stream for the City of Boulder
- Enhance the city's budget process by using Priority Based Budgeting
- Update compensation policies
- Use efficiency studies to determine if current resources are being maximized
- Update and continue the use of cost recovery strategies
- Maintain current infrastructure
- Implement performance measures for city services

Each of these recommendations has been, or is being, implemented and has helped the city maintain the appropriate balance of revenues and expenditures. The original BRC I projected a long term \$135 million structural gap between revenues and expenditures by fiscal year 2030. By implementing the recommendations from both BRC I and II, this long term amount has been reduced to \$73 million by 2030. The analysis will be updated in 2014.

## **MAJOR INITIATIVES**

Current economic conditions and the long-term structural budget problems require that the City of Boulder conduct business in a new way, evaluate what services and programs can be provided, continue to focus on being as efficient as possible and refine processes and systems to work with staffing levels that can be sustained over time. In order to address these economic and structural realities, a Priority Based Budgeting approach was implemented as part of the 2011 budget process and was continued in 2012 and 2013. Starting in 2014, Priority Based Budgeting will be the sole framework used in all decisions to determine the set of services and programs that will be provided to the community.

The 2014 Capital Improvements Program (CIP) includes proposed funding of \$42.4 million for 54 projects. The entire six-year (2014-19) CIP includes proposed funding of \$238.7 million for 135 projects. When Capital Investment Bond funding is included, the six-year total is \$287.7. The increase was a voter approved measure which involved a bond issue of \$49.0 million, which occurred in March 2012. CIP funding varies year to year depending on the type and cost of projects recommended for funding in that year and the amount of external funding received. Some of the most significant capital expenditures included within the six-year plan are as follow: (i) acquisition and development of open space lands totaling \$32.4 million; (ii) parks and recreation projects totaling \$12.6 million including development of new community parks, repairs and deficiency corrections, renovation and enhancement of existing facilities; (iii) \$30.8 million in transportation system improvements including improvements to 28<sup>th</sup> Street and repair

and replacement of pedestrian facilities; (iv) \$92.7 million for water utility fund capital projects including new construction for the Barker Dam, Carter Lake Pipeline and Carter Lake Hydroelectric (projects beginning in 2016 and continuing into 2018). (v) \$16.1 million for wastewater utility fund projects including wastewater treatment plant rehabilitation projects and Goose Creek Sanitary Sewer Interceptor rehabilitation; (vi) \$17.0 million for stormwater and flood management utility fund projects including Upper Goose Creek drainage and South Boulder Creek flood mitigation projects.

Planned capital expenditures will be financed using revenues from current rates and charges, plant investment and connection fees, bond proceeds from a \$49.0 million bond sale in March 2012, and future rate and fee increases.

On September 11 through September 18, 2013 an epic flood impacted cities across the Front Range of Colorado, including the City of Boulder. The significant damage and displacement from these historic rains have challenged the city's functions, residents and businesses at unprecedented levels. Based on the September, 2013 flood and the damage assessment to date, it is anticipated that the Capital Improvement Plan will be re-evaluated, including some projects approved for funding and construction during 2014. In some cases, it may cause a reprioritization of approved projects being delayed in order to complete projects resulting from flood damage, or advance projects in the priority array. The exact timeline will be determined and brought forth to City Council during 2014.

The City of Boulder capital improvement program is available online on the city's website ([www.bouldercolorado.gov](http://www.bouldercolorado.gov)) under the Finance Department budget page.

Additional information concerning the September 2013 flood can be found on the city's website ([www.bouldercolorado.gov](http://www.bouldercolorado.gov)) under the City of Boulder homepage.

## **OTHER FINANCIAL INFORMATION**

### **Debt Ratings**

During 2013, the city's general obligation credit ratings were established as Aa1 by Moody's Investors Service and AAA by Standard & Poor's. The primary reasons cited in the past for these high rating levels have been the general strength of the Boulder economy, its distinctiveness from the general Denver metropolitan economy and the lesser reliance of the city's General Fund on sales taxes when compared with other Colorado municipalities.

## **CERTIFICATE OF ACHIEVEMENT**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the city for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2012. This was the twenty-fourth consecutive year that the city has achieved this prestigious award and the thirty-second year in total. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must

satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the city also received the GFOA's Distinguished Budget Presentation Award for its 2013 budget document. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

Another important accomplishment for the City of Boulder is the Award for Outstanding Achievement for producing a Popular Annual Financial Report (PAFR) for the fiscal year ended December 31, 2012. This is again only valid for a period of one year and is awarded by the GFOA. This report is a useful tool for residents to obtain a greater understanding of the role of the city's government. The intent is to provide a report that is informative and easy to understand.

We are proud of this continuing commitment to provide complete and reliable information to the residents of the City of Boulder.

## **ACKNOWLEDGMENTS**

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire Finance Department staff. We would like to express our appreciation to all members of the department who assisted and contributed in its preparation. We also thank the Mayor, City Council Members, City Council Audit Committee Members, and the City Manager for their interest and support in planning and conducting the financial operations of the city in a responsible and progressive manner.

Respectfully submitted,

Cheryl Pattelli, CPA  
Director of Finance

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Government Finance Officers Association

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

Presented to

**City of Boulder  
Colorado**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO

CITY OF BOULDER, COLORADO

Principal Elected and Administrative Officials

At December 31, 2013

Mayor and City Council

Mayor:	Matthew Appelbaum
Mayor Pro Tem	George Karakehian
Council Members:	Macon Cowles Suzanne Jones Lisa Morzel Tim Plass Andrew Shoemaker Sam Weaver Mary Young

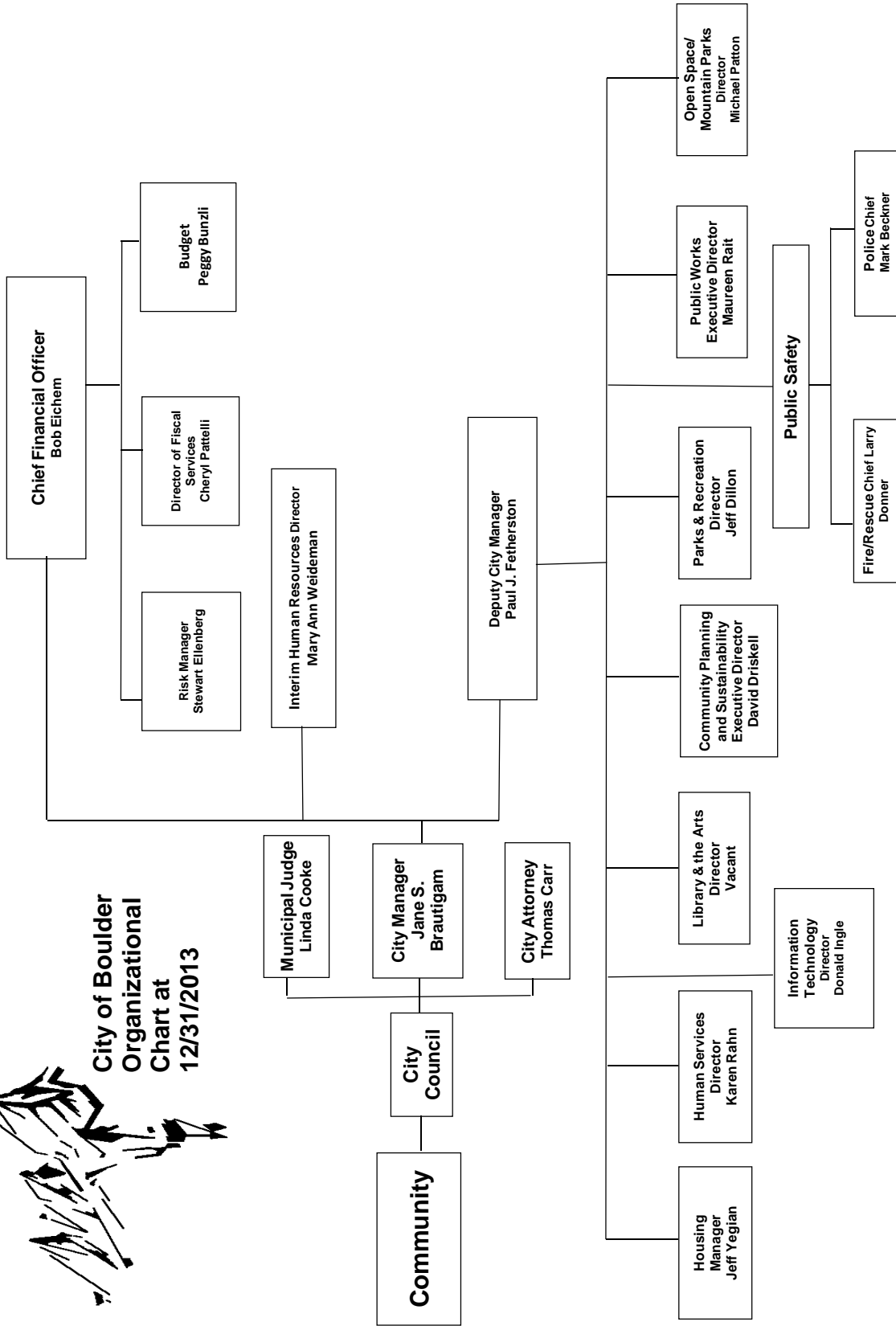
Administrative

City Manager:	Jane Brautigam
Deputy City Manager:	Paul Fetherston
Chief Financial Officer:	Bob Eichem
Director of Fiscal Services:	Cheryl Pattelli
Controller:	Duane Hudson





**City of Boulder  
Organizational  
Chart at  
12/31/2013**



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## Independent Auditor's Report

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

### Report on the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Boulder, Colorado (the City), as of and for the year ended December 31, 2013 and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditor's Responsibility***

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

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

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

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Boulder, Colorado as of December 31, 2013 and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons (budgetary basis) for the General Fund, Open Space and Mountain Parks Fund, and Transportation Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Emphasis of Matter***

As discussed in Note Y to the financial statements, in 2013 the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinions are not modified with respect to this matter.

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

### **Other Matters**

#### ***Required Supplementary Information***

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

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules and other supplementary information, including the schedule of expenditures of federal awards required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and local highway finance report as listed in the table of contents, is presented for purposes of additional analysis 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 such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the basic financial statements as a whole. The introductory and statistical sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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 June 13, 2014, on our consideration of the City's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*BKD, LLP*

Denver, Colorado  
June 13, 2014

City of Boulder, Colorado

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2013

This section of the City of Boulder's (the city) financial statements provides a narrative overview and analysis of its financial activities for the year ended December 31, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal at the front of this report and the city's financial statements, which follow this section. All amounts within this comprehensive annual financial report are expressed in thousands of dollars unless otherwise indicated.

**Financial Highlights**

- The assets and deferred outflows of resources of the city exceeded its liabilities and deferred inflows of resources at the close of 2013 by \$1,027.0 million (\$627.9 million in governmental activities net position and \$399.1 million in business-type activities net position). Of the governmental activities net position total, \$113.7 million, or 18%, is unrestricted and may be used to meet the city's ongoing obligations to the public and creditors. Similarly, \$67.8 million, or 17%, of business-type activities net position are unrestricted.
- Total net position of the city increased \$43.2 million including restatement, or 4%, compared to 2012. Net position of the city's governmental activities increased \$31.8 million, which represents an increase of 5% from 2012. Net position of the city's business-type activities increased \$11.4 million including restatement, or 3%, from 2012. Beginning in the fiscal year 2013, the city implemented Governmental Accounting Standards Board (GASB) Statement Number 65. Statement Number 65 was the result of GASB's comprehensive review of common balances or transactions previously reported as assets and liabilities for which the board believed financial reporting needed to change. In order to implement this new GASB pronouncement for 2013, certain 2012 fiscal year balances needed to be restated to also adhere to this pronouncement. For additional detail, please see Note Y in the Basic Financial Statements.
- Total revenues, excluding transfers and extraordinary items, increased \$2.3 million, or 1%, to \$271.6 million compared to 2012. Governmental activities revenues increased \$1.9 million, or 1%, to \$212.0 million, while revenues of business-type activities increased \$0.4 million, or 1%, to \$59.6 million compared to 2012.
- The total expenses of all the city's programs, excluding transfers and extraordinary items, increased \$14.3 million, or 7%, to \$228.5 million compared to 2012. The expenses of governmental activities programs increased \$13.4 million, or 8%, to \$179.6 million, while the expenses of business-type activities increased \$0.9 million, or 2%, from 2012 to \$49.0 million.

- As of December 31, 2013, the city's governmental funds reported a combined ending fund balance of \$149.3 million. Approximately 55%, or \$82.2 million, is unrestricted fund balance and, therefore, available for spending at the city's discretion within the purposes specified for the city's funds.

## **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the city's basic financial statements. The city's basic financial statements are comprised of 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.

Government-wide financial statements – The government-wide financial statements are designed to provide readers with a broad overview of the city's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the city's assets and deferred outflows of resources and 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 is improving or deteriorating.

The *statement of activities* presents information showing how the city's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, uncollected taxes and earned, but unused vacation leave).

Both the statement of net position and statement of activities distinguish functions of the city that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the city include general government, administrative services, public safety, public works including streets and transportation, planning and development services, culture and recreation, open space and mountain parks, housing and human services, and interest on long-term debt. The business-type activities of the city include water utility, wastewater utility, stormwater and flood management, parking facilities and services, and the Boulder Municipal Property Authority's acquisition of open space and parks property.

Fund financial statements – A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The city, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the city can be divided into three categories: governmental funds, proprietary funds and fiduciary (Pension Trust) funds.

*Governmental funds.* Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the city's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the city's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The city uses enterprise funds to account for the operations of the Water Utility, Wastewater Utility, Stormwater and Flood Management, and Downtown Commercial District funds. These are considered to be major funds of the city. In addition, the University Hill Commercial District, Boulder Municipal Property Authority, and Boulder Junction GID are accounted for as nonmajor enterprise funds.
- **Internal Service funds** are used by the city to account for the costs of acquiring, operating and maintaining certain types of equipment and facilities, costs for city-wide insurance programs and funding for certain governmental fund compensated absences liabilities. Because these services predominantly benefit governmental rather than business-type functions, the assets and liabilities of the internal service funds have been included within governmental activities in the government-wide financial statements. Internal service funds are combined into a single, aggregated memo presentation in the proprietary fund financial statements. The internal service funds consist of Telecommunications, Property and Casualty Insurance, Workers' Compensation Insurance, Compensated Absences, Fleet, Computer Replacement, Equipment Replacement and Facility Renovation and Replacement. Individual fund data for the internal service funds is provided in the form of *combining statements* in the "Combining and Individual Statements" section.

*Fiduciary funds* are used to account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by employees and the city at amounts determined by biennial actuarial studies and by State law.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the city’s progress in funding its obligation to provide pension benefits to its police and firefighters and provide healthcare benefits for retirees.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Included are budgetary comparison schedules for all annually budgeted nonmajor special revenue, debt service and capital project funds.

### **Government-wide Financial Analysis**

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

**Table 1 - Net Position** (dollars in thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	2013	2012 *	2013	2012 *	2013	2012 *
Current and other assets	\$ 253,372	\$ 257,795	\$ 74,583	\$ 75,285	\$ 327,955	\$ 333,080
Capital assets	540,161	513,907	423,821	419,022	963,982	932,929
Total assets	793,533	771,702	498,404	494,307	1,291,937	1,266,009
Deferred outflows of resources	360	-	3,720	-	4,080	-
Noncurrent liabilities	111,718	123,691	97,203	98,760	208,921	222,451
Other liabilities	23,851	52,024	3,830	7,824	27,681	59,848
Total liabilities	135,569	175,715	101,033	106,584	236,602	282,299
Deferred inflows of resources	30,480	-	1,983	-	32,463	-
Net position:						
Invested in capital assets	480,321	458,372	331,096	325,883	811,417	784,255
Restricted	33,822	35,096	265	257	34,087	35,353
Unrestricted	113,701	102,519	67,747	61,583	181,448	164,102
Total net position	\$ 627,844	\$ 595,987	\$ 399,108	\$ 387,723	\$ 1,026,952	\$ 983,710

\* 2012 was not restated for GASB 65 but certain reclassifications have been made to conform to the current year presentation.

Table 1 presents an analysis of the city’s net position as of December 31, 2013. The city’s assets exceeded its liabilities by \$1,027.0 million at the close of the current fiscal year. By far the largest portion of the city’s net position (79%) reflects its investment of \$811.4 million in capital assets (for example, land, buildings, transportation infrastructure, machinery and equipment, utility plant in service and underground drainage facilities), less any related debt used to acquire



those assets that is still outstanding. The city uses these capital assets to provide services to the public; consequently, these assets are *not* available for future spending. Although the city's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the city's net position, \$34.1 million (3%), represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position, \$181.4 million (18%), may be used to meet the city's on-going obligations to the public and creditors.

At the end of the current fiscal year, the city is able to report positive balances in all three categories of net position, both for the government as a whole as well as for its separate governmental and business-type activities. Net investment in capital assets increased \$27.2 million, or 3%, compared to 2012. This increase is mainly the result of capital project costs related to the 2012 capital bond issue and the energy performance project costs that were completed in 2013. Restricted net position decreased \$1.3 million, or 4%, compared to 2012. This was largely due to Open Space and Mountain Parks spending a portion of its restricted fund balance on land acquisition in 2013. The \$17.3 million, or 11%, increase in unrestricted net position during 2013 was due in large part to an increase in unrestricted sales and use taxes in the General Fund of \$5.0 million, \$5.7 million increase in Facility Renovation and Replacement Fund unrestricted net position from general operations, and \$6.1 million increase from business type activities' general operations.

It is important to note that approximately \$44.2 million in governmental unrestricted net position arises from the net position of the city's internal service funds, discussed above in "Overview of the Financial Statements – Proprietary Funds." Although it is highly unlikely that these funds will be liquidated, in the event that they are, the distribution of the net position of these funds would result in a portion of these unrestricted net positions being liquidated to unrestricted net position of governmental activities and unrestricted net position of business-type activities.

### **Analysis of Changes in Net Position**

As can be seen from *Table 2*, the city's net position increased by \$43.2 million, net of restatement during 2013. This increase is explained in the governmental and business-type activities discussion below.

#### **Governmental Activities**

Net position of governmental activities increased by \$31.8 million net of restatement during 2013, accounting for 74% of the total increase in the city's net position. This increase was \$28.8 million less than the \$60.6 million increase in net position in 2012.

Revenues during 2013 increased by \$1.9 million compared to 2012. The continuing strength of the economy along with a number of large, one-time construction projects led to a \$6.7 million rise in sales and use taxes. Other taxes increased by \$0.9 million because of increases in both accommodation tax and franchise tax revenue. The sale of capital assets during 2013 led to an increase of \$1.7 million over 2012. Charges for services decreased \$4.4 million primarily due to

a decrease in developer payments made to the city in lieu of building affordable housing. Operating and capital grant revenue declined \$1.1 million and \$1.6 million, respectively, compared to 2012.

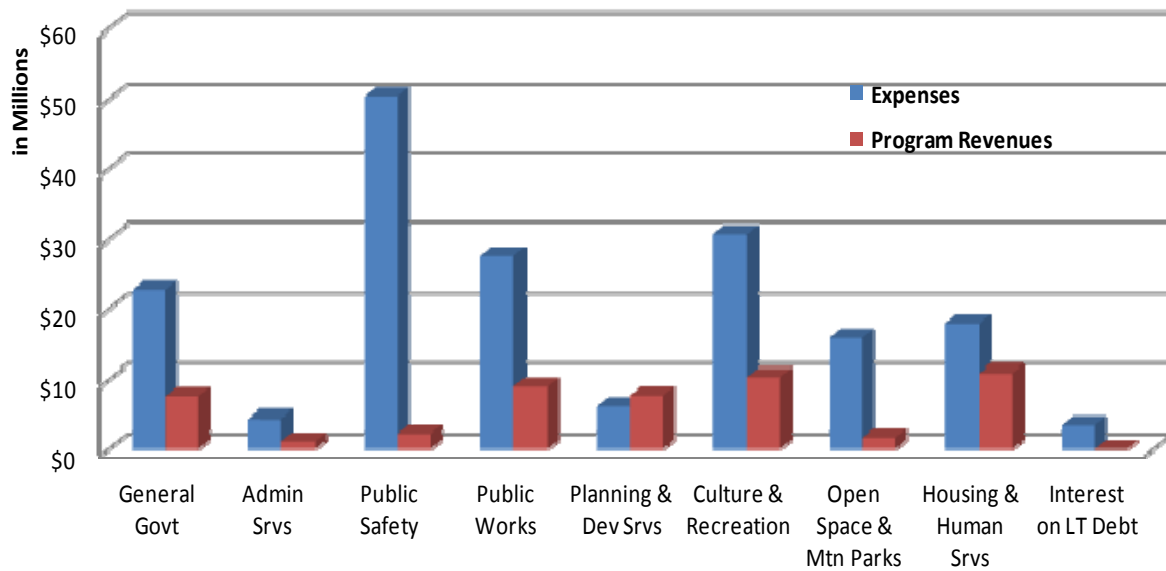
Expenses increased \$13.4 million in 2013 compared to 2012. General government expenses increased by \$6.2 million, largely due to flood recovery, consulting services related to energy strategy development, and new business management software costs. In September 2013 an unprecedented amount of rainfall fell on the region causing significant flooding and extensive damage to both private property and city infrastructure. Estimated damage to city infrastructure totaled \$43 million. While full recovery is likely to take years, affected critical services have been restored. Administrative Services was up by \$1.8 million because of additional salary and computer software costs. Salaries grew due to new positions being added to support departments. In addition, backfill was needed for staff working on implementation of a new finance/human resource software system. Land purchases led to the \$3.0 million increase in Open Space and Mountain Parks. Culture and Recreation increased \$2.6 million as a result of additional flood related personnel costs. A \$3.5 million increase in Housing and Human Services was related to large development projects which included the Depot Square and Lee Hill affordable housing projects. Public Works expenses declined \$5.6 million due to reduced spending on capital projects in 2013 compared to 2012.

*Charts 1 and 2* illustrate the city's governmental expenses and revenues by function and its revenues by source. As can be seen in *Chart 1*, Public Safety is the largest function based on expenses (28%), followed by Culture and Recreation (17%) and Public Works (15%). General revenues such as sales and use taxes, property and other taxes are not shown in *Chart 1* by program, but are used to support program activities citywide and included in *Chart 2*. For governmental activities overall, without regard to program, sales and use taxes are the largest single source (49.1%), followed by charges for services (17.7%) and property taxes (13.9%).

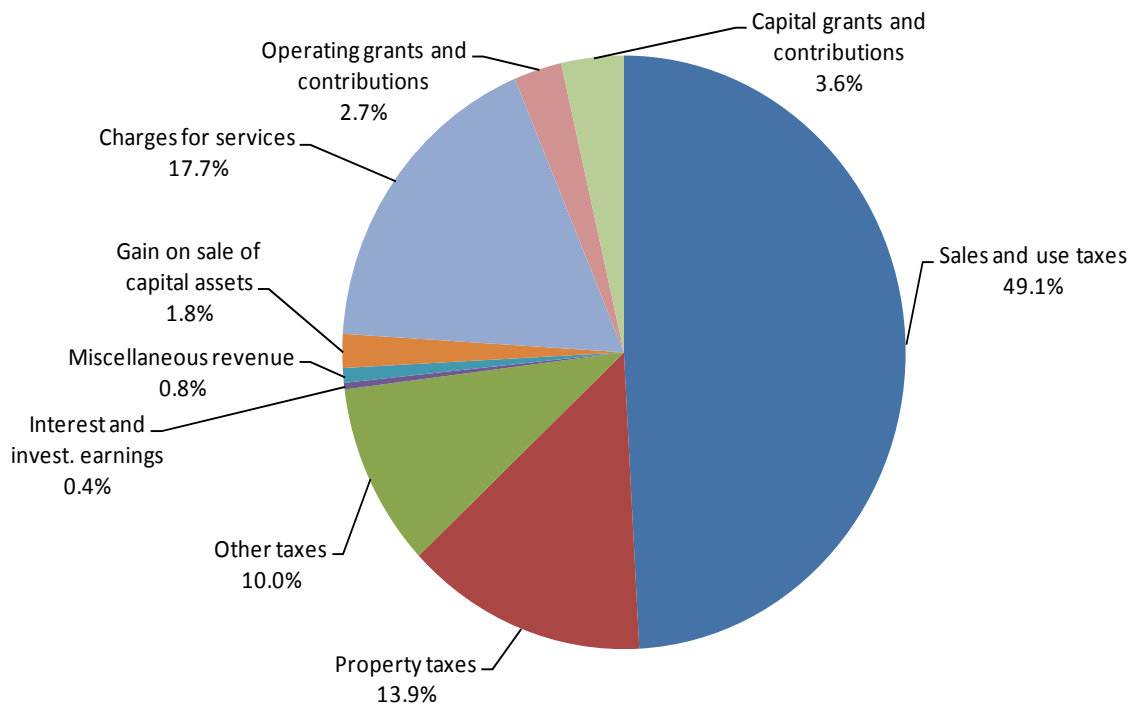
**Table 2 - Changes in Net Position** (dollars in thousands)

	Governmental		Business-type		Total Primary	
	2013	2012	2013	2012	2013	2012
Program revenues:						
Charges for services	\$ 37,438	\$ 41,823	\$ 49,603	\$ 49,591	\$ 87,041	\$ 91,414
Operating grants and contributions	5,824	6,911	138	181	5,962	7,092
Capital grants and contributions	7,630	9,260	6,498	5,175	14,128	14,435
General revenue:						
Sales and use taxes	104,136	97,397	118	119	104,254	97,516
Property taxes	29,434	29,474	1,976	1,952	31,410	31,426
Other taxes	21,184	20,279	904	836	22,088	21,115
Interest and investment earnings	755	1,052	301	384	1,056	1,436
Miscellaneous revenue	1,678	1,645	91	974	1,769	2,619
Gain on sale of capital assets	3,878	2,173	-	-	3,878	2,173
Total Revenues	211,957	210,014	59,629	59,212	271,586	269,226
Program expenses (includes indirect expenses allocation):						
Governmental activities:						
General Government	22,851	16,625	-	-	22,851	16,625
Administrative Services	4,387	2,627	-	-	4,387	2,627
Public Safety	50,468	49,693	-	-	50,468	49,693
Public Works	27,558	33,110	-	-	27,558	33,110
Planning and Development Services	6,087	5,555	-	-	6,087	5,555
Culture and Recreation	30,749	28,112	-	-	30,749	28,112
Open Space and Mountain Parks	16,023	13,040	-	-	16,023	13,040
Housing and Human Services	17,937	14,431	-	-	17,937	14,431
Interest on long-term debt	3,532	2,984	-	-	3,532	2,984
Business-type activities:						
Water Utility	-	-	22,605	21,925	22,605	21,925
Wastewater Utility	-	-	13,916	13,776	13,916	13,776
Stormwater and Flood Management	-	-	4,461	4,523	4,461	4,523
Parking Services	-	-	6,853	7,303	6,853	7,303
Property and Facility Acquisition	-	-	1,118	479	1,118	479
Total expenses	179,592	166,177	48,953	48,006	228,545	214,183
Excess before extraordinary items and transfers	32,365	43,837	10,676	11,206	43,041	55,043
Extraordinary items	1,888	-	-	-	1,888	-
Transfers	(1,636)	16,764	1,636	(16,764)	-	-
Increase in net position	32,617	60,601	12,312	(5,558)	44,929	55,043
Net position, beginning of year	595,987	535,386	387,723	393,281	983,710	928,667
Restatement for change in accounting principle	(760)	-	(927)	-	(1,687)	-
Net position, beginning of year, as restated	595,227	535,386	386,796	393,281	982,023	928,667
Net position, end of year	\$627,844	\$595,987	\$399,108	\$387,723	\$ 1,026,952	\$983,710

**Chart 1: 2013 Expenses and Program Revenues - Governmental Activities**



**Chart 2: 2013 Revenues by Source - Governmental Activities**



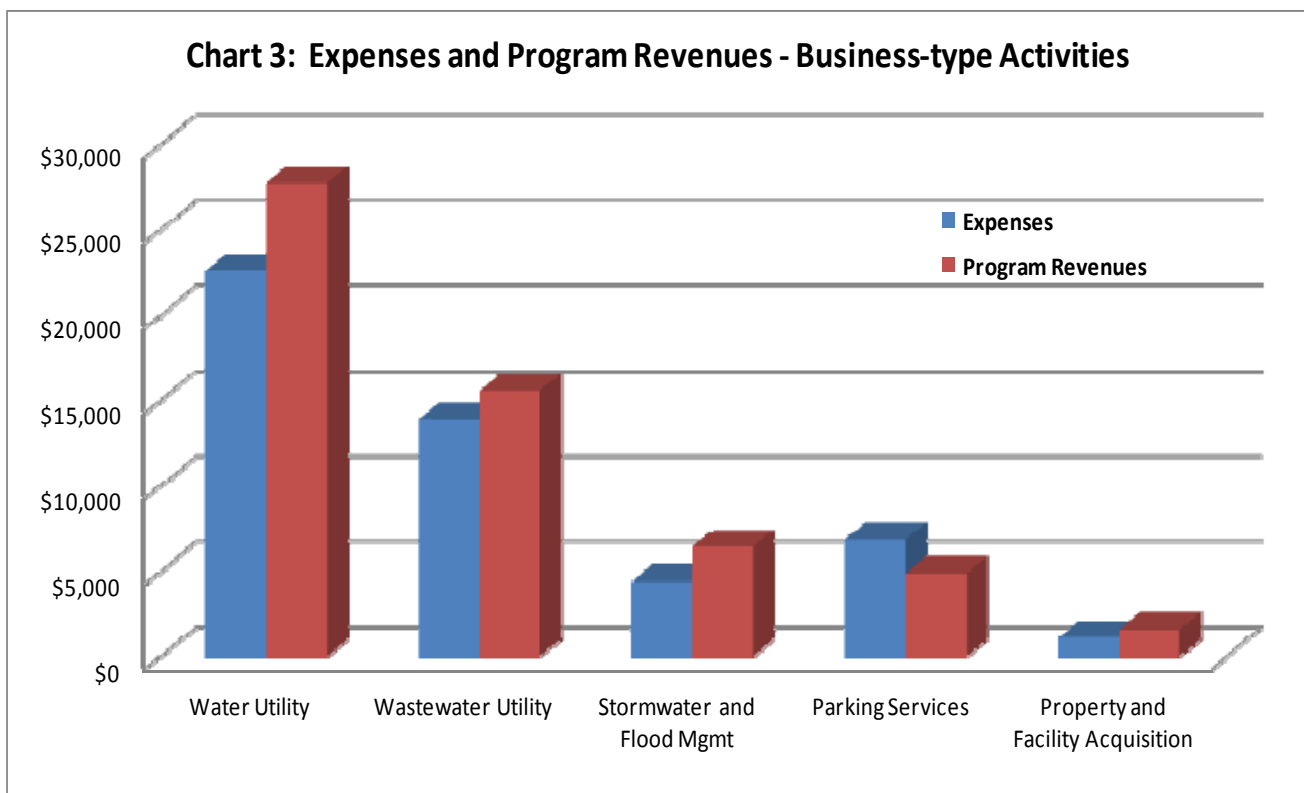
### Business-type Activities

Net position in business-type activities increased \$11.4 million net of restatement for 2013. This increase was \$17.0 million more than the \$5.6 million decrease in net position in 2012.

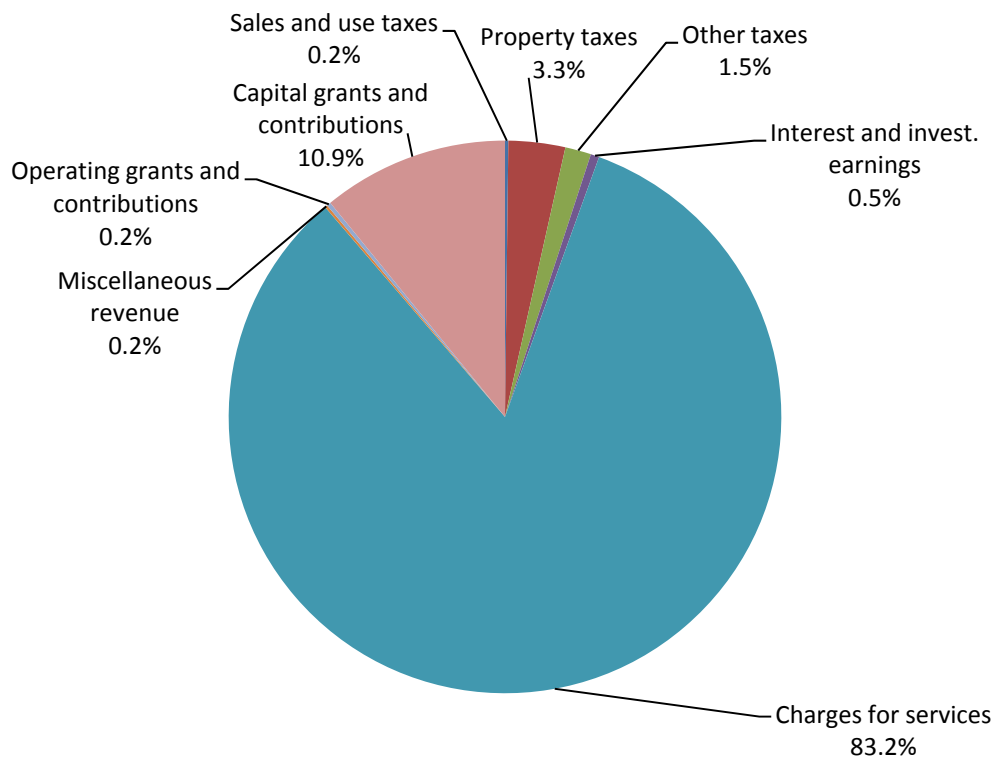
Total business-type revenues increased \$0.4 million, or 1%, compared to 2012. Capital grants and contributions increased by \$1.3 million in 2013 due to an increase in development projects. This increase was offset by the decline in miscellaneous revenue which was due to a one time in-flow of money in 2012.

Expenses of business-type activities increased by \$0.9 million, or 2% compared to 2012, mainly because of flood recovery work.

As can be seen from *Charts 3 and 4*, the city's water utility and wastewater utility activities account for the majority of its business-type activities, representing 75% of total business-type activities expenses. Charges for services provide the largest share of revenues (83.2%), followed by capital grants and contributions (10.9%) and property taxes (3.3%).



**Chart 4: 2013 Revenue by Source - Business-type Activities**



### **Financial Analysis of the City's Funds**

As noted earlier, the city uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

#### **Governmental Funds**

The focus of the city's governmental funds is to provide information on near-term inflows, outflows and balances of resources that are available for spending. Such information is useful in assessing the city's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of the city's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the city include the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds.

As of December 31, 2013, the city's governmental funds reported combined ending fund balances of \$149.3 million, a decrease of \$5.1 million, or 3%, from the prior year. The fund balance of the General Fund increased by \$4.2 million to \$42.4 million at December 31, 2013. General Fund revenues grew by \$4.7 million, primarily because of overall improvements in the economy and a flood insurance claim reimbursement. Increased consumer spending led to a \$5.1 million rise in sales and use taxes. General Fund expenditures rose by \$7.6 million for a variety of reasons. Costs related to flood recovery, the energy strategy project and bond service costs led to a \$5.1 million rise in General Government. Administrative Services grew \$0.9 million

because of additional salary and computer software costs. Most of the \$0.7 increase in Housing and Human Services resulted from Depot Square project costs.

The Open Space and Mountain Parks Fund's fund balance declined \$1.7 million in 2013. Revenues grew by \$2.7 million due to a \$1.3 million endangered species mitigation grant to purchase a land parcel and the \$1.7 million increase in sales and use taxes. Expenditures increased by \$9.9 million because of real estate acquisitions in 2013 totaling \$9.4 million. No major real estate purchases were made in 2012.

The fund balance for the Transportation Fund rose by \$2.5 million in 2013. Revenues decreased by \$2.7 million while expenditures decreased by \$4.5 million. Transportation receives funding from CDOT for infrastructure projects as they are completed. Due to the 2013 flood, Transportation was unable to complete all of its planned projects. Revenue was also impacted as many of the planned projects not completed were expected to receive reimbursement from CDOT.

The fund balance for the 2011 Capital Improvement Fund fell \$12.4 million during 2013. This decrease is a result of \$16.0 million in bond related capital expenditures offset by \$3.5 million in transfers from the General, Capital Development, and Equipment Replacement Funds. Transfers were made to help finance the software replacement of the finance/human resources system and the development services system.

Other governmental fund balances grew by \$2.3 million. Payments made to the Affordable Housing Fund during 2013 was the primary factor for this increase.

Approximately \$82.2 million or 55% of the combined ending fund balance in the governmental funds constitutes unrestricted fund balance available for spending at the city's discretion within the purposes specified for each of the funds. The remainder of fund balance is either nonspendable or restricted to indicate that it is not available for new spending because it has already been committed for specific purposes. This nonspendable or restricted fund balance is comprised of: (1) fund balance not in spendable form such as prepaid expenses, inventory for consumption, and permanent endowments - \$1.7 million; (2) limitations imposed on use of funds by external laws and regulations - \$9.6 million; (3) restrictions for debt service - \$1.1 million; (4) restrictions for capital projects - \$36.2 million; (5) restrictions for future development - \$16.2 million; (6) restricted for expenditure on lottery authorized parks and recreation projects - \$1.5 million and (7) restrictions placed on the funds by donors - \$0.7 million

The General Fund is the primary operating fund of the city. At the end of 2013 the unrestricted fund balance of the General Fund was \$39.1 million, while total fund balance was \$42.4 million. Unrestricted fund balance includes fund balance committed by city council, assigned by city management, and unassigned fund balance as disclosed in the Governmental Funds Balance Sheet. As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total fund expenditures and transfers out. For 2013, unassigned fund balance of \$28.2 million represents 24% of total general fund expenditures and transfers out of \$119.2 million. General Fund unassigned fund balance as a percentage of total expenditures and transfers out was 24% and 23% for 2012 and 2011, respectively.

The Open Space and Mountain Parks Fund and the Transportation Fund are special revenue funds, with 100% of their fund balance either restricted or assigned. Special revenue funds do not have unassigned fund balances since the act of accounting for the revenues within a special revenue fund assigns them to that fund's purpose. The Open Space and Mountain Parks Fund revenues are derived from sales taxes approved by the voters and other restricted revenue sources. 100% of the fund balance for Open Space and Mountain Parks Fund is restricted for acquisition and maintenance of the city's open space. The total fund balance of the Open Space and Mountain Parks Fund was \$16.9 million at December 31, 2013, a decrease of \$1.7 million from 2012. The Transportation Fund's revenue sources are generally restricted except for investment income. As of December 31, 2013, the Transportation Fund restricted fund balance was \$3.2 million and \$9.0 million is assigned for special purposes. The total Transportation fund balance was \$12.3 million at December 31, 2013, a \$2.5 million increase from 2012.

The 2011 Capital Improvement Fund is a capital project fund type. The fund balance is restricted to capital projects. Capital project funds do not have unassigned fund balances, similar to special revenue funds. Interest income, the only significant revenue source of the 2011 Capital Improvement Fund, declined due to lower fund balances and lower interest rates in 2013. The total fund balance of the 2011 Capital Improvement Fund at December 31, 2013 was \$34.0 million, a \$12.4 million decrease from 2012.

In the 2012 budget year, the City Council established a minimum target for unassigned General Fund balance of 10% of expenditures and transfers out, excluding expenditures funded by grants. City Council has approved a range of 10-15% for this target by policy. This minimum undesignated fund balance is available for emergency purposes, stabilization of funding of programs during periods of temporary revenue declines or temporary funding of programs to allow for controlled reductions in expenditures in periods of extended or permanent revenue reductions. The target range of 10-15% has been maintained since 2011.

### Proprietary Funds

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

As of December 31, 2013, the unrestricted net position of the Water Utility Fund was \$29.4 million, the Wastewater Utility Fund was \$11.8 million, the Stormwater and Flood Management Fund was \$16.2 million, the Downtown Commercial District Fund was \$5.1 million, the non-major enterprise funds were \$1.2 million. The total increase in net position for the proprietary funds was \$11.4 million. Factors concerning these funds have already been addressed in the discussion of the city's business-type activities.

### **General Fund Budgetary Highlights**

The city's final budget differs from the original budget in that it contains carry-forward appropriations for various programs and projects and supplemental appropriations approved during the fiscal year. The final budget for General Fund appropriations including transfers out



for 2013 was \$18.8 million greater than the original budget. The primary reasons for this difference are related to the following increases:

- \$2.1 million for flood recovery expenditures
- \$1.1 million operating carry-forward for the Transforming Boulder Business Initiative (TBBI) project which includes city-wide implementation of new business practices and policies along with supporting software
- \$0.8 million operating carry-forward for various information technology upgrades and replacements
- \$0.4 million for additional grant money expenditures
- \$0.4 million reimbursement for costs associated with construction of the new Wildland Fire Facility
- \$0.3 million for airport litigation expenditures
- \$2.9 million for affordable housing projects
- \$1.3 million for installation of new radio frequency identification (RFID) and automated materials handling systems at the library
- \$0.4 million for Education Excise Tax grants to community organizations
- \$1.4 million for encumbrance carryover
- \$4.6 million for operating carryovers from various programs and departments

On a basis consistent with the adopted budget, actual revenues and transfers in were \$5.3 million, or 4%, more than the final budget. Actual expenditures and transfers out were \$11.3 million, or 8%, less than the final budget. The net effect of these differences along with the extraordinary item was a favorable variance in actual revenues and expenditures to the fiscal year-end budgeted fund balance of \$18.4 million. The primary factors contributing to this favorable variance included the following:

- \$2.4 million more in intergovernmental and licenses, permits and fines than budgeted due to economic activity and significant construction projects
- \$1.8 million flood insurance claim recovery
- \$1.7 million less in expenditures for Community Planning & Sustainability purchases
- \$1.3 million less in expenditures related to technology services
- \$3.8 million less of unspent money related to the following projects or programs: Police Department (\$1.3 million), Contingencies (\$1.0 million), Energy Strategy (\$0.7 million), Education Access (\$0.5 million), and Education Excise Tax (\$0.3 million)
- Various smaller variances in both revenue and expenditures

## **Capital Assets and Debt Administration**

### **Capital Assets**

As can be seen from *Table 3*, the city's investment in capital assets for its governmental and business-type activities as of December 31, 2013 amounts to \$964.0 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, park facilities, transportation infrastructure, utility plant in service and undergrounds, water rights, underground drainage facilities, machinery, equipment and vehicles. The net increase in the city's investment in capital assets was \$31.1 million (3%) from 2012. Net capital assets of

governmental activities increased \$26.3 million (5%) and those of business-type activities increased \$4.8 million (1%).

**Table 3 - Capital Assets, Net of Depreciation** (dollars in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Land and easements	\$ 277,523	\$ 267,106	\$ 62,476	\$ 58,191	\$ 339,999	\$ 325,297
Buildings	57,721	54,189	27,112	28,510	84,833	82,699
Improvements other than buildings	39,206	41,827	3,084	3,344	42,290	45,171
Infrastructure	99,387	92,599	-	-	99,387	92,599
Utility plant in service and undergrounds	-	-	320,401	310,547	320,401	310,547
Machinery, equipment and vehicles	20,480	17,839	6,610	6,508	27,090	24,347
Construction in progress	45,844	40,347	4,138	11,922	49,982	52,269
Total	\$ 540,161	\$ 513,907	\$ 423,821	\$ 419,022	\$ 963,982	\$ 932,929

Some of the major capital asset activities during 2013 included the following:

Governmental activities:

- Construction in progress of several transportation infrastructure projects including: Pearl Parkway Multi-Use Path, Broadway – Euclid Multimodal, 14<sup>th</sup> Street & Walnut Transit Mall and Junction Place Bridge @ Goose Creek - \$3.3 million
- Completion of airport parking ramp (FAA) - \$1.1 million
- Completion of city buildings energy improvements - \$4.3 million
- Construction in progress for road pavement repairs and arterial road reconstruction funded by 2012 bond proceeds - \$3.8 million
- Land additions from Boulder Municipal Property Authority - \$0.7 million
- Several land acquisitions including Granite Opal Property @ 5770 Baseline Road - \$1.8 million, ERTL Property @ North 75<sup>th</sup> - \$ 2.6 million and Joder Arabian Ranch @ 7497 N. Foothills - \$4.6 million
- Network upgrade - \$0.8 million
- Completion of several transportation infrastructure projects including: 28<sup>th</sup> Street Baseline to Iris, 30<sup>th</sup> Street Access Improvements BTV Bluff-Walnut and 30<sup>th</sup> Street bike lanes - \$8.9 million
- Park & Recreation facility renovations - \$ 4.0 million
- Reservoir improvements - \$1.2 million
- New vehicle purchases - \$4.0 million
- Recognition of \$16.7 million in depreciation expense

Business-type activities:

- Waterline rehabilitation - \$2.4 million
- Completion of wastewater treatment plant improvements - \$9.6 million
- Wastewater Biosolids Digester & Disinfection System - \$0.7 million
- ERTL land secured thru Boulder Municipal Property Authority note - \$5.0 million
- New vehicle purchases - \$0.9 million
- Recognition of \$11.8 million in depreciation expense

Additional information on the city's capital assets can be found in Note I to the Financial Statements.

### Debt Administration

Table 4 summarizes the city's bonded debt as of the end of 2013 and 2012. At December 31, 2013, the city had total bonded debt (including certificates of participation) of \$174.0 million. Of this amount, \$90.1 million consisted of general obligation debt backed by the full faith and credit of the city. Another \$75.8 million represents bonds secured solely by specified revenue sources (revenue bonds and certificates of participation). The remaining \$8.2 million relates to pension obligation bonds. The pension obligation bonds are not backed by either specified revenue sources or taxes. The decreases in the bonds this year is directly related to the payments that the city makes on a semi-annual basis. The city did not refund or issue any new bonds in 2013.

**Table 4 - General Obligation Bonds, Revenue Bonds and Certificates of Participation Outstanding** (dollars in thousands)

	Governmental Activities *		Business-type Activities *		Total Primary Government	
	2013	2012	2013	2012	2013	2012
General obligation bonds	\$ 77,717	\$ 87,242	\$ 12,390	\$ 13,751	\$ 90,107	\$ 100,993
Revenue bonds	1,378	2,733	74,385	78,176	75,763	80,909
Pension obligation bonds	8,176	8,531	-	-	8,176	8,531
Total bonded debt	\$ 87,271	\$ 98,506	\$ 86,775	\$ 91,927	\$ 174,046	\$ 190,433

\* 2012 not restated for GASB 65

The city's general obligation credit rating is Aa1 by Moody's Investor Services, Inc. and AAA by Standard & Poor's Corporation. Under the City Charter, the city's general obligation debt issuances are subject to a legal limitation based on 3% of total assessed value of real and personal property. The city's general obligation debt is issued as sales tax revenue bonds enhanced by a general obligation pledge of the full faith and credit of the city. The city does not currently levy an ad valorem property tax for debt service even though authorized to do so. As a result, all bonded debt is considered to be self-supporting and the ratio of net bonded debt supported solely by property taxes to assessed valuation is zero.

Additional information on the city's bonded debt can be found in Note O to the Financial Statements.

### Other Significant Matters

#### Governmental Activities

As discussed above, the city suffered from severe flood conditions in September 2013. The preliminary damage estimate to the city's infrastructure is \$43 million. The city received \$1.9 million in insurance reimbursements during 2013 and this shows in the extraordinary section of the financial statements. At the end of 2013, in the governmental activities only, the city had \$5.9 million of flood related expenditures. The city expects to receive 87.5% (75% FEMA, 12.5% State) of FEMA eligible expenses. Not all of the \$43 million will be FEMA eligible.

Valmont Butte Allied Piles Site (VCUP) – In 2011, the city presented a voluntary cleanup plan to the Colorado Department of Public Health and Environment (CDPHE). This plan was approved under the Colorado Voluntary Cleanup Program. As required by CDPHE, site remediation actions in the VCUP started August 31, 2011 with an extended completion date of December 31, 2013. As of December 31, 2013, the city has expended a total of \$2.5 million on Valmont Butte cleanup with no additional liability remaining for continued cleanup responsibilities.

#### Business-type Activities

There were no Other Significant Matters to report for the business-type activities.

#### **Contacting the City's Financial Management**

This financial report is designed to provide the public, taxpayers, customers, investors and creditors with a general overview of the city's finances and to show the city's accountability for the funds and assets it receives. If you have questions about this report, or need additional financial information, contact the Financial Reporting Manager of the City of Boulder Finance Department at 1777 Broadway, Boulder, CO 80302.

## BASIC FINANCIAL STATEMENTS

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## CITY OF BOULDER, COLORADO

## Statement of Net Position

December 31, 2013

(Amounts in 000's)

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents	\$ 25,368	\$ 10,285	\$ 35,653
Investments	132,387	53,723	186,110
General property tax receivable	30,480	1,983	32,463
Sales tax receivable	13,003	-	13,003
Notes receivable	1,279	438	1,717
Other receivables (See Note H)	5,303	3,652	8,955
Restricted investments	34,743	4,337	39,080
Inventory of materials and supplies	95	165	260
Other assets	1,683	-	1,683
Prepaid net pension obligation	9,031	-	9,031
Capital assets (net of accumulated depreciation):			
Land and easements	277,523	62,476	339,999
Buildings	57,721	27,112	84,833
Improvements other than buildings	39,206	3,084	42,290
Infrastructure	99,387	-	99,387
Utility plant in service and undergrounds	-	320,401	320,401
Machinery, equipment and vehicles	20,480	6,610	27,090
Construction in progress	45,844	4,138	49,982
Total assets	<u>793,533</u>	<u>498,404</u>	<u>1,291,937</u>
Deferred outflows of resources	<u>360</u>	<u>3,721</u>	<u>4,081</u>
Liabilities:			
Accounts and accrued liabilities:			
Vouchers and accounts payable	6,845	1,934	8,779
Contracts and retainage payable	1,972	644	2,616
Accrued liabilities	3,287	3,425	6,712
Internal balances	5,558	(5,558)	-
Other liabilities	5,566	1,132	6,698
Unearned revenue	623	-	623
Water rights liability	-	2,254	2,254
Noncurrent liabilities:			
Due within one year	11,427	10,591	22,018
Due in more than one year	100,291	86,612	186,903
Total liabilities	<u>135,569</u>	<u>101,034</u>	<u>236,603</u>
Deferred inflows of resources:	<u>30,480</u>	<u>1,983</u>	<u>32,463</u>
Net position:			
Net investment in capital assets	480,321	331,096	811,417
Restricted for:			
Legally restricted	9,572	165	9,737
Debt service	1,077	-	1,077
Capital projects	4,608	100	4,708
Development	16,213	-	16,213
Lottery funds	1,513	-	1,513
Donor restrictions	739	-	739
Endowment	100	-	100
Unrestricted	113,701	67,747	181,448
Total net position	<u>\$ 627,844</u>	<u>\$ 399,108</u>	<u>\$ 1,026,952</u>

The accompanying notes are an integral part of this statement.

## CITY OF BOULDER, COLORADO

## Statement of Activities

Year ended December 31, 2013

(Amounts in 000's)

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:					
General Government	\$ 24,204	\$ (1,347)	\$ 7,546	47	\$ -
Administrative Services	11,120	(6,733)	1,163	-	-
Public Safety	47,854	2,614	1,652	658	12
Public Works	28,393	(835)	2,070	1,686	5,239
Planning & Development Services	4,854	1,233	7,710	-	-
Culture and Recreation	29,699	1,050	9,015	307	1,079
Open Space and Mountain Parks	15,250	773	423	11	1,300
Housing and Human Services	17,064	873	7,859	3,115	-
Interest on long-term debt	3,532	-	-	-	-
Total governmental activities	<u>181,970</u>	<u>(2,372)</u>	<u>37,438</u>	<u>5,824</u>	<u>7,630</u>
Business-type activities:					
Water utility	21,481	1,118	23,269	18	4,429
Wastewater utility	13,114	802	14,267	-	1,297
Stormwater and flood management	4,265	196	5,537	120	772
Parking facilities and services	6,597	256	4,905	-	-
Property and facility acquisition	1,118	-	1,625	-	-
Total business-type activities	<u>46,575</u>	<u>2,372</u>	<u>49,603</u>	<u>138</u>	<u>6,498</u>
Total government	<u>\$ 228,545</u>	<u>\$ -</u>	<u>\$ 87,041</u>	<u>\$ 5,962</u>	<u>\$ 14,128</u>

## General revenues:

## Taxes:

Sales and use taxes  
General property taxes  
Accommodation taxes  
Franchise taxes  
Specific Ownership & Tobacco taxes  
Excise taxes

Interest and investment earnings

Miscellaneous

Gain on Sale of Capital Assets

Transfers

Extraordinary item

Total general revenues,  
transfers and extraordinary item

Change in net position

Net position, beginning of year, before restatement

Restatement for change in accounting principle

Net position, beginning of year, as restated

Net position, end of year

The accompanying notes are an integral part of this statement.



Net (Expense) Revenue and  
Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (15,264)	\$ -	\$ (15,264)
(3,224)	-	(3,224)
(48,146)	-	(48,146)
(18,563)	-	(18,563)
1,623	-	1,623
(20,348)	-	(20,348)
(14,289)	-	(14,289)
(6,963)	-	(6,963)
(3,532)	-	(3,532)
<u>(128,706)</u>	<u>-</u>	<u>(128,706)</u>
-	5,117	5,117
-	1,648	1,648
-	1,968	1,968
-	(1,948)	(1,948)
-	507	507
-	7,292	7,292
<u>(128,706)</u>	<u>7,292</u>	<u>(121,414)</u>
104,136	118	104,254
29,434	1,976	31,410
5,192	844	6,036
12,815	-	12,815
1,839	60	1,899
1,338	-	1,338
755	301	1,056
1,678	91	1,769
3,878	-	3,878
(1,630)	1,630	-
1,888	-	1,888
<u>161,323</u>	<u>5,020</u>	<u>166,343</u>
32,617	12,312	44,929
595,987	387,723	983,710
(760)	(927)	(1,687)
<u>595,227</u>	<u>386,796</u>	<u>982,023</u>
<u>\$ 627,844</u>	<u>\$ 399,108</u>	<u>\$ 1,026,952</u>

## CITY OF BOULDER, COLORADO

## Balance Sheet

Governmental Funds

December 31, 2013

(Amounts in 000's)

<u>Assets and Deferred Outflows of Resources</u>	<u>General Fund</u>	<u>Open Space &amp; Mountain Parks Fund</u>	<u>Trans- portation Fund</u>	<u>2011 Capital Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Equity in pooled cash and cash equivalents	\$ 5,715	\$ 2,169	\$ 2,000	\$ 579	\$ 7,547	\$ 18,010
Investments	29,759	11,331	10,448	3,023	39,398	93,959
Receivables:						
General property taxes	28,162	-	-	-	2,318	30,480
Sales and use taxes	6,431	3,343	2,279	-	950	13,003
Accounts	2,244	30	410	-	293	2,977
Notes	1,155	-	-	-	124	1,279
Accrued interest	74	26	24	-	85	209
Intergovernmental	375	-	1,381	-	131	1,887
Other	9	-	2	36	-	47
Total receivables	38,450	3,399	4,096	36	3,901	49,882
Due from other funds	266	-	-	-	-	266
Advances to other funds	260	-	-	-	-	260
Inventory of materials and supplies	45	-	1	-	49	95
Restricted assets:						
Investments for special purposes	1,366	-	-	-	1,073	2,439
Investments for capital projects	-	-	-	31,621	-	31,621
Investments for debt service	-	683	-	-	-	683
Total restricted assets	1,366	683	-	31,621	1,073	34,743
Other assets	1,501	-	-	-	-	1,501
 Total assets	 77,362	 17,582	 16,545	 35,259	 51,968	 198,716
Deferred outflows of resources						
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	\$ 77,362	\$ 17,582	\$ 16,545	\$ 35,259	\$ 51,968	\$ 198,716

The accompanying notes are an integral part of this statement.

<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>	<u>General Fund</u>	<u>Open Space &amp; Mountain Parks Fund</u>	<u>Trans- portation Fund</u>	<u>2011 Capital Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Liabilities:</b>						
Accounts and accrued liabilities:						
Vouchers and accounts payable	\$ 1,944	\$ 361	\$ 1,210	\$ 727	\$ 1,801	\$ 6,043
Contracts and retainage payable	55	-	200	541	87	883
Accrued salaries, wages and amounts withheld from employees	1,566	175	164	12	417	2,334
Due to other funds	643	148	-	-	80	871
Advances from other funds	1,846	-	-	-	260	2,106
Other liabilities	26	1	1,995	-	3,274	5,296
Unearned revenue:						
Other	658	-	3	-	35	696
Total liabilities	<u>6,738</u>	<u>685</u>	<u>3,572</u>	<u>1,280</u>	<u>5,954</u>	<u>18,229</u>
<b>Deferred inflows of resources:</b>						
Property Tax	28,162	-	-	-	2,318	30,480
Unavailable fund resources	20	-	716	-	-	736
Total deferred inflows of resources	<u>28,182</u>	<u>-</u>	<u>716</u>	<u>-</u>	<u>2,318</u>	<u>31,216</u>
<b>Fund balances:</b>						
Nonspendable:						
Prepaid	1,501	-	-	-	-	1,501
Inventory	45	-	1	-	49	95
Endowment	100	-	-	-	-	100
Restricted for:						
Legally restricted	1,130	-	3,240	-	5,202	9,572
Debt service	428	649	-	-	-	1,077
Capital projects	-	-	-	33,979	2,250	36,229
Development	-	16,213	-	-	-	16,213
Lottery funds	-	-	-	-	1,513	1,513
Donor restrictions	136	35	-	-	568	739
Committed to:						
Affordable housing	-	-	-	-	19,376	19,376
Assigned to:						
Special purposes	9,167	-	9,016	-	14,738	32,921
Contractual obligations	1,719	-	-	-	-	1,719
Unassigned	28,216	-	-	-	-	28,216
Total fund balances	<u>42,442</u>	<u>16,897</u>	<u>12,257</u>	<u>33,979</u>	<u>43,696</u>	<u>149,271</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 77,362</u>	<u>\$ 17,582</u>	<u>\$ 16,545</u>	<u>\$ 35,259</u>	<u>\$ 51,968</u>	<u>\$ 198,716</u>

CITY OF BOULDER, COLORADO

Reconciliation of the Governmental Funds Balance Sheet  
to the Government-wide Statement of Net Position

December 31, 2013

(Amounts in 000's)

Total governmental fund balances	\$	149,271
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Amounts reported for governmental activities in the statement of net position  
are different because:

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

Capital assets - governmental funds	800,690	
Accumulated depreciation - governmental funds	<u>(323,098)</u>	
Net book value of capital assets in governmental funds		477,592

Accumulated difference between the actual pension contributions expensed in the  
governmental funds and the actuarially determined annual pension cost expensed  
in the government-wide statements.

Police prepaid net pension obligation	\$	5,243	
Fire prepaid net pension obligation		<u>3,788</u>	9,031

Internal service funds are used by management to charge the costs of insurance, capital asset replacement and other activities to individual funds. The majority of the assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		91,582
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Long-term liabilities, including bonds payable and bonds interest payable, are not due and payable in the current period and therefore are not reported in the funds.	(100,421)
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Because the focus of governmental funds is on short-term financing, some assets will  
not be available to pay for current-period expenditures. Those assets (for example,  
receivables) are offset by unearned revenues in the governmental funds and thus are  
not included in fund balance.

Special assessments receivable	14	
Intergovernmental revenues	<u>775</u>	<u>789</u>

Net position of governmental activities	\$	<u><u>627,844</u></u>
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The accompanying notes are an integral part of this statement.

## CITY OF BOULDER, COLORADO

## Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year ended December 31, 2013

(Amounts in 000's)

	General Fund	Open Space & Mountain Parks Fund	Trans- portation Fund	2011 Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes:						
Sales and use taxes	\$ 51,375	\$ 26,771	\$ 18,144	\$ -	\$ 7,846	\$ 104,136
General property taxes	27,194	-	-	-	2,240	29,434
Accommodation taxes	5,192	-	-	-	-	5,192
Franchise taxes	10,938	-	-	-	1,877	12,815
Specific Ownership & Tobacco taxes	1,839	-	-	-	-	1,839
Excise taxes	329	-	-	-	1,009	1,338
Charges for services	5,032	129	-	-	17,509	22,670
Sale of goods	197	-	19	-	647	863
Licenses, permits and fines	6,334	79	-	-	5,743	12,156
Intergovernmental	1,710	1,300	6,482	-	3,856	13,348
Leases, rents and royalties	219	229	102	-	1,815	2,365
Interest and investment earnings	128	47	49	115	224	563
Other	745	45	209	2	555	1,556
Total revenues	<u>111,232</u>	<u>28,600</u>	<u>25,005</u>	<u>117</u>	<u>43,321</u>	<u>208,275</u>
Expenditures:						
Current:						
General Government	18,575	-	-	-	1,586	20,161
Administrative Services	10,024	-	-	-	-	10,024
Public Safety	48,122	80	-	-	-	48,202
Public Works	5,529	-	20,797	-	1,570	27,896
Planning & Development Services	43	-	-	-	4,616	4,659
Culture and Recreation	12,585	-	-	-	15,504	28,089
Open Space and Mountain Parks	193	21,975	-	-	353	22,521
Housing and Human Services	10,278	-	-	-	9,948	20,226
Capital outlay	-	-	-	15,949	3,269	19,218
Debt service payments:						
Principal	3,115	6,050	-	-	2,036	11,201
Interest	2,341	1,020	-	-	188	3,549
Base rentals to Boulder Municipal Property Authority	-	1,625	-	-	-	1,625
Total expenditures	<u>110,805</u>	<u>30,750</u>	<u>20,797</u>	<u>15,949</u>	<u>39,070</u>	<u>217,371</u>
Excess (deficiency) of revenues over (under) expenditures	<u>427</u>	<u>(2,150)</u>	<u>4,208</u>	<u>(15,832)</u>	<u>4,251</u>	<u>(9,096)</u>
Other financing sources (uses):						
Sale of capital assets	-	257	-	-	-	257
Capital lease financing	-	-	-	-	107	107
Extraordinary item	1,888	-	-	-	-	1,888
Transfers in	10,283	1,233	22	3,467	5,366	20,371
Transfers out	(8,411)	(1,067)	(1,743)	-	(7,432)	(18,653)
Total other financing sources (uses)	<u>3,760</u>	<u>423</u>	<u>(1,721)</u>	<u>3,467</u>	<u>(1,959)</u>	<u>3,970</u>
Net change in fund balances	4,187	(1,727)	2,487	(12,365)	2,292	(5,126)
Fund balances, beginning of year	<u>38,255</u>	<u>18,624</u>	<u>9,770</u>	<u>46,344</u>	<u>41,404</u>	<u>154,397</u>
Fund balances, end of year	<u>\$ 42,442</u>	<u>\$ 16,897</u>	<u>\$ 12,257</u>	<u>\$ 33,979</u>	<u>\$ 43,696</u>	<u>\$ 149,271</u>

The accompanying notes are an integral part of this statement.

CITY OF BOULDER, COLORADO

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and  
Changes in Fund Balances to the Government-wide Statement of Activities

Year ended December 31, 2013

(Amounts in 000's)

Net change in fund balances - total governmental funds \$ (5,126)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Governmental Activities capital asset additions	\$ 43,736	
Governmental Activities capital asset deletions	(2,952)	
Internal Service Funds capital asset additions	(8,090)	
Internal Service Funds capital asset deletions	2,395	
Governmental funds capital asset depreciation expense	<u>(9,910)</u>	25,179

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

11,596

Some revenues reported in the statement of activities are not available as current financial resources and, therefore, are not reported as revenues in governmental funds. Negative amounts indicate a decrease in accruals between fiscal years.

Examples are revenues from special assessments, property taxes and notes receivable.

Interest on notes receivable	\$ 3	
Special assessments - Public Works	(14)	
Intergovernmental revenue - Public Works	<u>(520)</u>	(531)

Internal service funds are used by management to charge the costs of insurance, capital asset replacement and other activities to individual funds. A portion of the net revenue of the internal service funds is reported with governmental activities.

Allocation of net profit	1,837
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The decrease in the prepaid net pension obligation resulting from contributions greater than the annual required contribution is not a financial resource and is not reported in the funds.	(338)
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Change in net position of governmental activities	\$ <u><u>32,617</u></u>
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The accompanying notes are an integral part of this statement.

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CITY OF BOULDER, COLORADO

Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Budget and Actual  
(Budgetary Basis)

General Fund

Year ended December 31, 2013  
(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Taxes:				
Sales and use taxes	\$ 47,379	\$ 47,379	\$ 51,375	\$ 3,996
General property taxes	27,678	27,691	27,194	(497)
Accommodations taxes	4,939	4,939	5,192	253
Franchise taxes	10,233	10,307	10,938	631
Specific ownership & tobacco taxes	1,599	1,599	1,839	240
Excise taxes	100	165	329	164
Charges for services	4,099	4,262	5,032	770
Sale of goods	153	212	197	(15)
Licenses, permits and fines	6,019	6,071	6,334	263
Intergovernmental	682	1,457	1,710	253
Leases, rents and royalties	248	248	219	(29)
Interest and investment earnings	577	577	243	(334)
Other	610	1,589	745	(844)
Total revenues	<u>104,316</u>	<u>106,496</u>	<u>111,347</u>	<u>4,851</u>
Expenditures:				
Current:				
General Government	16,046	23,561	19,476	4,085
Administrative Services	10,212	13,198	10,411	2,787
Public Safety	49,158	51,247	50,274	973
Public Works	5,413	5,588	5,588	-
Planning & Development Services	43	43	43	-
Culture and Recreation	13,011	14,744	12,857	1,887
Open Space and Mountain Parks	193	193	193	-
Housing and Human Services	9,005	12,992	10,296	2,696
Debt service payments:				
Principal	3,115	3,115	3,115	-
Interest	2,264	2,264	2,341	(77)
Total expenditures	<u>108,460</u>	<u>126,945</u>	<u>114,594</u>	<u>12,351</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,144)</u>	<u>(20,449)</u>	<u>(3,247)</u>	<u>17,202</u>

(continued)

The accompanying notes are an integral part of this statement



	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Other financing sources (uses):				
Extraordinary Item	-	-	1,888	1,888
Transfers in	15,257	16,458	16,871	413
Transfers out	<u>(13,856)</u>	<u>(14,216)</u>	<u>(15,265)</u>	<u>(1,049)</u>
Total other financing sources (uses)	<u>1,401</u>	<u>2,242</u>	<u>3,494</u>	<u>1,252</u>
Net change in fund balance	\$ <u>(2,743)</u>	\$ <u>(18,207)</u>	247	\$ <u>18,454</u>
Encumbrances, end of year			1,767	
Fund balance, beginning of year, basis of budgeting			<u>41,681</u>	
Fund balance, end of year, basis of budgeting			43,751	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			(77)	
Accrued salaries, wages and amounts withheld from employees			(1,729)	
Change in accrued interest payable			(3)	
Due to other funds			(304)	
Notes Receivable			1,115	
Advances from other funds			<u>(311)</u>	
Fund balance, end of year, GAAP basis			\$ <u>42,442</u>	

## CITY OF BOULDER, COLORADO

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Open Space and Mountain Parks Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Taxes:				
Sales and use taxes	\$ 24,840	\$ 24,840	\$ 26,771	\$ 1,931
Charges for services	-	-	129	129
Licenses, permits and fines	-	-	79	79
Intergovernmental	-	1,326	1,300	(26)
Leases, rents and royalties	325	325	229	(96)
Interest and investment earnings	325	325	103	(222)
Other	-	3	45	42
Total revenues	<u>25,490</u>	<u>26,819</u>	<u>28,656</u>	<u>1,837</u>
Expenditures:				
Current:				
Public Safety	85	85	80	5
Open Space and Mountain Parks	16,365	26,197	23,100	3,097
Debt service payments:				
Principal	6,050	6,050	6,050	-
Interest	1,020	1,020	1,020	-
Base rentals to Boulder Municipal Property				
Authority Debt Service Fund	1,597	1,625	1,625	-
Total expenditures	<u>25,117</u>	<u>34,977</u>	<u>31,875</u>	<u>3,102</u>
Excess (deficiency) of revenues over (under) expenditures	<u>373</u>	<u>(8,158)</u>	<u>(3,219)</u>	<u>4,939</u>
Other financing sources (uses):				
Sale of capital assets	-	256	257	1
Transfers in	1,233	1,233	1,233	-
Transfers out	(1,067)	(1,067)	(1,067)	-
Total other financing sources (uses)	<u>166</u>	<u>422</u>	<u>423</u>	<u>1</u>
Net change in fund balance	\$ <u>539</u>	\$ <u>(7,736)</u>	(2,796)	\$ <u>4,940</u>
Encumbrances, end of year			908	
Fund balance, beginning of year, basis of budgeting			<u>18,925</u>	
Fund balance, end of year, basis of budgeting			<u>17,037</u>	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			35	
Accrued salaries, wages and amounts withheld from employees			<u>(175)</u>	
Fund balance, end of year, GAAP basis			\$ <u>16,897</u>	

The accompanying notes are an integral part of this statement.

CITY OF BOULDER, COLORADO

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)

Transportation Fund

Year ended December 31, 2013

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	<u>final budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Taxes:				
Sales and use taxes	\$ 16,894	\$ 16,894	\$ 18,144	\$ 1,250
Sale of goods	-	-	19	19
Licenses, permits and fines	-	21	-	(21)
Intergovernmental	11,981	17,094	6,482	(10,612)
Leases, rents and royalties	99	99	102	3
Interest and investment earnings	50	50	71	21
Other	78	87	209	122
Total revenues	<u>29,102</u>	<u>34,245</u>	<u>25,027</u>	<u>(9,218)</u>
Expenditures:				
Current:				
Public Works	<u>29,496</u>	<u>40,687</u>	<u>26,968</u>	<u>13,719</u>
Total expenditures	<u>29,496</u>	<u>40,687</u>	<u>26,968</u>	<u>13,719</u>
Excess (deficiency) of revenues				
over (under) expenditures	<u>(394)</u>	<u>(6,442)</u>	<u>(1,941)</u>	<u>4,501</u>
Other financing sources (uses):				
Transfers in	-	22	22	-
Transfers out	<u>(1,743)</u>	<u>(1,743)</u>	<u>(1,743)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,743)</u>	<u>(1,721)</u>	<u>(1,721)</u>	<u>-</u>
Net change in fund balance	\$ <u>(2,137)</u>	\$ <u>(8,163)</u>	(3,662)	\$ <u>4,501</u>
Encumbrances, end of year			6,023	
Fund balance, beginning of year, basis of budgeting			7,409	
Prior Year Restatement of budgetary Fund Balance			<u>2,618</u>	
Fund balance, end of year, basis of budgeting			12,388	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			33	
Accrued salaries, wages and amounts				
withheld from employees			<u>(164)</u>	
Fund balance, end of year, GAAP basis			\$ <u>12,257</u>	

The accompanying notes are an integral part of this statement.

## CITY OF BOULDER, COLORADO

## Statement of Net Position

Proprietary Funds

December 31, 2013

(Amounts in 000's)

	Water Utility <u>Fund</u>	Wastewater Utility <u>Fund</u>	Stormwater and Flood Management <u>Fund</u>
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents	\$ 4,878	\$ 1,857	\$ 2,658
Investments	25,490	9,704	13,883
Receivables:			
General property taxes	-	-	-
Accounts	1,105	775	240
Charges for services	554	442	194
Notes - current installments	-	-	-
Accrued interest	61	22	31
Intergovernmental	8	25	111
Total receivables	1,728	1,264	576
Due from other funds	-	41	-
Advances to other funds	714	-	-
Inventory of materials and supplies	161	4	-
Other assets - prepaid expenses	-	-	-
Total current assets	32,971	12,870	17,117
Noncurrent assets:			
Advances to other funds	-	-	-
Notes receivable - less current installments	-	-	-
Restricted assets:			
Investments for bond reserves	2,935	670	325
Investments for capital projects	99	-	-
Total restricted assets	3,034	670	325
Capital assets:			
Land and easements	20,970	1,633	16,088
Buildings	1,382	2,199	764
Improvements other than buildings	131	392	965
Infrastructure	-	-	-
Utility plant in service	278,451	141,691	-
Undergrounds - drainage facilities	-	-	70,079
Vehicles	2,800	2,317	1,246
Machinery and equipment	2,245	1,203	345
	305,979	149,435	89,487
Less accumulated depreciation	(103,070)	(53,082)	(20,656)
	202,909	96,353	68,831
Construction in progress	1,401	627	1,546
Total capital assets, net of accumulated depreciation	204,310	96,980	70,377
Total noncurrent assets	207,344	97,650	70,702
Total assets	240,315	110,520	87,819
Deferred outflows of resources			
Deferred loss on refunding	721	2,736	16
Total assets and deferred outflows of resources	\$ 241,036	\$ 113,256	\$ 87,835

The accompanying notes are an integral part of this statement.

<u>Downtown Commercial District</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 762	\$ 130	\$ 10,285	\$ 7,358
3,962	684	53,723	38,428
1,928	55	1,983	-
56	-	2,176	27
-	-	1,190	-
-	139	139	-
9	14	137	83
5	-	149	73
<u>1,998</u>	<u>208</u>	<u>5,774</u>	<u>183</u>
643	148	832	57
16	-	730	140
-	-	165	-
-	-	-	182
<u>7,381</u>	<u>1,170</u>	<u>71,509</u>	<u>46,348</u>
-	-	-	992
-	299	299	-
308	-	4,238	-
-	-	99	-
<u>308</u>	<u>-</u>	<u>4,337</u>	<u>-</u>
2,333	21,452	62,476	102
38,412	6,433	49,190	87,439
5,205	58	6,751	8,611
6	-	6	-
-	-	420,142	-
-	-	70,079	-
97	83	6,543	29,775
<u>1,369</u>	<u>247</u>	<u>5,409</u>	<u>10,453</u>
47,422	28,273	620,596	136,380
<u>(20,804)</u>	<u>(3,301)</u>	<u>(200,913)</u>	<u>(74,234)</u>
26,618	24,972	419,683	62,146
564	-	4,138	423
<u>27,182</u>	<u>24,972</u>	<u>423,821</u>	<u>62,569</u>
<u>27,490</u>	<u>25,271</u>	<u>428,457</u>	<u>63,561</u>
<u>34,871</u>	<u>26,441</u>	<u>499,966</u>	<u>109,909</u>
<u>248</u>	<u>-</u>	<u>3,721</u>	<u>139</u>
\$ <u>35,119</u>	\$ <u>26,441</u>	\$ <u>503,687</u>	\$ <u>110,048</u>

(continued)

## CITY OF BOULDER, COLORADO

Statement of Net Position,  
continuedProprietary Funds

December 31, 2013

(Amounts in 000's)

	Water Utility Fund	Wastewater Utility Fund	Stormwater and Flood Management Fund
Liabilities:			
Current liabilities:			
Accounts and accrued liabilities:			
Vouchers and accounts payable	\$ 637	\$ 370	\$ 831
Contracts and retainage payable	190	451	3
Accrued salaries, wages and amounts withheld from employees	170	130	43
Accrued interest	91	139	4
Accrued claims liability	-	-	-
Due to other funds	-	-	41
Advances from other funds	-	-	-
Other liabilities	709	89	314
General obligation bonds payable	-	-	-
Revenue bonds payable	4,360	2,475	335
Revenue notes payable (current portion)	-	-	-
Capitalized lease obligations	-	-	-
Compensated absences payable	75	60	20
Total current liabilities	<u>6,232</u>	<u>3,714</u>	<u>1,591</u>
Noncurrent liabilities:			
Accounts and accrued liabilities:			
Accrued landfill cleanup liability	-	2,531	-
Accrued claims liability	-	-	-
Future water rights	2,254	-	-
General obligation bonds payable (net of premium)	-	-	-
Revenue bonds payable (net of premium)	24,943	40,808	1,464
Revenue notes payable	-	-	-
Capitalized lease obligations	-	-	-
Compensated absences payable	426	489	25
Retiree health care benefit	90	70	25
Total noncurrent liabilities	<u>27,713</u>	<u>43,898</u>	<u>1,514</u>
Total liabilities	<u>33,945</u>	<u>47,612</u>	<u>3,105</u>
Deferred inflows of resources:			
Property Tax	<u>-</u>	<u>-</u>	<u>-</u>
Net position:			
Net investment in capital assets	177,631	53,861	68,530
Restricted for:			
Legally restricted - emergency reserve	-	-	-
Capital projects	100	-	-
Unrestricted	<u>29,360</u>	<u>11,783</u>	<u>16,200</u>
Total net position	<u>\$ 207,091</u>	<u>\$ 65,644</u>	<u>\$ 84,730</u>

The accompanying notes are an integral part of this statement.

	Downtown Commercial District	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
\$	91	\$ 5	\$ 1,934	\$ 802
	-	-	644	1,089
	32	6	381	63
	132	147	513	57
	-	-	-	929
	-	-	41	243
	-	16	16	-
	11	9	1,132	250
	1,495	-	1,495	-
	-	-	7,170	-
	-	1,771	1,771	-
	-	-	-	514
	-	-	155	11
	<u>1,761</u>	<u>1,954</u>	<u>15,252</u>	<u>3,958</u>
	-	-	2,531	-
	-	-	-	974
	-	-	2,254	-
	10,895	-	10,895	-
	-	-	67,215	-
	-	7,178	7,178	-
	-	-	-	9,374
	124	27	1,091	80
	44	4	233	27
	<u>11,063</u>	<u>7,209</u>	<u>91,397</u>	<u>10,455</u>
	<u>12,824</u>	<u>9,163</u>	<u>106,649</u>	<u>14,413</u>
	<u>1,928</u>	<u>55</u>	<u>1,983</u>	<u>-</u>
	15,051	16,023	331,096	51,449
	159	6	165	-
	-	-	100	-
	<u>5,157</u>	<u>1,194</u>	<u>63,694</u>	<u>44,186</u>
\$	<u>20,367</u>	\$ <u>17,223</u>	395,055	\$ <u>95,635</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				<u>4,053</u>
Net position of business-type activities				\$ <u><u>399,108</u></u>

## CITY OF BOULDER, COLORADO

## Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

Year ended December 31, 2013

(Amounts in 000's)

	Water Utility <u>Fund</u>	Wastewater Utility <u>Fund</u>	Stormwater and Flood Management <u>Fund</u>
Operating revenues:			
Charges for services	\$ 23,239	\$ 14,235	\$ 5,508
Leases, rents and royalties	-	-	-
Total operating revenues	<u>23,239</u>	<u>14,235</u>	<u>5,508</u>
Operating expenses:			
Personnel	6,387	4,513	1,556
Non-personnel	6,811	3,852	1,607
Depreciation	<u>5,583</u>	<u>3,432</u>	<u>1,143</u>
Total operating expenses	<u>18,781</u>	<u>11,797</u>	<u>4,306</u>
Operating income (loss)	<u>4,458</u>	<u>2,438</u>	<u>1,202</u>
Nonoperating revenues (expenses):			
Interest and investment earnings	144	43	61
Leases, rents and royalties	30	32	29
Intergovernmental revenue	-	-	120
Sales and use tax	-	-	-
General property taxes	-	-	-
Accommodations taxes	-	-	-
Specific ownership & tobacco taxes	-	-	-
Interest expense	(1,268)	(1,135)	(24)
Contribution expense - future water rights	(1,831)	-	-
Gain (loss) on disposition of capital assets	(44)	(14)	-
Other, net	<u>50</u>	<u>29</u>	<u>2</u>
Total nonoperating revenues (expenses)	<u>(2,919)</u>	<u>(1,045)</u>	<u>188</u>
Income before capital contributions and transfers	1,539	1,393	1,390
Capital contributions	4,411	1,297	772
Transfers in	424	493	-
Transfers out	<u>(1,447)</u>	<u>(1,084)</u>	<u>(347)</u>
Changes in net position	<u>4,927</u>	<u>2,099</u>	<u>1,815</u>
Total net position, beginning of year, before restatement	202,368	63,989	82,963
Restatement for change in accounting principle	<u>(204)</u>	<u>(444)</u>	<u>(48)</u>
Total net position, beginning of year, as restated	<u>202,164</u>	<u>63,545</u>	<u>82,915</u>
Total net position, end of year	<u>\$ 207,091</u>	<u>\$ 65,644</u>	<u>\$ 84,730</u>

The accompanying notes are an integral part of this statement.



<u>Downtown Commercial District</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 4,568	\$ 121	\$ 47,671	\$ 18,273
-	1,625	1,625	-
<u>4,568</u>	<u>1,746</u>	<u>49,296</u>	<u>18,273</u>
1,382	265	14,103	2,624
2,807	243	15,320	6,564
<u>1,489</u>	<u>182</u>	<u>11,829</u>	<u>6,820</u>
<u>5,678</u>	<u>690</u>	<u>41,252</u>	<u>16,008</u>
(1,110)	1,056	8,044	2,265
25	28	301	173
216	-	307	20
-	-	120	-
118	-	118	-
1,922	54	1,976	-
844	-	844	-
57	3	60	-
(292)	(260)	(2,979)	(366)
-	-	(1,831)	-
-	(715)	(773)	346
<u>8</u>	<u>1</u>	<u>90</u>	<u>187</u>
<u>2,898</u>	<u>(889)</u>	<u>(1,767)</u>	<u>360</u>
1,788	167	6,277	2,625
-	-	6,480	485
1,475	400	2,792	4,263
<u>(1,336)</u>	<u>(208)</u>	<u>(4,422)</u>	<u>(4,351)</u>
<u>1,927</u>	<u>359</u>	<u>11,127</u>	<u>3,022</u>
18,671	16,864		92,613
<u>(231)</u>	<u>-</u>		<u>-</u>
<u>18,440</u>	<u>16,864</u>		<u>92,613</u>
\$ <u>20,367</u>	\$ <u>17,223</u>		\$ <u>95,635</u>

Adjustment to reflect the consolidation  
of internal service fund activities  
related to enterprise funds

1,185

Change in net position of  
business-type activities

\$ 12,312

CITY OF BOULDER, COLORADO

Statement of Cash Flows

Proprietary Funds

Year ended December 31, 2013

(Amounts in 000's)

	Water Utility <u>Fund</u>	Wastewater Utility <u>Fund</u>	Stormwater and Flood Management <u>Fund</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 22,528	\$ 13,599	\$ 5,489
Receipts from interfund services provided	-	-	-
Other receipts (payments)	60	100	316
Refundable deposits receipts (payments)	-	-	-
Payments to suppliers	(7,462)	(3,779)	(1,163)
Payments to employees	(6,625)	(4,619)	(1,607)
Payment for interfund services used	370	(330)	(58)
Net cash provided by operating activities	<u>8,871</u>	<u>4,971</u>	<u>2,977</u>
Cash flows from noncapital financing activities:			
Payments from (to) other funds			
on due from (due to) balances	-	(43)	43
Payments from (to) other funds on advances	55	-	-
Leases, rents and royalties	30	32	29
Intergovernmental revenue	-	-	80
Sales and use tax	-	-	-
General property taxes	-	-	-
Accommodations taxes	-	-	-
Specific ownership & tobacco taxes	-	-	-
Transfers in	-	-	-
Transfers out	(1,447)	(1,084)	(347)
Net cash provided (used) by noncapital financing activities	<u>(1,362)</u>	<u>(1,095)</u>	<u>(195)</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(5,860)	(2,407)	(1,258)
Proceeds from sale or transfer of property and equipment	-	-	-
Contractual payment - future water rights	(2,395)	-	-
Principal paid on notes payable, bonds payable and capitalized lease obligations	(4,210)	(2,390)	(335)
Interest paid on notes payable, bonds payable, and capitalized lease obligations	(1,184)	(1,559)	(32)
Payment received on note receivable due from County for sale of land	-	-	-
Capital contributions	4,032	1,004	605
Net cash (used) for capital related financing activities	<u>(9,617)</u>	<u>(5,352)</u>	<u>(1,020)</u>

The accompanying notes are an integral part of this statement.

Downtown Commercial District	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 4,563	\$ 1,761	\$ 47,940	\$ 4,492
-	-	-	13,821
8	4	488	187
-	-	-	(1,018)
(2,807)	(246)	(15,457)	(8,649)
(1,427)	(272)	(14,550)	(2,860)
-	-	(18)	-
<u>337</u>	<u>1,247</u>	<u>18,403</u>	<u>5,973</u>
(643)	-	(643)	-
2	(2)	55	135
216	-	307	20
(1)	-	79	(285)
128	-	128	-
1,922	54	1,976	-
844	-	844	-
57	3	60	-
1,475	400	1,875	4,263
(1,336)	(208)	(4,422)	(3,434)
<u>2,664</u>	<u>247</u>	<u>259</u>	<u>699</u>
(564)	(4)	(10,093)	(8,623)
-	4	4	466
-	-	(2,395)	-
(1,529)	(1,364)	(9,828)	(503)
(337)	(276)	(3,388)	(349)
-	132	132	-
-	-	5,641	349
<u>(2,430)</u>	<u>(1,508)</u>	<u>(19,927)</u>	<u>(8,660)</u>

(continued)

CITY OF BOULDER, COLORADO

Statement of Cash Flows,  
continued

Proprietary Funds

Year ended December 31, 2013

(Amounts in 000's)

	Water Utility <u>Fund</u>	Wastewater Utility <u>Fund</u>	Stormwater and Flood Management <u>Fund</u>
Cash flows from investing activities:			
Purchase of investment securities	\$ (8,607)	\$ (3,130)	\$ (4,287)
Proceeds from sale and maturities of investment securities	14,693	6,110	4,791
Interest on investments	<u>109</u>	<u>35</u>	<u>32</u>
Net cash provided in investing activities	<u>6,195</u>	<u>3,015</u>	<u>536</u>
Net increase in cash and cash equivalents	4,087	1,539	2,298
Cash and cash equivalents, January 1	<u>791</u>	<u>318</u>	<u>360</u>
Cash and cash equivalents, December 31	\$ <u><u>4,878</u></u>	\$ <u><u>1,857</u></u>	\$ <u><u>2,658</u></u>

The accompanying notes are an integral part of this statement.

<u>Downtown Commercial District</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
\$ (1,288)	\$ (220)	\$ (17,532)	\$ (11,404)
1,354	314	27,262	19,356
<u>18</u>	<u>31</u>	<u>225</u>	<u>249</u>
<u>84</u>	<u>125</u>	<u>9,955</u>	<u>8,201</u>
655	111	8,690	6,213
<u>107</u>	<u>19</u>	<u>1,595</u>	<u>1,145</u>
\$ <u><u>762</u></u>	\$ <u><u>130</u></u>	\$ <u><u>10,285</u></u>	\$ <u><u>7,358</u></u>

(continued)

## CITY OF BOULDER, COLORADO

Statement of Cash Flows,  
continuedProprietary Funds

Year ended December 31, 2013

(Amounts in 000's)

	Water Utility Fund	Wastewater Utility Fund	Stormwater and Flood Management Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 4,458	\$ 2,438	\$ 1,202
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	5,583	3,432	1,143
Other nonoperating revenues (expenses)	50	29	2
Change in assets and liabilities:			
(Increase) decrease in assets:			
Accounts receivable	(777)	(647)	(42)
Charges for services receivable	66	11	20
Due from other funds	-	-	-
Inventory of materials and supplies	42	(4)	1
Other assets - prepaid expenses	-	-	-
Increase (decrease) in liabilities:			
Vouchers and accounts payable	(323)	(253)	386
Accrued salaries, wages and amounts withheld from employees	(189)	(126)	(40)
Accrued claims liability	-	-	-
Other liabilities	10	71	314
Other liabilities - refundable deposits	-	-	-
Unearned revenue	-	-	-
Compensated absences	(57)	14	(12)
Retiree health care benefit	8	6	3
Total adjustments	4,413	2,533	1,775
Net cash provided by operating activities	\$ 8,871	\$ 4,971	\$ 2,977
Noncash investing, capital and financing activities:			
Assets acquired through:			
Capital contributions:			
From governmental funds	\$ -	\$ -	\$ -
From internal service funds	424	493	-
Other	431	268	167
Issuance of long-term lease purchase revenue notes	-	-	-
Financed through accounts, contracts and retainage payable	67	50	359
Amortization of bond premium	(107)	(765)	(12)
Amortization of deferred loss on bond refundings	202	348	5
Assets transferred to other funds	-	-	-
Increase in fair value of investments	85	29	45
	\$ 1,102	\$ 423	\$ 564

The accompanying notes are an integral part of this statement.

<u>Downtown Commercial District</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
\$ <u>(1,110)</u>	\$ <u>1,056</u>	\$ <u>8,044</u>	\$ <u>2,265</u>
1,489	182	11,829	6,820
8	-	89	187
(5)	-	(1,471)	66
-	-	97	-
-	15	15	-
-	-	39	-
-	-	-	22
-	1	(189)	(1,250)
(42)	-	(397)	(145)
-	-	-	(264)
-	(7)	388	(594)
-	-	-	(1,018)
-	-	-	(26)
(8)	-	(63)	(103)
5	-	22	13
<u>1,447</u>	<u>191</u>	<u>10,359</u>	<u>3,708</u>
\$ <u><u>337</u></u>	\$ <u><u>1,247</u></u>	\$ <u><u>18,403</u></u>	\$ <u><u>5,973</u></u>
\$ -	\$ -	\$ -	\$ 136
-	-	917	-
-	-	866	-
-	5,000	5,000	-
48	-	524	171
(126)	-	(1,010)	-
46	-	601	-
-	(715)	(715)	(917)
12	2	173	(13)
\$ <u><u>(20)</u></u>	\$ <u><u>4,287</u></u>	\$ <u><u>6,356</u></u>	\$ <u><u>(623)</u></u>

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## FIDUCIARY FUNDS

Pension Trust Funds account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by employees and the City at amounts determined by biennial actuarial studies and by State law.

The City of Boulder has the following pension trust funds:

Police Pension Fund – to account for retirement annuity payments for the City’s police officers.

Fire Pension Fund – to account for retirement annuity payments for the City’s fire fighters.

CITY OF BOULDER, COLORADO

Statement of Fiduciary Net Position

Pension Trust Funds

December 31, 2013

(Amounts in 000's)

Assets:

Equity in pooled cash and cash equivalents	\$ 19
Investments:	
U.S. Treasuries	213
U.S. Agencies & Instrumentalities	828
Mutual Funds	18,795
Equity Securities	5,085
Local Government Investment Pools	8
Money Market Funds	648
Real Estate Investment Trust	586
Corporate Bonds	216
Other	310
Receivables:	
Accrued interest	9
Total assets	<u>26,717</u>

Liabilities:

Accounts and accrued liabilities:	
Accrued pensions payable	<u>67</u>

Net position held in trust for pension benefits (a schedule of funding progress for each plan is presented in the Required Supplementary Information located after the Notes to the Financial Statements)	\$ <u><u>26,650</u></u>
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The accompanying notes are an integral part of this statement.

CITY OF BOULDER, COLORADO

Statement of Changes in Fiduciary Net Position

Pension Trust Funds

Year ended December 31, 2013

(Amounts in 000's)

Additions:

Pension contributions:

City of Boulder	\$	381
Employees		<u>10</u>
Total contributions		<u>391</u>

Investment earnings		3,577
Less investment expense		<u>(70)</u>
Net investment earnings		<u>3,507</u>

Total additions		<u>3,898</u>
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Deductions:

Benefits		2,538
Administrative		<u>43</u>
Total deductions		<u>2,581</u>

Net increase		1,317
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Net position held in trust for

pension benefits:

Beginning of year		<u>25,333</u>
End of year	\$	<u><u>26,650</u></u>

The accompanying notes are an integral part of this statement.

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## NOTES TO THE FINANCIAL STATEMENTS

**City of Boulder, Colorado**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2013**

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City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2013

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Boulder, Colorado (the city) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the city's significant accounting policies follows:

1. Reporting Entity

The city is a municipal corporation duly organized and existing under the laws of the State of Colorado. It is a home rule city and adopted a charter pursuant to Article XX of the Constitution of the State of Colorado by vote of the electorate on October 30, 1917. The council/manager form of government was adopted in the city's charter and has been in operation since January 1918. The City Council, an elected body of nine members, is the policy-making arm of the government. Eight of the members of the Council are elected for staggered four-year terms and one is elected for a two-year term, with five council members elected in November of each odd-numbered year. A City Manager, appointed by the Council, serves as the city's Chief Administrative Officer.

In accordance with the Codification of Governmental Accounting and Financial Reporting Standards, the basic financial statements include all funds, organizations, agencies, boards, commissions and authorities for which the city is financially accountable. The city has also considered all other potential organizations for which the nature and significance of their relationships with the city are such that exclusion would cause the city's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a majority of an organization's governing body, and 1) the ability of the city to impose its will on that organization or 2) the potential for that organization to provide specific benefits to or impose specific financial burdens on the city.

Blended component units, although legally separate entities, are in substance part of the city's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the city and the primary government.

Based upon the application of these criteria the city has identified five blended component units and no discretely presented component units. Each of these component units has a December 31 year-end and is included in the accompanying financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

1. Reporting Entity (Continued)

**Blended Component Units**

*Downtown Commercial District and University Hill Commercial District (the Districts)* – These Districts provide parking facilities and services to citizens and are public subdivisions of the State of Colorado, administered by the City Council of the City of Boulder in an ex-officio capacity as its Board of Directors. The Districts operate under a formal budget adopted in conjunction with the budget of the city. The Districts are reported as blended component unit Enterprise Funds (proprietary funds); no separate financial statements are issued. In 2007, the Central Area General Improvement District was renamed the Downtown Commercial District and the University Hill General Improvement District was renamed the University Hill Commercial District. The funds were renamed to more appropriately reflect the broad purpose that the operations had come to serve over the last few years.

*Boulder Municipal Property Authority (the Authority)* – The Authority is responsible for the acquisition and construction of certain city properties and facilities and is a nonprofit corporation and instrumentality of the city, administered by the city Council of the City of Boulder in an ex-officio capacity as its Board of Directors. The Authority operates under a formal budget adopted in conjunction with the budget of the city. The Authority's activities are reported as a blended component unit Enterprise Fund (a proprietary fund); no separate financial statements are issued.

*Boulder Junction Access GIDs* – In November 2010, two Access General Improvement Districts (GID) were established in the phase one area of Boulder Junction in order to implement the transit-oriented development goals of the City of Boulder. These services will be provided entirely to the primary government of the city. The two access districts were created to provide for shared, unbundled parking and for travel demand management programs. The Boulder Junction Access GID – Travel Demand Management (TDM) fund is accounted for as a special revenue fund while the Boulder Junction Access GID – Parking is accounted for as an enterprise fund. These are both reported as blended component units and do not issue separate financial statements.

**Related Organizations**

A related organization is an organization for which the city appoints a voting majority of the board but for which the city is not financially accountable, either because the city does not impose its will upon the organization or a financial benefit or burden relationship does not exist. These related organizations are not included within the city's financial reporting entity.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

1. Reporting Entity (Continued)

**Related Organizations (Continued)**

The following two organizations have been identified as related organizations.

*Boulder Housing Partners* is a separate related organization whose primary purpose is to develop, acquire, subsidize and manage housing units for low to moderate income families and elderly persons and to provide tenant support services.

*Downtown Boulder Business Improvement District* is a separate related organization whose primary purpose is to provide promotion, marketing, enhanced maintenance and management functions for the district.

2. 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 of the nonfiduciary activities of the city and its blended component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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 or applicants 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*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The *government-wide financial statements* and *proprietary fund and fiduciary fund 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 a liability is incurred, regardless of the timing of related cash flows. Property taxes are recorded as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The fiduciary funds recognize plan member contributions in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

*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 period or soon enough thereafter to pay liabilities of the current period. For this purpose, the city considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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 and claims and judgments, are recorded only when payment is due.

Sales and use taxes, property taxes when budgeted for, other taxes, charges for services, intergovernmental revenues when eligibility requirements are met, and interest and investment earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The portion of special assessments receivable due within the current fiscal period is also considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The city reports the following major governmental funds:

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

*Open Space and Mountain Parks Fund* – This special revenue fund accounts for the acquisition and maintenance of greenbelt land and parks. Financing is provided by sales taxes and the issuance of long-term bonds and notes payable.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

*Transportation Fund* – This special revenue fund accounts for the construction, operation and maintenance of all major thoroughfares, local streets, bikeways, walkways and city-owned parking. Financing is provided by sales taxes, the city's share of the County Road and Bridge tax, State Highway Users' tax, State Auto Registration fees and Federal and State reimbursements through the Colorado Department of Transportation.

*2011 Capital Improvement Fund* – This capital projects fund accounts for the projects and improvements throughout the city approved by the voters in 2011. These improvements are funded by General Fund Bonds (Capital Improvement Projects) Series 2012.

The city reports the following major enterprise funds:

*Water Utility Fund* – This enterprise fund was established to finance and account for the acquisition, operation and maintenance of water facilities and services. It is predominately self-supported by user charges but also receives revenues from hydroelectric sales and plant investment and connection fees.

*Wastewater Utility Fund* – This enterprise fund was established to finance and account for the acquisition, operation and maintenance of wastewater facilities and services. It is predominately self-supported by user charges but also receives revenues from surcharge fees, cogeneration sales, and plant investment and connection fees.

*Stormwater and Flood Management Fund* – This enterprise fund was established to finance and account for the acquisition, operation and maintenance of stormwater and flood management facilities and services. It is predominately self-supported by user charges but also receives revenues from the Urban Drainage District and plant investment fees.

*Downtown Commercial District* – This district provides parking facilities and services to citizens in the downtown Boulder area. It is predominately self-supported by user charges but also receives general property and other tax revenues.

Additionally, the city reports the following fund types:

*Internal service funds* are established to finance and account for services and/or commodities required by other funds, on a cost reimbursement basis. The city has funds that account for the costs of acquiring, operating and maintaining certain types of equipment and facilities, costs for city-wide insurance programs and funding for certain governmental fund compensated absences liabilities.

*Pension trust funds* account for the accumulation of resources to be used for retirement annuity payments for the city's police officers and fire fighters.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes, interest and investment earnings, and miscellaneous revenues.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water Utility Fund, Wastewater Utility Fund, Stormwater and Flood Management Fund and Downtown Commercial District are charges to customers for sales and services. The Water Utility Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating revenues in the blended component unit Boulder Municipal Property Authority are received from the city in the form of base rentals on open space and parks property. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**4. Budgets**

Budgets are adopted on a budgetary basis as described in Note C. The city budgets revenues and expenditures/expenses for all funds except Fiduciary Funds and the Gifts and Contributions Fund. Pension Trust Fiduciary Funds each have an independent board, which review all expense, refund, disability and investment transactions. The Gifts and Contributions Fund does not have an adopted budget as control over expenditures is provided by the Library Foundation. All annual appropriations lapse at year ended December 31, 2013.

The budget of the city is a detailed operating plan, which identifies estimated costs and results in relation to estimated revenues and represents a process through which policy decisions are made, implemented and controlled. The City Charter requires that the city establish a budgetary system for general operations and prohibits expending funds for which there is no legal appropriation.

Local city code states that total expenditures for each fund cannot exceed the amount appropriated. The fund is, therefore, the level of control on which expenditures may not legally exceed appropriations. In the Enterprise Funds, budgeting at the operating, capital and debt service expense level provides further control.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

4. Budgets (Continued)

Although appropriations lapse at year-end, subsequent year's appropriations provide authority to complete transactions involving encumbrances outstanding at year-end. The City Charter stipulates that, at any time after the adoption of the annual appropriation ordinance and after at least one week's public notice, the City Council may transfer unused fund balances appropriated for one purpose to another purpose and may by ordinance appropriate available revenues not included in the annual budget. This provision does not apply to the Water Utility Fund, Permanent Parks and Recreation Fund or Library Fund. Available fund balances not required for operations and capital improvements during the year are included in the annual appropriations ordinance. This is done to ensure that excess funds are available for use if the need arises after the adoption of that ordinance. Council approval is still required to transfer unallocated amounts to active operating or capital improvement budgets.

5. Equity in Pooled Cash and Cash Equivalents/Cash and Cash Equivalents

The city utilizes the pooled cash concept whereby cash balances of each of the city's funds are pooled and invested by the city in short-term certificates of deposit, repurchase agreements, money market deposit accounts, mutual funds, local government investment pools and United States Treasury obligations.

The investment pool is used to maximize interest income while protecting principal. Securities are selected according to their risk, marketability and diversification. Income earnings or losses arising from the investment of pooled cash are allocated to the various funds based on their respective daily average equity in pooled cash.

At year-end, cash in bank accounts, cash on hand, cash held by trustees, certificates of deposit (with an original maturity date less than 90 days) and money market deposit accounts, but not to include restricted cash, are classified as Equity in Pooled Cash and Cash Equivalents. All other securities within pooled cash are reclassified for reporting purposes to investments.

6. Investments

In addition to the cash and cash equivalents mentioned in Note A5, the city authorizes investments in the securities below for the general pooled investments. The Fire and Police Pension Boards adopt and establish separate investment policies for each of the Pension Trust Funds. The city's authorization for general pooled investments is more restrictive than Colorado State statutes and allows the following types of investments:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

6. Investments (continued)

- Bonds or other interest-bearing obligations of the United States of America or its agencies thereof and Local Government Investment Pools that invest therein.
- Repurchase agreements and reverse repurchase agreements.
- Obligations secured by first liens on real estate or by pledge of specific income or revenue and issued, insured, or guaranteed by an agency or instrumentality of the United States government or State of Colorado.
- Commercial paper (with a rating at the time of purchase in its highest rating categories by one or more nationally recognized rating organizations).
- Eligible bankers acceptances.
- Money market mutual funds (with a rating at the time of purchase of at least AA<sup>Am</sup> by Standard and Poor's or Aaa by Moody's).
- Corporate Bonds, rated at least AA by Standard & Poor's or Aa2 by Moody's. Authorized corporates shall be limited to corporations organized and operated within the United States with a net worth in excess of \$250,000,000.

The city records long-term investments at fair value in accordance with GASB Statement No. 31 using quoted market prices. Short-term investments are reported at cost, which approximates fair value. Pension fund real estate investments are stated at an estimated market value using an annual external appraisal service hired by the real estate company's management team. Other pension fund investments for which market quotations are not readily available are valued at their fair values as determined by the custodian with the assistance of a valuation service. The city authorizes the purchase and sale of investments, except for those held in the Pension Trust funds, which are controlled by the Fire and Police Pension Boards as trustees.

Since many of the city monies are designated for specific uses, maturities are selected to coincide with the periods these monies will be spent. For those securities sold prior to maturity, the specific identification method is used in determining gain or loss. Investment earnings are recorded when earned since they are measurable and available.

The city invests in two external local government investment pools, COLOTRUST and CSAFE, which are not SEC-registered. These pools are short-term money market funds organized in conformity with Part 7 of Article 75 of Title 24, Colorado Revised Statutes, subject to enforcement by the Colorado Securities Commissioner. The fair value of the position in the pools is the same as the value of the pool shares.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

7. Interfund Receivables/Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “interfund receivables/payables” (i.e., short term interfund loans) or “advances to/from other funds” (i.e., long term interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

8. Inventories

Inventories of a material amount are maintained in the General Fund for postage, the Recreation Activity Fund for golf course clubhouse merchandise and the Water Utility Fund for materials supply. These inventories are valued at lower of cost or market, using the first-in, first-out (FIFO) method. The costs of these inventories are recorded as expenditures when consumed rather than when purchased. All other inventories in the city are considered immaterial and are expensed when purchased.

9. Restricted Assets

Pooled and nonpooled investments restricted for specified uses by gift, fee, grant and retainage requirements are classified as “restricted assets” in the General and Special Revenue Funds. Pooled investments and cash held by paying agents have been restricted in the Capital Project and Enterprise Funds for future capital improvements in compliance with bond ordinances. Additional pooled investments in the Open Space & Mountain Parks and Enterprise Funds have been restricted for debt service bond reserves in compliance with bond ordinances.

10. Capital Assets

All capital assets, including “Public Domain” infrastructure capital assets such as bridges, streets and sidewalks are reported in the applicable governmental or business-type activities columns in the government-wide and proprietary fund financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 (\$50,000 for infrastructure) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost. Donated assets are valued at fair value on the date donated. The city does not capitalize historical treasure or works of art. Costs incurred for the purchase or construction of capital assets for governmental activities are recorded as capital outlay expenditures in the governmental funds.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**10. Capital Assets (Continued)**

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets, net of any related interest income, is included as part of the capitalized value of the assets constructed for business-type activities. Interest capitalized in 2013 totaled \$269,078.

Depreciation of all exhaustible capital assets is charged as an expense against operations. Accumulated depreciation is reported on the government-wide financial statements. Depreciation has been provided over the estimated useful lives using the straight-line method.

The estimated useful lives are as follows:

Buildings	10-50 years
Improvements other than buildings	20 years
Infrastructure	20-75 years
Utility plant in service	30-40 years
Undergrounds	30-75 years
Machinery, equipment and vehicles	3-20 years

The costs of normal maintenance and repairs that do not add to the value of the capital asset or materially extend the asset's life are not capitalized. Improvements are capitalized and depreciated over the remaining life of the capital asset, as applicable.

Upon sale or retirement of a capital asset, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

**11. Compensated Absences**

Upon termination or retirement, all unused vacation pay, unused sick pay based on certain service requirements, an appreciation bonus dependent upon employee length of service, and compensation time per the police employees contract, must be paid to the employee. These compensated absences are recognized when earned in proprietary fund types and when due in governmental fund types. A liability for these amounts is reported in the government-wide financial statements when earned.

**12. Deferred Outflows/Inflows of Resources**

A deferred outflow of resources is a consumption of net position by the city that is applicable to a future reporting period and a deferred inflow of resources is an acquisition of net position by the city that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the fund financial statements as revenues and expenditures until the period(s) to which they relate.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

12. Deferred Outflows/Inflows of Resources (Continued)

Under the modified accrual basis of accounting, revenues and other fund financial resources are recognized in the period in which they become both measurable and available. Assets recorded in the fund financial statements for which the revenues are not available are reported as a deferred inflow of resources.

Deferred outflows of the entity consist of a deferred charge on refunding in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred inflows of resources consist of property taxes receivable and reimbursement based grants, as applicable in the government-wide and fund financial statements.

13. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest rate method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, losses on refunding, as well as bond issuance costs in the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances and losses on debt refunding are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, and debt principal payments are reported as debt service expenditures.

Debt service for the major utility funds is paid from monies provided by those funds. The blended component unit Boulder Municipal Property Authority pays debt service from revenues received from the city in the form of base rentals on open space and parks property.

14. Fund Balances and Net Position

In the governmental funds financial fund statements, there are five categories of fund balances that have been used. These include nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – this category pertains to any fund equity that has permanent limitations on it. This includes prepaid expenditures, inventory, and endowments. These items cannot be converted to cash and, therefore, are not an available resource for the city.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**14. Fund Balances and Net Position (Continued)**

Restricted – funds are reported as restricted when constraints are imposed by creditors, grantors, laws or regulations of other governments, or by law through constitutional provisions or enabling legislation. Any constraint imposed by an outside entity on the use of funds for a specific purpose results in the fund balance being shown as restricted.

Committed – Any formal action, ordinance or resolution, of City Council, the highest level of decision making authority, which places constraints on the use of funds to a specific purpose is categorized as committed fund equity. Actions to remove the constraints, regardless if they were imposed by an ordinance or a resolution, would require the same level of difficulty needed to place constraints on the use of funds to a specific purpose.

Assigned – This category is used when the intent of the city is to use the funds for a specific purpose. The City Manager or Chief Financial Officer of the city may assign fund balance to specific purposes pursuant to the general authority granted within the City Charter Articles V & VI.

Unassigned – This classification is for fund balance that does not meet the criteria for inclusion in one of the other four classifications.

Order of spending: When expenditures are incurred that can use funds from more than one classification, the city will generally determine the order which the funds are used on a case-by-case basis, taking into account any applicable requirements of grant agreements, contracts, business circumstances, or other constraints. If no other constraints exist, the order of spending of resources will be restricted, committed, assigned and lastly, unassigned.

The fund balance of certain special revenue and capital project funds have been restricted where the fund was created through legislation that includes a legally enforceable restriction on the use of revenues (Note S).

In the government-wide and proprietary funds financial statements, there are three categories of net position used. These include net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets, excludes unspent bond proceeds. Unspent bond proceeds as of December 31, 2013 totaled \$36,507,942 consisting of \$2,934,796 for the Water Utility Fund, \$670,139 for the Wastewater Utility Fund, \$324,984 for the Stormwater and Flood Management Fund, \$308,269 for the Downtown Commercial District Fund, \$31,621,254 for Capital Bond Proceeds, and \$648,500 for Open Space.

Fiduciary funds report net position held in trust for pension benefits.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

1. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position

The city includes a reconciliation between fund balance-total governmental funds and net position-governmental activities as reported in the government-wide statement of net assets.

One element of that reconciliation explains that “capital assets used in governmental activities are not financial resources and are not reported within the funds.” The details of this difference are as follows (amounts in 000’s):

	Governmental Fund Capital Assets	Internal Service Fund Capital Assets	Total Capital Assets - Governmental Activities
Land and easements	\$ 277,421	\$ 102	\$ 277,523
Buildings	26,604	87,439	114,043
Improvements other than buildings	58,265	8,611	66,876
Infrastructure	389,329	-	389,329
Machinery, equipment and vehicles	3,650	40,228	43,878
Construction-in-progress	45,421	423	45,844
Total capital assets	800,690	136,803	937,493
Less accumulated depreciation	(323,098)	(74,234)	(397,332)
Capital assets, net	<u>\$ 477,592</u>	<u>\$ 62,569</u>	<u>\$ 540,161</u>

Another reconciling item explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows (amounts in 000’s):

General obligation bonds	\$ 77,717
Taxable obligation bonds	8,176
Revenue bonds	1,378
Capital Lease, excluding internal service funds	81
Compensated absences, excluding internal service funds	10,923
Deferred Outflows, excluding internal service funds	(221)
Retiree health care benefits payable, excluding internal service funds	1,534
Interest payable, excluding internal service funds	833
Governmental fund long-term liabilities	<u>\$ 100,421</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)**

2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The city includes a reconciliation between net changes in fund balances-total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation states that “debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.”

The details of the \$11,596 increase from changes in the treatment of long-term debt and related items are as follow (amounts in 000’s):

Debt issued or incurred:	
Issuance of Capital Lease	\$ (107)
Increase in compensated absences	(705)
Increase in retiree health care benefit	(141)
Increase in estimated claims payable	(930)
Total debt issued or incurred	<u>(1,883)</u>
Principal repayments or reductions	
Repayments	10,925
Amortization of debt premium	651
Bond Payments	<u>11,576</u>
Loan payable	250
Capital lease obligation	529
Compensated absences	801
Estimated claims payable	<u>1,199</u>
Total principal repayments or reductions	<u>14,355</u>
Other long term liabilities	
Change in internal service fund long-term liabilities included above	(859)
Change in accrued interest payable	102
Amortization of deferred loss on refunding	<u>(119)</u>
Total other related items	<u>(876)</u>
Net adjustment to increase net changes in fund balances –	
total governmental funds to arrive at changes in net position	
of governmental activities – debt and related items	<u><u>\$ 11,596</u></u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE C – LEGAL COMPLIANCE – BUDGETS**

City management, with the approval of the Budget Office, may transfer budgeted amounts within a fund without City Council approval. Excluded are transfers between operating, capital and debt service budgets in the Enterprise Funds. The City Manager must approve increases and decreases to appropriations and estimated revenues in the Internal Service Funds.

The amended budget appropriations changed from the original appropriations adopted by the City Council. Some of the more significant changes are summarized below:

- 1) \$6,817,818 increase to various funds from available fund balances for the 2013 Flood Recovery costs which included debris collection, numerous infrastructure repairs, and consulting services.
- 2) \$1,052,128 increase in the General Fund from operating carryover for replacement of the City's Finance, Payroll, and Human Resource ERP system Transforming Boulder Business Initiative (TBBI) project.
- 3) \$2,157,705 increase in the city's match portion of the 2011 Capital Improvement Fund to replace the existing LandLink System which tracks and collects revenue data in relation to development, code enforcement and licensing activity.
- 4) \$4,000,000 increase to Facility Renovation and Replacement Fund to support cleanup efforts at the 13<sup>th</sup> Street Plaza and parking lot east of the plaza through the City's approved Voluntary Clean-Up Program (VCUP).
- 5) \$1,330,000 increase in the Library Fund for the replacement of Automated Materials Handling and Radio Frequency Identification Systems.
- 6) \$49,689,000 increase in the 2011 Capital Improvement Fund related to capital projects funded by the General Obligation Bonds. Most of these capital projects involve road and bridge repairs.

The city's basis of budgeting differs from GAAP in several ways:

GAAP expenditures *not* treated as expenditures using the basis of budgeting:

- All fund types – adjustment to accrued salaries, wages and amounts withheld from employees adjustment to compensated absences, adjustment to accrued interest payable (certain debt).
- Proprietary fund types – depreciation and amortization of deferred charges, bond premiums and deferred refunding losses, capital assets reassigned to other funds.

Expenditures using the basis of budgeting *not* treated as GAAP expenditures:

- All fund types – encumbrances, payments on advances from other funds, intrafund transfers, adjustments to accrued interest payable (certain debt).
- Proprietary fund types – capital outlay including capital assets acquired through issuance of long-term lease purchase revenue notes, principal retirement, reduction in deferred credit, refunding of debt.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE C – LEGAL COMPLIANCE – BUDGETS (CONTINUED)**

GAAP revenues *not* treated as revenues using the basis of budgeting:

- All fund types – fair market value adjustment to investments.

Revenues using the basis of budgeting *not* treated as GAAP revenues:

- Proprietary fund types – long-term debt proceeds.

*Budgetary Non-compliance:* In December 2012, the Parks, Recreation and Municipal Capital Improvement Refunding Bonds Series 2001 were paid off in full. The debt service on these bonds was paid by the .15 Cent Sales Tax Debt Service Fund. This Debt Service Fund was closed out in 2013 by a transfer to the General Fund in the amount of \$243,000. The budget did not include this large transfer which put the fund into budgetary non-compliance for the year ended December 31, 2013.

**NOTE D – LEGAL COMPLIANCE – TABOR**

The voters of Colorado at the general election held in the State on November 3, 1992 approved an amendment to the Colorado Constitution (Article X, Section 20 “The Taxpayer’s Bill of Rights” or TABOR). The language of TABOR applies to the State and all local governments, including the city.

TABOR generally requires that the voters of the city approve any new tax, increase of an existing tax, property tax mill levy increase, assessed valuation ratio increase, tax extension or tax policy change of the city that results in an increase in taxes. TABOR also limits increases in the city’s property tax revenue over the prior year to the rate of inflation plus the net percentage change in the actual value of all real property in the city from construction of improvements and additions to taxable real property, unless otherwise approved by the voters. In addition to revenue limits, TABOR also limits increases in the city’s spending over the prior year to the rate of inflation plus the net percentage change in the actual value for all real property in the city from construction of improvements and additions to taxable real property, unless otherwise approved by the voters. The initial base years for this limit on spending increases by the city are the 1992 fiscal year of the city and 1991 property taxes collected in 1992. Any revenues collected in excess of these limits on spending and property tax revenue are required to be refunded during the next fiscal year.

On November 2, 1993, the voters within the City of Boulder approved a ballot question which authorizes the city to collect, retain and expend the full proceeds of the city’s sales and use tax, admissions tax, accommodations tax and nonfederal grants notwithstanding any TABOR restrictions.

At the November 8, 1994 election, the voters approved an increase in the city’s trash tax and also approved an education excise tax. Both of these ballot issues included language which allowed the city to collect and spend the full proceeds of the tax and any interest earnings thereon.

On November 5, 1996, the voters within the City of Boulder approved a ballot question by a vote of 21,832 to 16,170 which removed the TABOR restriction on all revenues (except property tax) and expenditures of the city, eliminated the emergency reserve requirements, and authorized the collection, retention and expenditure of all revenues of the city free from current revenue and expenditure limitations and from any limitations that may be enacted in the future without the amendment of the City Charter by the electors of the city.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE D – LEGAL COMPLIANCE – TABOR (CONTINUED)**

On November 4, 2008, the voters within the City of Boulder approved a ballot question which removed the remaining TABOR restriction on property tax revenues collected in 2009 and beyond. The increase in retained taxes starting in tax collection year 2009 will be limited to 1/2 mill per year until the full amount of the existing city property tax levy of 11.981 mills is restored and retained, which occurred in 2012.

TABOR remains in full effect for the blended component units Downtown Commercial District and University Hill Commercial District.

TABOR is very complex and open to interpretation. However, at December 31, 2013, the city believes it was in compliance with TABOR (see Note L).

**NOTE E – DEPOSITS AND INVESTMENTS**

At December 31, 2013, the city had the following in cash and investments (in 000's):

Cash and deposits	\$ 35,672
Investments	<u>251,879</u>
Total	<u><u>\$ 287,551</u></u>

Cash and investments are reported in the financial statements as follows (in 000's):

<i>Citywide Investments</i>	
Equity in pooled cash and cash equivalents	\$ 35,653
Investments	186,110
Restricted investments	<u>39,080</u>
	260,843
<i>Fiduciary Fund Investments</i>	
Equity in pooled cash and cash equivalents	19
Investments	<u>26,689</u>
	<u>26,708</u>
Total	<u><u>\$ 287,551</u></u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)**

**Deposits**

*Custodial Credit Risk – Deposits.* For deposits, this is the risk that in the event of a bank failure, the city's deposits may not be returned. Title 2, Chapter 10 of the Boulder Revised Code (1981) requires that depositories belong to the FDIC and qualify as a depository of public funds in the state under the Colorado Public Deposit Protection Act (PDPA) as defined in 24-75-603, C.R.S. As of December 31, 2013, all financial institutions holding deposits for the City of Boulder have been identified as eligible public depositories under PDPA by the State of Colorado Division of Banking. PDPA requires that any amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. 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 the 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, 2013, the city had cash on hand of \$28,000. In addition, at December 31, 2013, the carrying amount of the city's deposits at JPMorgan Chase was \$35,644,000 while the bank statement balance was \$36,093,000. On November 9, 2010, the FDIC issued a final rule to implement Section 343 of the Dodd-Frank Wall Street Reform and Consumer Protection Act that provided temporary unlimited deposit insurance coverage for noninterest-bearing transaction accounts at all FDIC insured depository institutions. The insurance coverage went into effect on December 31, 2010, and expired on December 31, 2012, leaving \$250,000 of the city's operating accounts under FDIC coverage and \$35,843,000 properly collateralized under the Public Deposit Protection Act.

**Investments – Citywide (excludes Fiduciary Funds)**

As of December 31, 2013, the city had the following investments:

Investment Type	Fair Value (000's)
Local Government	
Investment Pools	\$ 35,643
U.S. Treasuries	12,071
U.S. Instrumentalities	163,484
Time Deposits	<u>13,992</u>
Total	<u>\$ 225,190</u>

*Credit Risk – Investments.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Title 2, Chapter 10 of the Boulder Revised Code (1981) limits the city's investment activity to specific types of investments as disclosed in Note A6. Rating requirements for



City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)**

**Investments – Citywide (excludes Fiduciary Funds) (Continued)**

Federal Instrumentality securities are not addressed within the code but it does limit investments in commercial paper to issues with a credit rating of at least A-1 by Standard and Poor's or P-1 by Moody's. Credit rating requirements for eligible banker's acceptances are not addressed. Local government investment pools and money market mutual funds must have a rating at the time of purchase of at least AAAm by Standard and Poor's or Aaa by Moody's. Corporate bonds must have a credit rating of at least AA by Standard & Poor's or Aa2 by Moody's.

As of December 31, 2013, the city held investments with the following credit ratings:

Issuer	Fair Value (000's)	Ratings	
		Standard & Poors	Moody's
U.S. Instrumentalities			
FHLB	\$ 51,212	AA+	Aaa
FNMA	55,950	AA+	Aaa
FFCB	24,128	AA+	Aaa
FHLMC	32,194	AA+	Aaa
Local Government Investment Pools	35,643	AAAm	N/A

*Interest Rate Risk – Investments.* For investments, this is the risk that changes in interest rates will adversely affect fair market values. In accordance with Title 2, Chapter 10 of the Boulder Revised Code (1981) the weighted average maturity of the city's portfolio shall at no time exceed five years. As of December 31, 2013, the weighted average maturity of the city's pooled investment portfolio was 1.10 years as detailed in the following chart:

Investment Type	Fair Value (000's)	Weighted Average Maturity (years)
U.S. Treasuries	\$ 12,071	0.99
FHLB	51,212	1.17
FNMA	55,950	1.71
FFCB	24,128	1.36
FHLMC	32,194	0.77
Time Deposits	13,992	1.57
Local Government Investment Pools	35,643	0.00
Total fair value		
Portfolio weighted average maturity	\$ 225,190	1.10

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)**

**Investments – Citywide (excludes Fiduciary Funds) (Continued)**

*Custodial Credit Risk – Investments.* This is the risk that, in the event of the counterparty's failure, the city will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. In accordance with the Boulder Revised Code, the city utilizes a third-party safekeeping arrangement with JP Morgan Chase, N.A. to minimize custodial credit risk.

As of December 31, 2013, the city is invested in Colorado Government Liquid Asset Trust Plus (COLOTRUST Plus), Colorado Government Liquid Asset Trust Prime (COLOTRUST Prime) and the Colorado Surplus Asset Fund Trust (CSAFE), investment vehicles established for local government entities in Colorado to pool surplus funds. The pools are regulated by the Colorado Securities Commissioner. These pools operate similar to a money market fund and each share is equal in value to \$1.00. Investments of the pools consist of U.S. Treasury bills, notes and note strips, commercial paper allowed by state statute and repurchase agreements collateralized by U.S. Treasury securities and or U.S. Instrumentalities. A designated custodial bank provides safekeeping and depository services to the pools in connection with the direct investment and withdrawal functions of the pools. Securities owned by the pools are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the specific pool.

The above investment pools and money market mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

*Concentration of Credit Risk – Investments.* Concentration of credit risk is the risk of loss attributed to the concentration of the city's investment in a single issuer. The Boulder Revised Code does not specifically address concentration of credit risk. 5% or more of the city's investments were held by the following issuers as of December 31, 2013:

Issuer	Fair Market Value (in 000's)	Percentage of Total Portfolio
Federal Home Loan Bank	\$ 51,212	23%
Federal Farm Credit Bureau	24,128	11%
Federal National Mortgage Association	55,950	25%
Federal Home Loan Mortgage Corporation	32,194	14%

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)**

**Investments – Fiduciary Funds**

As of December 31, 2013, the Police and Fire Pension Funds had the following investments:

Investment Type	Fair Value (in 000's)	Maturities in Years				
		<1	1-2	3-5	5-10	>10
Local Government						
Investment Pools	\$ 8	\$ 8	\$ -	\$ -	\$ -	\$ -
U.S. Treasuries	213	6	64	-	95	48
U.S. Instrumentalities and Agencies	828	535	179	21	93	-
Time Deposits	8	3	3	2	-	-
Corporate Bonds	216	-	-	216	-	-
<b>Subtotal</b>	<u>1,273</u>	<u>\$ 552</u>	<u>\$ 246</u>	<u>\$ 239</u>	<u>\$ 188</u>	<u>\$ 48</u>
Money Market Funds	648					
Mutual Funds	18,795					
Equities	5,085					
Real Estate Investment Trust	586					
Other	<u>302</u>					
<b>Total</b>	<u>\$ 26,689</u>					

*Credit Risk – Pension Investments.* This is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The “Old Hire” Police Pension Fund investment policy was revised on October 9, 2012 and adopted on December 10, 2012. The “Old Hire” Fire Pension Fund investment policy was revised on September 2013, and formally adopted on November 18, 2013. The “Old Hire” Police Pension Fund has a risk tolerance of no more than a 16.5% annual loss, with a statistical confidence level of 95%. The “Old Hire” Fire Pension Fund has a risk tolerance of no more than a 19.9% annual loss, with a statistical confidence level of 95%.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)****Investments – Fiduciary Funds (Continued)**

At December 31, 2013 the pension funds held investments with credit ratings as follows:

Issuer	Fair Value (000's)	Ratings	
		Standard & Poors	Moody's
Local Government			
Investment Pools	\$ 8	AAAm	N/A
U.S. Instrumentalities	828	AA+	Aaa
Time Deposits	8	AA+	Aaa
Corporate Bond – AT&T	110	A-	A3
Corporate Bond – JPMorgan Chase	106	A	A3

*Concentration of Credit Risk – Pension Investments.* Concentration of credit risk is the risk of loss attributed to the concentration of the city's investment in a single issuer. The "Old Hire" Police Pension Fund investment policy states that equity holdings in any one company should not exceed more than 15% of the fair value of the Fund's assets and that not more than 25% should be invested in any one industry. Fixed Income Portfolio Securities, other than U.S. government or agency securities, cannot exceed 10% by any one issuer. At December 31, 2013, no single issuer held more than 10% of either pension fund's portfolio.

In the revised investment policy, which was adopted on December 10, 2012, the "Old Hire" Police Pension Fund, Long-Term Account, has a specified risk tolerance not to exceed a 16.5% loss in any year. To maintain a 95% confidence level that this performance level is met, the board selected the following asset classes and allocations for each class:

Asset Allocation	Lower Limit	Strategic Allocation	Upper Limit
Domestic Large Cap	31%	34%	37%
Domestic Small Cap Core	2%	5%	8%
International Equity	8%	11%	14%
Emerging Markets	0%	3%	6%
Domestic Fixed Income	17%	20%	23%
Global Fixed Income	2%	5%	8%
Floating Rate Corporate Loans	3%	6%	9%
High Yield	3%	6%	9%
Real Estate	2%	5%	8%
Commodities	2%	5%	8%

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)**

**Investments – Fiduciary Funds (Continued)**

In the revised investment policy, which was adopted on November 18, 2013, the “Old Hire” Fire Pension Fund, Long-Term Account, has a specified risk tolerance not to exceed a 19.9% loss in any year. To maintain a 95% confidence level that this performance level is met, the board selected the following asset classes and allocations for each class:

Asset Allocation	Lower Limit	Strategic Allocation	Upper Limit
Domestic Large Cap	25%	28%	31%
Domestic Mid Cap	2.5%	5.5%	8.5%
Domestic Small Cap	2.5%	5.5%	8.5%
International Equity	10%	13%	16%
Emerging Markets	1%	4%	7%
Domestic Fixed Income	24%	27%	30%
Floating Rate Corporate Loans	5%	8%	11%
High Yield	1%	4%	7%
Commodities	2%	5%	8%

At December 31, 2013 the asset class allocations were within the maximum limits.

*Custodial Credit Risk – Pension Investments.* This is the risk that, in the event of a counterparty’s failure, the city will not be able to recover the value of its investments. The “Old Hire” Police Pension Fund investment policy states that a custodian bank will maintain possession of securities owned by the Fund. The “Old Hire” Fire Pension Fund’s investment policy was revised to require a custodian bank to maintain possession of securities in September 2008. All of the pension securities, with the exception of the Principal RESA account, are held by the Fund’s third party custodian, Charles Schwab Institution, in the pension’s name.

*Interest Rate Risk – Pension Investments.* This is the risk that changes in interest rates will adversely affect the portfolio’s fair market value. The “Old Hire” Police Pension Fund investment policy specifies a targeted rate of return of 7.5%, for its long-term account. The “Old Hire” Fire Pension Fund investment policy specifies a targeted rate of return of 7.5% for its long-term account.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)**

**Investments – Fiduciary Funds (Continued)**

*Taxable Pension Obligation Bonds.* In order to allow the city to establish more predictable pension obligation payment schedules for firefighters and police officers hired before April 8, 1978, taxable pension obligation bonds were issued on October 26, 2010. Proceeds of \$5,469,000 and \$3,531,000 were deposited into money market mutual funds for the “Old Hire Police” and “Old Hire Fire” pension fund accounts, respectively. These deposits are held by a third-party custodian, Charles Schwab Institutional, in each pension’s name.

**NOTE F – PROPERTY TAXES RECEIVABLE**

Property taxes for the city are levied by the City Council and certified to Boulder County for collection by December 15 of each year. These taxes attach as an enforceable lien on property as of January 1 of the succeeding year and are payable in full by April 30 or in two installments by June 15 in the year of collection.

Property taxes levied in 2013 for collection in 2014 of \$28,162,000 in the General Fund, \$26,000 in the Special Revenue Funds, \$2,292,000 in the Capital Projects Funds and \$1,983,000 in the Enterprise Funds, are included in receivables and deferred inflows at December 31, 2013. These taxes are classified as deferred inflows since they are not normally available to the city until mid-2014 and are budgeted for in 2014.

**NOTE G – NOTES RECEIVABLE**

The December 31, 2013 balance in “notes receivable” include several long-term notes receivable of various natures. The following summarizes the types of notes receivable and the amounts due within one year (amounts in 000’s):

Type of note receivable	Governmental Activities		Business-type Activities	
	Current	Noncurrent	Current	Noncurrent
Land Sale to Boulder County	\$ -	\$ -	\$ 139	\$ 299
City Manager Office	-	40	-	-
HHS Construction Loan	-	1,239	-	-
	<u>\$ -</u>	<u>\$ 1,279</u>	<u>\$ 139</u>	<u>\$ 299</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE H – OTHER RECEIVABLES**

The City of Boulder recognizes various receivables when earned. Revenues are recognized as appropriate based on the measurement focus and basis of accounting as discussed in Note A. An allowance for doubtful accounts is recognized as appropriate based upon management's estimate of the collectability of the various receivables. No allowance is provided for utility service charges since delinquent amounts are certified as a lien against the property billed. As of December 31, 2013, no allowance for doubtful accounts was recognized.

The December 31, 2013, balance in "other receivables" contains the following detail (amounts in 000's):

Type of Note Receivable	Governmental Activities	Business-type Activities	Total
Accounts	\$ 3,004	\$ 2,176	\$ 5,180
Charges for services	-	1,190	1,190
Accrued interest	328	137	465
Intergovernmental	1,960	149	2,109
Other	11	-	11
	<u>\$ 5,303</u>	<u>\$ 3,652</u>	<u>\$ 8,955</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE I – CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2013, was as follows (amounts in 000's):

Governmental Activities:

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Capital assets not being depreciated:					
Land and easements	\$ 267,106	\$ 10,727	\$ 4	\$ (314)	\$ 277,523
Construction in progress	40,347	22,911	(17,173)	(241)	45,844
Total capital assets, being depreciated, net	<u>307,453</u>	<u>33,638</u>	<u>(17,169)</u>	<u>(555)</u>	<u>323,367</u>
Capital assets being depreciated:					
Buildings	106,333	3,726	4,007	(23)	114,043
Improvements other than buildings	66,615	238	23	-	66,876
Infrastructure	376,187	332	12,810	-	389,329
Machinery and equipment	40,121	5,802	329	(2,374)	43,878
Total capital assets, being depreciated	<u>589,256</u>	<u>10,098</u>	<u>17,169</u>	<u>(2,397)</u>	<u>614,126</u>
Less accumulated depreciation for:					
Buildings	52,144	4,193	-	(15)	56,322
Improvements other than buildings	24,788	2,882	-	-	27,670
Infrastructure	283,588	6,354	-	-	289,942
Machinery and equipment	22,282	3,301	-	(2,185)	23,398
Total accumulated depreciation	<u>382,802</u>	<u>16,730</u>	<u>-</u>	<u>(2,200)</u>	<u>397,332</u>
Total capital assets, being depreciated, net	<u>206,454</u>	<u>(6,632)</u>	<u>17,169</u>	<u>(197)</u>	<u>216,794</u>
Governmental activities capital assets, net	<u>\$ 513,907</u>	<u>\$ 27,006</u>	<u>\$ -</u>	<u>\$ (752)</u>	<u>\$ 540,161</u>

During 2013, the city had intangible assets of \$11.7 million that are included in land and easements above.



City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE I – CAPITAL ASSETS (CONTINUED)**

Business-type Activities:

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Capital assets not being depreciated:					
Land and easements	\$ 58,191	\$ 5,000	\$ -	\$ (715)	\$ 62,476
Construction in progress	11,922	3,074	(10,856)	(2)	4,138
Total capital assets, not being depreciated	70,113	8,074	(10,856)	(717)	66,614
Capital assets being depreciated:					
Buildings	49,144	46		-	49,190
Improvements other than buildings	6,699	52		-	6,751
Utility plant in service and undergrounds	471,293	8,216	10,718	-	490,227
Machinery and equipment	11,309	1,009	138	(504)	11,952
Total capital assets, being depreciated	538,445	9,323	10,856	(504)	558,120
Less accumulated depreciation for:					
Buildings	20,634	1,444		-	22,078
Improvements other than buildings	3,356	311		-	3,667
Utility plant in service and undergrounds	160,721	9,105		-	169,826
Machinery and equipment	4,825	969		(452)	5,342
Total accumulated depreciation	189,536	11,829	-	(452)	200,913
Total capital assets, being depreciated, net	348,909	(2,506)	10,856	(52)	357,207
Business-type activities capital assets, net	\$ 419,022	\$ 5,568	\$ -	\$ (769)	\$ 423,821

In 2013, the city capitalized \$269,078 of eligible interest costs in the business-type activities capital assets.

# City of Boulder, Colorado

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

### NOTE I – CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the city as follows (amounts in 000's):

#### Governmental Activities:

General Government	\$	15
Administrative Services		751
Public Safety		143
Public Works		12,981
Culture and Recreation		2,353
Open Space and Mountain Parks		346
Housing & Human Services		65
Community Sustainability		76
Total depreciation expense – Governmental Activities	\$	<u>16,730</u>

#### Business-type Activities:

Water Utility	\$	5,583
Wastewater Utility		3,432
Stormwater and Flood Management		1,143
Parking Facilities and Services		1,528
Property and Facility Acquisition		143
Total depreciation expense – Business-type Activities	\$	<u>11,829</u>

### NOTE J – RISK MANAGEMENT

**Property and Casualty Insurance** – The city has structured its property and casualty insurance as a self-insurance program since April 15, 1986. The Plan included an Annual Aggregate and Specific Stop Loss coverage through April 15, 1990. Under the current structure, the city pays the first \$100,000 of each loss on property claims with an annual aggregate of \$200,000. Except for those which are flood or earthquake which have a \$200,000 deductible and utility facilities which have a \$500,000 deductible. The city pays \$500,000 each claim on third-party liability claims; and \$10,000 each loss on crime. According to Colorado State law, the city has the protection of governmental immunity above \$150,000 per person, \$600,000 per occurrence. Excess insurance coverage over this maximum has been purchased through a private insurance carrier in the amount of \$10,000,000 per liability claim with an annual aggregate policy limit of \$10,000,000, except for public officials, which is on a claims-made basis. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

The City Council has established a reserve policy for the Property and Casualty Fund with a goal of fully funding an actuarially calculated liability as of the end of the prior year at the 80% confidence level. An actuarial study will be completed every two years in order to determine the appropriate reserve levels. As of December 31, 2013, the reserve exceeded this goal by \$2,557,146. The next actuarial study will be performed in the first quarter of 2015 and will address claims as of December 31, 2014.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE J – RISK MANAGEMENT (CONTINUED)**

In 1997, an internal service fund was established to account for the Property and Casualty funds. Claims paid during the year and estimated to be paid at year-end are charged to this fund. The estimated year-end claims payable is based on the results of an actuarial study.

Changes in the estimated claims payable for the Property and Casualty Insurance Fund during the years ended December 31, 2012 and 2013, were as follows (amounts in 000's):

	2012	2013
Estimated claims payable January 1	\$ 914	\$ 1,010
Current year claims and changes in estimates	164	(43)
Claim payments	(68)	(247)
Estimated claims payable December 31	<u>\$ 1,010</u>	<u>\$ 720</u>
Claims payable due within one year	<u>\$ 153</u>	<u>\$ 167</u>

**Workers' Compensation Insurance** – Through December 31, 1992, the city purchased Workers' Compensation Insurance through the Colorado Compensation Insurance Authority. The city received authorization to become self-insured effective January 1, 1993. In 1993, an Internal Service Fund was established to account for these insurance activities. The city hired a third-party administrator to handle claims and estimate reserves. Under the current structure, the city pays the first \$450,000 of each workers' compensation claim. The estimated reserves at December 31, 2013, have been established through the completion of an actuarial study and recorded as a liability in the Workers' Compensation Insurance Fund. Benefits are mandated by State Statute. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

The City Council has established a reserve policy for the Workers' Compensation Insurance Fund with a goal of fully funding an actuarially calculated liability as of the end of the prior year at the 80% confidence level. An actuarial study will be completed every two years in order to determine the appropriate reserve levels. As of December 31, 2013, the reserve exceeded this goal by \$452,621. The next actuarial study will be performed in the first quarter of 2015 and will address claims as of December 31, 2014.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE J – RISK MANAGEMENT (CONTINUED)**

Changes in the estimated claims payable for the Workers' Compensation Insurance Fund during the years ended December 31, 2012 and 2013, were as follows (amounts in 000's):

	2012	2013
Estimated claims payable January 1	\$ 1,100	\$ 1,162
Current year claims and changes in estimates	875	973
Claim payments	(813)	(952)
Estimated claims payable December 31	<u>\$ 1,162</u>	<u>\$ 1,183</u>
Claims payable due within one year	<u>\$ 725</u>	<u>\$ 762</u>

**NOTE K – ACCRUED LIABILITIES**

The December 31, 2013, balance in "accrued liabilities" contains the following detail (amounts in 000's):

Type of Accrued Liability	Governmental Activities	Business-type Activities	Total
Accrued salaries, wages and amounts withheld from employees	\$ 2,397	\$ 381	\$ 2,778
Accrued interest	890	513	1,403
Accrued liability – landfill cleanup	-	2,531	2,531
	<u>\$ 3,287</u>	<u>\$ 3,425</u>	<u>\$ 6,712</u>

**NOTE L – PROPERTY TAX OVERCOLLECTION LIABILITY**

The 2012 mill levy for the City of Boulder for taxes collected in 2013 resulted in an excess of the TABOR (see Note D) allowable property tax revenues by \$7,534. The 2013 mill levy for taxes collected in 2014 was voluntarily reduced to compensate for this overcollection.

The balance of remaining overcollections are recorded as an "other liability" in the following fund (amounts in 000's):

Fund	Net Overcollection
University Hill General Improvement District	\$ 8

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE M – ACCRUED LIABILITY – LANDFILL CLEANUP**

Until the late 1980s the city operated the Marshall Landfill. Around the time of the landfill's closure, the city was threatened by a lawsuit by the Department of Justice (DOJ) and the US Environmental Protection Agency (EPA) concerning the cleanup of Marshall Landfill, which is a designated Superfund site. The city was designated a potentially responsible party (PRP) pursuant to the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended by the Superfund Amendment and Reauthorization Act of 1986. The city and certain other PRPs negotiated a proposed consent decree with the DOJ and the EPA, and on May 17, 1988, City Council approved that decree.

The EPA, city and other PRPs subsequently signed the consent decree, which required the settling parties to implement remedial measures at Marshall Landfill for the purpose of cleaning up contaminated groundwater. This included the construction, operation and maintenance of a treatment facility and monitoring system.

The total cost of the cleanup was estimated to be approximately \$5.0 million for capital construction and \$0.8 million for engineering costs. Under the PRP agreement, which set forth the cost-sharing arrangements for the cleanup, the city's share was estimated at 30% or approximately \$1,740,000. This amount, plus \$210,000 for project management, contingency, legal and miscellaneous costs, was recorded in the Wastewater Utility Fund. Bonds were issued in 1992, and the proceeds restricted to pay these costs.

This judgment payable was satisfied in 1993 and an additional estimated liability equal to the net present value of average annual expenses of \$250,000, or \$2,926,595, was recorded for the city's estimated share of operating the treatment facility over the subsequent 20 years. The reasonableness of the average annual expense level is reviewed annually by city engineers and is based on typical operation, maintenance, analytical, and engineering costs of the Marshall Landfill site with adjustments made for inflation and equipment replacement.

The EPA and the Colorado Department of Public Health and Environment (CDPHE) approved a shutdown plan for the Marshall Landfill on November 30, 2004. The shutdown involves mothballing the current treatment facility for three years while the groundwater quality is monitored. The treatment facility must be maintained for the three-year period in a manner that allows start up, if deemed necessary.

The plan provided that if, at the end of three years, no concentrations of contaminants above the shutdown standards occur in the wells and surface water sites that are approved as points of compliance, the treatment plant can be removed. After the treatment facility is removed, an approved long-term monitoring plan will be implemented. The demolition plan would require continued monitoring for the foreseeable future, but at a reduced frequency than was currently in effect. In addition to long-term water sampling and analysis at the points of compliance, the landfill cover or cap would have to be maintained indefinitely.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE M – ACCRUED LIABILITY – LANDFILL CLEANUP (CONTINUED)**

The 2005 Marshall Landfill budget of \$240,000 was sufficient for all 2005 shutdown, mothballing, sampling and analysis, cap maintenance, and abandonment/encasement of obsolete monitoring wells. Annual costs during the three years (2005-2007) of the three-year shutdown period did not exceed \$150,000.

The final shutdown and demolition plan was submitted to EPA and CDPHE in 2008 and the city is awaiting a final determination about the removal of the treatment facility. If the EPA and CDPHE agree to demolition of the facility and long-term monitoring, the annual costs should be less than \$100,000. However, the actual annual costs will not be determined until EPA and CDPHE approve the final plan.

Funds to pay any future costs associated with this will be allocated through the collection of wastewater user charges. The December 31, 2013, balance in the “accrued landfill cleanup liability” is \$2,531,000.

**NOTE N –FUTURE WATER RIGHTS**

Under a water allotment contract with the Municipal Subdistrict, Northern Colorado Water Conservancy District (Subdistrict), the city has available 37/480 of the water units available through the Windy Gap Project (a water diversion project on the Colorado River). In 1991, the city sold 43 of its original 80 units to the City of Broomfield for a total of \$23,724,500. Under the sales agreement, the city received its final annual payment in 1993. The Raw Water Master Plan recommended that Windy Gap Project supplies be sold due to the high incremental cost of maintaining this portion of the raw water supply. When voting to approve the sales agreement, the City Council also moved that the proceeds be used for the acquisition of replacement water supplies capable of meeting multiple objectives, including diversification of municipal water supply sources, drought protection and maintaining instream flows.

Bonds issued by the Subdistrict in connection with construction of the project totaled \$119,280,000 after refunding in 1993. The bonds are not liabilities of the city since the city has an option annually to elect to either pay its share of the debt service and operating costs of the Subdistrict or to request the Subdistrict levy taxes directly through the County Assessor against property owners within the boundaries of the city to pay such costs and expenses. Under its contract, the city will never have ownership of the project, including the water rights.

The city’s commitment to pay the annual costs and expenses associated with the acquisition and maintenance of its future water rights continues to be for the original 80 units as follows:

2014	\$ 1,653,250
2015	1,655,004
2016	1,697,958
2017	1,700,125

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE N – FUTURE WATER RIGHTS (CONTINUED)**

Unearned revenue in the original amount of \$10,504,192 at 7% interest was recorded in 1992 in the Water Utility Fund to cover the principal portion of the debt service costs for the 43 units sold to the City of Broomfield. The December 31, 2013 balance was \$2,254,125.

**NOTE O – LONG-TERM DEBT**

The following balances and changes in long-term debt are for the year ended December 31, 2013 (amounts in 000's):

	Beginning Balance (restated)	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 87,577	\$ -	\$ (9,860)	\$ 77,717	\$ 7,665
Taxable pension obligation bonds	8,531	-	(355)	8,176	355
Revenue bonds	2,739	-	(1,361)	1,378	1,370
Total bonds payable	98,847	-	(11,576)	87,271	9,390
Loans payable	250	-	(250)	-	-
Capital lease purchase agreements	10,391	107	(529)	9,969	549
Compensated absences	11,110	705	(801)	11,014	559
Estimated claims payable (Note J)	2,172	930	(1,199)	1,903	929
Retiree health care benefit	1,420	141	-	1,561	-
Governmental activities long-term debt	<u>\$ 124,190</u>	<u>\$ 1,883</u>	<u>\$ (14,355)</u>	<u>\$ 111,718</u>	<u>\$ 11,427</u>
Business-type activities:					
Bonds payable:					
General obligation bonds	\$ 14,046	\$ -	\$ (1,656)	\$ 12,390	\$ 1,495
Revenue bonds	82,204	-	(7,819)	74,385	7,170
Total bonds payable	96,250	-	(9,475)	86,775	8,665
Lease purchase revenue notes	5,313	5,000	(1,364)	8,949	1,771
Compensated absences	1,309	97	(160)	1,246	155
Retiree health care benefit	211	22	-	233	-
Business-type activities long-term debt	<u>\$ 103,083</u>	<u>\$ 5,119</u>	<u>\$ (10,999)</u>	<u>\$ 97,203</u>	<u>\$ 10,591</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE O – LONG-TERM DEBT (CONTINUED)**

General Obligation Bonds

The city issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities. These bonds, therefore, are reported in the proprietary funds if they are expected to be repaid from proprietary revenues. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the city. In addition, many of the general obligation bonds of the city have a pledge of specific revenues. See Note X for pledged revenue information.

General obligation bonds outstanding at December 31, 2013, are as follows (amounts in 000's):

Purpose	Interest Rates Outstanding	Amount Outstanding	Original Amount
Governmental activities	2.00% - 5.50%	\$ 60,465	\$ 75,115
Governmental activities – refunding	2.00% - 4.00%	12,075	24,240
Business-type activities – refunding	2.00% - 4.00%	11,810	15,005
		<u>\$ 84,350</u>	<u>\$ 114,360</u>

Annual debt service requirements to maturity for general obligation bonds are as follows (amounts in 000's):

Year Ending December 31	Governmental Activities		Business-type Activities		Debt Requirements to Maturity
	Principal	Interest	Principal	Interest	
2014	\$ 7,665	\$ 2,759	\$ 1,495	\$ 350	\$ 12,269
2015	7,925	2,485	1,540	311	12,261
2016	6,005	2,200	1,590	272	10,067
2017	6,225	1,987	1,645	221	10,078
2018	5,795	1,766	1,705	169	9,435
2019-2023	14,280	6,518	3,835	353	24,986
2024-2028	14,995	3,777	-	-	18,772
2029-2031	9,650	766	-	-	10,416
Total liability	<u>72,540</u>	<u>22,258</u>	<u>11,810</u>	<u>1,676</u>	<u>108,284</u>
Plus bond premium	5,177	-	580	-	5,757
Net liability	<u>\$ 77,717</u>	<u>\$ 22,258</u>	<u>\$ 12,390</u>	<u>\$ 1,676</u>	<u>\$ 114,041</u>



City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE O – LONG-TERM DEBT (CONTINUED)**

Taxable Pension Obligation Bonds

The city also issues bonds where the city does not pledge any revenues nor has any obligation to levy any new or increased tax for the payment of debt service. These bonds are issued for the purpose of funding ongoing required pension obligations.

Taxable pension obligation bonds outstanding at December 31, 2013, are as follows (amounts in 000's):

Purpose	Interest Rates Outstanding	Amount Outstanding	Original Amount
Governmental activities	2.00% - 5.00%	\$ 8,075	\$ 9,070

Annual debt service requirements to maturity for the Taxable Pension Obligation Bonds are as follows (amounts in 000's):

Year Ending December 31	Governmental Activities		Debt Requirements to Maturity
	Principal	Interest	
2014	\$ 355	\$ 334	\$ 689
2015	360	327	687
2016	370	316	686
2017	380	305	685
2018	395	292	687
2019-2023	2,215	1,220	3,435
2024-2028	2,725	712	3,437
2029-2030	1,275	96	1,371
Total liability	8,075	3,602	11,677
Plus bond premium	101	-	101
Total liability	\$ 8,176	\$ 3,602	\$ 11,778

Revenue Bonds

The city also issues bonds where the city pledges income derived from the acquired or constructed assets to pay debt service. See Note X for pledged revenue information. In addition, revenue bonds have been issued to refund other revenue bonds.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE O – LONG-TERM DEBT (CONTINUED)**

Revenue Bonds (Continued)

Revenue bonds outstanding at December 31, 2013, are as follows (amounts in 000's):

Purpose	Interest Rates Outstanding	Amount Outstanding	Original Amount
Governmental activities	2.50% - 3.00%	\$ 1,370	\$ 6,485
Business-type activities	2.00% - 5.00%	13,000	55,225
Business-type activities – refunding	2.00% - 4.125%	54,880	79,660
		<u>\$ 69,250</u>	<u>\$ 141,370</u>

Annual debt service requirements to maturity for revenue bonds are as follows (amounts in 000's):

Year ending December 31	Governmental Activities		Business-type Activities		Debt Requirements
	Principal	Interest	Principal	Interest	to Maturity
2014	\$ 1,370	\$ 41	\$ 7,170	\$ 2,807	\$ 11,388
2015	-	-	7,420	2,547	9,967
2016	-	-	7,445	2,276	9,721
2017	-	-	6,860	1,988	8,848
2018	-	-	7,130	1,698	8,828
2019-2023	-	-	21,935	4,754	26,689
2024-2028	-	-	8,640	921	9,561
2029-2030	-	-	1,280	65	1,345
Total liability	<u>1,370</u>	<u>41</u>	<u>67,880</u>	<u>17,056</u>	<u>86,347</u>
Plus bond premium	<u>8</u>	<u>-</u>	<u>6,505</u>	<u>-</u>	<u>6,513</u>
Total liability	<u>\$ 1,378</u>	<u>\$ 41</u>	<u>\$ 74,385</u>	<u>\$ 17,056</u>	<u>\$ 92,860</u>

Lease Purchase Revenue Notes

The Boulder Municipal Property Authority (BMPA) has issued notes where BMPA pledges income, received from the City of Boulder and derived from base rentals of open space and parks property, to pay debt service. These notes are a debt of BMPA, not of the City of Boulder, but are included as a blended component unit of the city (Note A.1). Lease purchase revenue notes outstanding at December 31, 2013, are as follows (amounts in 000's):

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE O – LONG-TERM DEBT (CONTINUED)**

Lease Purchase Revenue Notes (continued)

Purpose	Interest Rates Outstanding	Amount Outstanding	Original Amount
Business-type activity	3.25 - 7.00%	\$ 8,949	\$ 18,169

Annual debt service requirements to maturity for lease purchase revenue notes are as follows (amounts in 000's):

Year Ending December 31	Business-type Activities		Debt Requirements to Maturity
	Principal	Interest	
2014	\$ 1,771	\$ 364	\$ 2,135
2015	1,451	283	1,734
2016	1,401	217	1,618
2017	848	154	1,002
2018	650	118	768
2019-2023	2,828	279	3,107
Total liability	\$ 8,949	\$ 1,415	\$ 10,364

Capital Lease Purchase Agreements

*Banc of America Leasing & Capital, LLC* – On September 27, 2010, the city entered into a lease purchase agreement with Banc of America Leasing & Capital, LLC. Proceeds of \$1,500,000 are being used for capital lease improvements, which include installing solar photovoltaic systems.

*All American Investment Group, LLC* - On October 25, 2010, the city entered into a capital lease agreement with All American Investment Group, LLC. On January 25, 2012, the city refinanced this lease which included a total of \$6,401,534 and an additional \$3,241,230 borrowed for a total lease obligation of \$9,642,764. The interest rate on this lease is fixed at 2.65%. The refinanced lease extended the life to 2027 with payments continuing to occur in January, April, July, and October. As a result of the refunding, the book value of the assets and liabilities were reduced by \$392,250.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE O – LONG-TERM DEBT (CONTINUED)**

Capital Lease Purchase Agreements (continued)

*Bank of the West* – on February 5, 2013, the city entered into a capital lease agreement with Bank of the West. Exercise equipment was purchased at a cost of \$105,783, to be used by Parks and Recreation customers for overall wellness purposes.

Capital lease purchase agreement obligations outstanding as of December 31, 2013 are as follows (amounts in 000's):

Purpose	Interest Rates Outstanding	Amount Outstanding	Original Amount
Governmental activities	2.65 - 4.93%	\$ 9,969	\$ 10,857

Annual debt service requirements to maturity for capital lease payments are as follows (amounts in 000's):

Year Ending December 31	Governmental Activities		Debt Requirements to Maturity
	Principal	Interest	
2014	\$ 549	\$ 334	\$ 883
2015	583	314	897
2016	594	293	887
2017	631	272	903
2018	684	249	933
2019-2023	4,321	837	5,158
2024-2027	2,607	135	2,742
Total liability	\$ 9,969	\$ 2,434	\$ 12,403

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE O – LONG-TERM DEBT (CONTINUED)**

Compensated Absences

The city has accrued, as a liability to current employees, the following amounts of accumulated unused vacation and sick pay, appreciation bonus and compensation time at December 31, 2013 (amounts in 000's):

	Governmental Activities	Business-type Activities
Accrued vacation	\$ 7,389	\$ 740
Accrued sick pay	1,390	155
Accrued appreciation bonus	2,000	351
Accrued compensation time	235	-
	<u>\$ 11,014</u>	<u>\$ 1,246</u>

The liability attributable to the governmental funds is recorded as a governmental activities noncurrent liability. It is estimated that \$559 of governmental activities and \$155 of business-type activities liabilities will be paid in 2014. Governmental liabilities relating to General, Library, Recreation Activity, Community Development and HOME Fund employees are liquidated out of the Compensated Absences Internal Service Fund. Liabilities relating to employees of all other governmental funds are liquidated out of the associated fund.

Arbitrage Liability

Kutak Rock Arbitrage Consulting LLC made calculations for the city to determine if any of the bond issues dated since January 1, 1986, had a liability for rebatable arbitrage at December 31, 2013. These calculations were made taking into consideration the investment instructions, the no arbitrage certificate and the relevant portions of the trust indenture for each of the bond issues. As of December 31, 2013, there is no arbitrage liability.

Refunded Bonds

The city has, at various times in prior years, entered into advance refunding transactions whereby a portion of the proceeds of the refunding bonds were placed in irrevocable escrow accounts and invested in direct, noncallable governmental obligations that, together with the interest earned thereon, will provide amounts sufficient for future payment of all interest and principal on the old bonds. The likelihood of the earnings and principal maturities of the governmental obligations not being sufficient to pay the defeased bond issue appears remote. Accordingly, the escrow accounts and outstanding defeased bonds are not included in the accompanying financial statements. At December 31, 2013, there is \$27,055,000 of principal outstanding on defeased bonds.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE O – LONG-TERM DEBT (CONTINUED)**

Lease of Criminal Justice Center

During prior years, the city used \$1,035,000 of Revenue Sharing Funds towards the cost of construction of the Criminal Justice Center built by Boulder County. The city negotiated an agreement with Boulder County on July 17, 1975, whereby the city leased, for an initial period of 30 (thirty) years, a 20,000 square foot portion of the Center at no additional cost to the city.

This lease was replaced on January 1, 1990, with an agreement whereby the County purchased 15,000 square feet of the city's leasehold interest in the Center and whereby the city, for a one-time payment of \$139,538, will lease an additional 2,000 square feet from the County for a period ending at the same time as the original 30 year lease. On March 30, 2005, the city exercised the option to renew its leasehold interest at the Criminal Justice Center for an additional 30 years.

Lease of Public Library Space at the Meadows on the Parkway

The city entered into a lease dated as of September 21, 1988, with Foothills Associates, Inc. for 7,812 square feet to house the Meadows branch of the Boulder Public Library at the Meadows on the Parkway shopping center. The lease agreement was renewed according to the terms of the original agreement which provided the city with the option to extend the lease upon the same conditions for an additional period of time equal to the total period of time that Safeway or the comparable anchor tenant is a tenant at the shopping center. The city pays no rent to Foothills Associates, Inc. but does pay its pro rata share of various common expenses as set forth in the lease agreement.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE P – INTERFUND RECEIVABLES/PAYABLES, AND TRANSACTIONS**

Generally accepted accounting principles require disclosure of certain information concerning individual funds.

**Due To/From Other Funds**

The composition of interfund receivable and payable balances as of December 31, 2013 is as follows (amounts in 000's):

Receivable Fund	Payable Fund	Amount
Downtown Commercial District	General	643
Boulder Municipal Property Authority	Open Space and Mountain Parks	148
General Fund	Community Development Block Grant	64
General Fund	HOME	16
General Fund	Fleet Replacement Fund	145
General Fund	Property and Casualty Insurance Fund	41
Workers Compensation	Property and Casualty Insurance Fund	57
Wastewater Utility	Stormwater and Flood Management Utility	41
		<u>\$ 1,155</u>

The more significant interfund receivable/payable balances are amounts due from General Fund to Downtown Commercial District for excess tax increment money received that was more than needed for bond payments, Fleet Fund to General Fund to repay money used for the Valmont Butte remediation (see Note T) and from Open Space and Mountain Parks to Boulder Municipal Property Authority for accrued interest on debt. All balances will be repaid within one year.

**Advances To/From Other Funds**

The composition of interfund advances receivable and payable balances as of December 31, 2013, is as follows (amounts in 000's):

Receivable Fund	Payable Fund	Amount
General Fund	Airport Fund	\$ 260
Water Fund	General Fund	714
Fleet Fund	General Fund	1,132
Downtown Commerical District	Boulder Junction Access GID	16
		<u>\$ 2,122</u>

The General Fund owes the Water Utility Fund \$713,509 at December 31, 2013, for funding the purchase of land from the Water Utility Fund for development of a new fire training center in 2009. This advance will be repaid over 15 years with 60 equal quarterly payments including 5% interest beginning in 2009.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE P – INTERFUND RECEIVABLES/PAYABLES, AND TRANSACTIONS  
(CONTINUED)**

**Advances To/From Other Funds (Continued)**

The General Fund owes the Fleet Fund \$103,176 for funding assistance in the implementation of new parking technology and \$1,029,060 for the Valmont Butte Remediation at December 31, 2013. The parking technology advance will be repaid over 10 years with 40 equal quarterly payments including 5% interest beginning in 2008. The Valmont Butte Remediation advance will be repaid over 10 years with 40 equal quarterly payments beginning in 2012 with an interest rate of 0.75%.

The Boulder Junction General Improvement District owes the Downtown Commercial District \$16,409 at December 31, 2013. This advance will repaid over 10 years with 10 equal annual payments beginning 2012. The interest rate is 2.50%.

The Airport Fund owes the General Fund \$260,000 at December 31, 2013. This advance will be repaid over 6 years with annual payments beginning in 2014.

**Interfund Transactions**

There are various types of interfund transactions which occur between funds. The following information describes the city's 2013 transfers (amounts in 000's). All funds made quarterly payments to the General Fund for indirect expenses, primarily administrative, such as legal, human resources, finance and information technologies.

TRANSFERS OUT						
TRANSFERS IN	General Fund	Open Space & Mountain Parks	Transportation	Nonmajor Govern- mental	Water Utility	Wastewater Utility
General Fund	\$ -	\$ 1,067	\$ 1,305	\$ 2,193	\$ 1,240	\$ 877
Open Space & Mountain Parks	1,072	-	-	-	-	-
Transportation	22	-	-	-	-	-
2011 Capital Improvement	1,309	-	-	1,000	-	-
Nonmajor Governmental	4,055	-	438	239	207	207
Water Utility	-	-	-	-	-	-
Wastewater Utility	-	-	-	-	-	-
Downtown Commercial District	1,475	-	-	-	-	-
Nonmajor Business-type	400	-	-	-	-	-
Internal Service Funds	78	-	-	4,000	-	-
Total transfers	\$ 8,411	\$ 1,067	\$ 1,743	\$ 7,432	\$ 1,447	\$ 1,084



City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE P – INTERFUND RECEIVABLES/PAYABLES, AND TRANSACTIONS  
(CONTINUED)**

**Interfund Transactions (Continued)**

TRANSFERS IN	TRANSFERS OUT					TOTAL
	Stormwater & Flood Management	Downtown Commercial District	Nonmajor Business- type	Internal Service Funds		
General Fund	\$ 222	\$ 1,336	\$ 47	\$ 1,996	\$ 10,283	
Open Space & Mountain Parks	-	-	161	-	1,233	
Transportation	-	-	-	-	22	
2011 Capital Improvement	-	-	-	1,158	3,467	
Nonmajor Governmental	125	-	-	95	5,366	
Water Utility	-	-	-	424	424	
Wastewater Utility	-	-	-	493	493	
Downtown Commercial District	-	-	-	-	1,475	
Nonmajor Business-type	-	-	-	-	400	
Internal Service Funds	-	-	-	185	4,263	
Total transfers	\$ 347	\$ 1,336	\$ 208	\$ 4,351	\$ 27,426	

**NOTE Q – RELATED PARTY TRANSACTIONS**

Boulder Housing Partners is a separate related organization as explained in Note A1. During 2013, Boulder Housing Partners received grant funding of \$3,886,174 from the city. These grants were awarded to Boulder Housing Partners in a competitive application process. In addition to the grant funding above, Boulder Housing Partners received other operating assistance and support in 2013 totaling \$21,281.

During 2013, Boulder Housing Partners participated in the city's employee benefit plans including health care, dental, life, and vision insurance options, etc. for the benefit of its employees. Boulder Housing Partners reimbursed the city for the full cost of these benefits. There was no receivable from Boulder Housing Partners at December 31, 2013.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE R – REVOLVING LOAN PROGRAM**

During 2000, the city entered into an agreement with Funding Partners for Housing Solutions, Inc. (FP) for operation of a revolving loan fund to assist home buyers' purchases of homes located in the City of Boulder. Under this agreement, the city approves the loan applications and FP administers the revolving loan program by providing all legal documents, coordination with Fannie Mae and FHA programs, monitoring and servicing of the outstanding loans, and revolving the loan funds back into new loans. The city provided a total of \$709,654 in 2000, 2001, and 2009 as the seed funding for this revolving loan program. Beginning in 2011, the agreement with FP is subject to annual renewal. If the agreement for the revolving loan program is terminated, FP will assign and return all outstanding loans and program balances over to the city.

**NOTE S – RESTRICTED NET POSITION AND SIMILAR FUND BALANCE LIMITATIONS**

TABOR Emergency Reserves: At December 31, 2013, net position for Business-type Activities of \$159,000 and \$6,000, respectively, were restricted in the Downtown Commercial District and University Hill Commercial District for TABOR emergency reserves.

Restricted Net Position and Similar Fund Balance Restrictions: Restricted net position and fund balances have been classified into the following broad categories. Net position identified as Legally Restricted are restricted by external sources such as grantors and tax ballot language. Net position identified as Debt Service are restricted by bond ordinances for future debt service. Net position restricted for Capital Projects includes revenues restricted for capital acquisition projects. Development restrictions are largely revenues, such as impact fees or special tax proceeds limited to specific operations or purposes, such as acquisition, development and maintenance of parks and open space lands and trails. Lottery Funds are restricted by state statute for specific projects as defined within the Colorado Constitution Article XXVII for parks, recreation and open space projects. Donor Restrictions are limitations placed upon the use of proceeds by the original donor.

**NOTE T – COMMITMENTS AND CONTINGENCIES**

1. Litigation

A number of claims against the city are pending for injuries received, tax and assessment appeals, water applications and rights, and other miscellaneous cases. In the opinion of management and legal counsel, the final settlement of these matters will not have a material adverse effect on the financial statements of the city.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE T – COMMITMENTS AND CONTINGENCIES (CONTINUED)**

1. Litigation (Continued)

Valmont Butte Allied Piles Site (VCUP) – The city presented a voluntary cleanup plan to the Colorado Department of Public Health and Environment (CDPHE). This plan was approved under the Colorado Voluntary Cleanup Program. As required by CDPHE, site remediation actions in the VCUP started by August 31, 2011 with an extended completion date of December 31, 2013. As of December 31, 2013, the city has expended a total of \$2.5 million on Valmont Butte cleanup with no additional liability remaining for continued cleanup responsibilities.

2. Single Audit

The city follows the single audit concept under the provisions of the Single Audit Act of 1984, as amended in 1996. A single audit appendix is a part of the comprehensive annual financial report. Under the single audit concept, one audit is performed which satisfies the requirements of all Federal agencies. The city has received State and Federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursement to grantor agencies for expenditures disallowed under the terms of the grant. The city's management believes disallowances, if any, will be immaterial.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE T – COMMITMENTS AND CONTINGENCIES (CONTINUED)**

3. Construction Commitments

At December 31, 2013, city funds were obligated under contractual commitments for various construction or equipment acquisition projects as follows (000's):

Fund	Contractual Commitments
General	\$ 1,719
Open Space	908
Transportation	6,023
2011 Capital Improvement	8,350
Total Major Funds	<u>17,000</u>
 Total Non- Major Governmental Funds	 <u>2,626</u>
Total Governmental Funds	<u><u>\$ 19,626</u></u>
 Water Utility	 \$ 1,144
Wastewater Utility	706
Stormwater & Flood Management	2,529
CAGID	372
Total Major Enterprise Funds	<u>4,751</u>
 Non-Major Enterprise Funds	 <u>32</u>
Total Enterprise Funds	<u><u>\$ 4,783</u></u>
Total Internal Service Funds	<u><u>\$ 2,113</u></u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE U – PENSION AND RETIREMENT PLANS**

The city's employees are covered under five separate retirement plans and two deferred compensation plans (Note V). Regular contributions (not including disciplinary pay contributions) to the various plans, shown both in dollars and percent of covered payroll, are as follows (amounts in 000's):

Number of Active Full-time Employees	Plan	Employee Contributions		City Contributions	
		Dollars	Percentage	Dollars	Percentage
1,252	PERA	\$ 5,258	8.000%	\$ 9,028	13.700%
1	Old Hire Police	3	2.000%	222	
1	Old Hire Fire	7	7.833%	159	
	Police and Fire Money Purchase –				
171	Police employees	823	6.200%	1,833	13.800%
	Police and Fire Money Purchase –				
	Fire employees – International				
109	Association of Firefighters	703	8.000%	1,143	13.000%
6	ICMA 401(a)	78	8.000%	134	13.700%
4	ICMA 457	3	8.000%	6	13.700%
	Totals	<u>\$ 6,875</u>		<u>\$ 12,525</u>	

Covered employees should refer to pension plan documents and legislation for detail plan descriptions and benefits.

City Administered Pension Plans

Of the above pension plans, the city administers two defined benefit single employer pension plans, the "Old Hire" Police Defined Benefit Plan and the "Old Hire" Fire Defined Benefit Plan. Although a small amount of the assets of these two plans are pooled for investment purposes, each of these two plan's assets may be used only for the payment of benefits to the members of that plan, in accordance with the terms of the plan.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)**

Membership of each plan consisted of the following at January 1, 2012, the date of the latest actuarial valuation:

	"Old Hire" Police Defined Benefit Plan	"Old Hire" Fire Defined Benefit Plan
Retirees receiving benefits	28	25
Beneficiaries receiving benefits	13	14
Disabled receiving benefits	4	4
Terminated plan members entitled but not yet receiving benefits	7	5
Active plan members	1	2
Total	<u>53</u>	<u>50</u>

The city's annual pension costs and net pension obligation for the two plans for the year ended December 31, 2013 are as follows (amounts in 000's):

	"Old Hire" Police Defined Benefit Plan	"Old Hire" Fire Defined Benefit Plan
Annual required contributions (ARC)	\$ 219	\$ 157
Interest on net pension obligation (NPO)	(405)	(297)
Adjustment to ARC	568	477
Annual Pension Cost	<u>382</u>	<u>337</u>
City contributions	<u>(222)</u>	<u>(159)</u>
Increase (decrease) in NPO	160	178
Net pension obligation (prepaid) beginning of year	<u>(5,404)</u>	<u>(3,965)</u>
Net pension obligation (prepaid) end of year	<u>\$ (5,244)</u>	<u>\$ (3,787)</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)**

Three Year Trend Information

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>City Contributions</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Prepaid)</u>
<b>"Old Hire" Police Defined Benefit Plan</b>				
2013	\$ 382	\$ 222	58%	\$ (5,244)
2012	388	222	57%	(5,404)
2011	364	192	53%	(5,660)
<b>"Old Hire" Fire Defined Benefit Plan</b>				
2013	\$ 337	\$ 159	47%	\$ (3,787)
2012	345	162	47%	(3,965)
2011	255	64	25%	(4,189)

The "Old Hire" Police Defined Benefit Plan and the "Old Hire" Fire Defined Benefit Plan financial statements as of December 31, 2013, are included in the City of Boulder Comprehensive Annual Financial Report under the heading of Fiduciary Fund Types; no separate financial statements are issued. This information by plan follows.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)**

Plan net assets as of December 31, 2013, are as follows (amounts in 000's):

	"Old Hire" Police Defined Benefit Plan	"Old Hire" Fire Defined Benefit Plan
Assets:		
Equity in pooled cash and cash equivalents	\$ 10	\$ 9
Investments		
U.S. Treasuries	210	3
U.S. Instrumentalities	789	39
Mutual Funds	6,875	11,920
Equity Securities	5,085	-
Local Government Investment Pools	4	4
Money Market Funds	378	270
Real Estate Investment Trust	586	-
Corporate Bonds	216	-
Other	306	4
Accrued Interest	9	-
Total assets	14,468	12,249
Liabilities:		
Accrued pensions payable	36	31
Net position held in trust for pension benefits	\$ 14,432	\$ 12,218



City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)**

The changes in plan net position for December 31, 2013, were as follows (amounts in 000's):

	"Old Hire" Police Defined Benefit Plan	"Old Hire" Fire Defined Benefit Plan
Additions:		
Pension contributions:		
City of Boulder	\$ 222	\$ 159
Employees	3	7
Total contributions	225	166
Investment earnings (loss)	1,958	1,619
Less investment expense	(35)	(35)
Net investment income (loss)	1,923	1,584
Total additions (reductions)	2,148	1,750
Deductions:		
Benefits	1,378	1,160
Administrative	15	28
Total deductions	1,393	1,188
Net increase (decrease)	755	562
Net position held in trust for pension benefits:		
Beginning of year	13,677	11,656
End of year	\$ 14,432	\$ 12,218

1. "Old Hire" Police Defined Benefit Plan

**Plan Description** – Full-time police officers hired prior to April 8, 1978, are members of the City of Boulder "Old Hire" Police Defined Benefit Plan (Plan), a single-employer defined benefit pension plan. The Plan covers two groups – "Employees" and "Former Members".

*Former Members* – This group includes employees whose employment with the employer terminated prior to January 1, 1987. They are covered by the retirement benefits provided under Colorado Revised Statutes, Title 31, Article 30.5 as modified by Chapter 9, Title 2 of the Boulder Revised Code, 1981. However, the Trust Fund established by the Plan Document is obligated to pay all benefits to these employees.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)**

1. “Old Hire” Police Defined Benefit Plan (Continued)

*Employees* – The City of Boulder “Old Hire” Police Defined Benefit Plan and Trust Agreement (Plan Document) was established by the City Council on November 3, 1987 by Ordinance 5086. This Plan Document was effective retroactive to January 1, 1987, and superseded and replaced the retirement benefits that had previously been provided under Colorado Revised Statutes, Title 31, Article 30.5 as modified by Chapter 9, Title 2 of the Boulder Revised Code, 1981. The provisions of this Plan Document apply solely to employees whose employment with the employer terminates on or after January 1, 1987.

**Benefits** – For members retiring or terminating after March 10, 1999, the retirement pension is equal to 2.60% of final salary times full years of participation up to 25 years, plus .5% of final salary for each full year of participation service over 25 years up to 27 years, providing a maximum pension of 65%. The Plan permits early retirement after 10 years of credited service with reduced benefits. Members may elect to receive their pension benefits in the form of joint, survivor annuities, or a lump-sum payment calculated on the basis of the UP-1984 Mortality table. This election can be made prior to retirement in order to provide a pension payable to the surviving spouse or beneficiary if the member dies after reaching normal retirement age and before retirement. On termination, members may receive a refund of their contributions without interest. This refund of contributions paid waives future rights to any benefits.

The minimum monthly benefits for *Former Members* are: \$875.50 for those receiving a disability retirement and \$515.00 for those receiving a beneficiary retirement.

**Deferred Retirement Option Plan (DROP) Program** – During 1999, a DROP provision, retroactive to January 1, 1998, was added to the Plan. This enables an active member, who is eligible to retire, to elect to have their employee contributions, annual pension benefits and interest thereon, directed to a separate account for up to five years prior to retirement. The city’s share of pension contributions is excluded from the employee’s DROP account but continues to be allocated to the Plan. The annual pension benefit is initially calculated as of the date of the election of the DROP. The pension benefit in subsequent years will include any benefit increases granted by the Board to retirees and widows. Upon retirement, the member begins to receive pension payments in the form of an annuity and the cumulative assets in the DROP account are paid to him in a lump-sum. As of December 31, 2013, there was one police employee who elected the DROP. For Note U purposes (unless otherwise stated), this employee is shown as an active member and included in covered payroll.

**Death and Disability Benefits** – *Employees and Former Members* - Effective January 1, 2007, the widow of a participant who commenced employment prior to January 1, 1980, is eligible for a benefit of the greater of (a) one-third of the monthly salary paid by the city to a first class firefighter at the date of the participant’s death; (b) one-third of the monthly salary paid by the city to a first class firefighter at the date of the participant’s termination or (c) one-half of the Normal Retirement Pension received by the participant at the date of such participant’s death. In no event shall the amount be less than the Board established minimum widow benefit which is currently \$515.00 per month. Benefits for disability retirees who retired prior to January 1, 1987, are eligible for a minimum benefit of \$875.50 per month.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)**

1. “Old Hire” Police Defined Benefit Plan (Continued)

Dependent children of the employee are eligible for \$30 per month, if there is no surviving spouse. Benefit payments to beneficiaries continue if the widow of a deceased member remarries.

When any member dies, regardless of whether active, retired or terminated, the surviving spouse or the estate of the deceased member shall receive a one-time death benefit of \$100.

**Contributions and Funding Policy** – The Plan is a joint-contributory retirement plan operating on an actuarial reserve basis. Per the Plan Document, the contribution requirements of the plan members and the city are established and may be amended by the Boulder Police Officers Association collective bargaining agreement in effect for the payroll period concerned. Contributions of 2.0% of covered payroll are currently required from both the city and employees. The city must also contribute an additional annual payment necessary to make the plan actuarially sound as defined by Section 3.02 of the plan document with no maximum specified. In 2013, the city contributed \$221,966 to meet the actuarially calculated contribution requirement which exceeded the state mandated requirement. Administrative expenditures are recorded when incurred and are financed by the Plan.

**Actuarial Present Value of Accumulated Plan Benefits** – Accumulated Plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan’s provisions the service members have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated members or their beneficiaries, (b) beneficiaries of members who have died, and (c) present members or their beneficiaries. Benefits under the Plan are based on members’ compensation. Benefits payable under all circumstances - retirement, death, disability, and termination of employment – are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

An actuarial study was prepared at January 1, 2012. It is the “Old Hire” Police Defined Benefit Plan Board of Trustees’ policy to have an actuarial study prepared every two years or whenever a benefit change is being considered.

The significant actuarial assumptions used in the valuation as of January 1, 2012, included the following:

- Actuarial Cost Method – entry age normal actuarial cost method.
- Actuarial Value of Assets – Determined by calculating an expected value equal to the prior year’s market value of assets, plus cash flows of contributions and benefit payments for the year and assuming a 7.50% interest return. The difference between this expected value and the actuarial market value is recognized over three years. The resulting value is limited to between 80% and 120% of the market value of assets.
- Annual Required Contribution – Closed, level dollar amortization of unfunded actuarial liability over the remaining amortization period which is 15 years.
- Investment Earnings – 7.5% compounded annually, net of expenses.
- Cost of Living Adjustments – None assumed.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)**

1. “Old Hire” Police Defined Benefit Plan (Continued)

- Retirement – Participants are assumed to retire upon age 50 with 20 years of service, or upon attainment of 25 years of service, if earlier.
- Retiree Mortality – Sex-distinct RP-2000 mortality for annuitants projected by Scale AA to 2017.
- Minimum Death Benefit – A minimum death benefit of \$515 per pay period is used.
- First Class Firefighter Salary – The highest negotiated First Class Firefighter Salary is used to calculate death benefits. For 2013, this is projected to be \$2,802 per pay period.
- Marriage Rates – 90% active participants are assumed to be married. Male spouses are assumed to be three years older than their female spouses. Actual marital status is used for retirees.
- Form of Payment – All active participants are assumed to elect the normal form of payment.

The significant changes in actuarial assumptions and methods as of January 1, 2012 included the following:

- First Class Firefighter Salary was increased from \$2,666 to \$2,802 per pay period to reflect the current highest negotiated rate.

**Funded Status and Funding Progress** – As of January 1, 2012, the most recent actuarial valuation date, the plan was 87.5% funded. The actuarial accrued liability for benefits was \$16,057,253 and the actuarial value of assets was \$14,051,067, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,006,186. The covered payroll (annual payroll of active employees covered by the plan) was \$130,326 and the ratio of the UAAL to the covered payroll was 1,539.4%. In October 2010, City of Boulder Taxable Pension Obligation Bonds were issued and \$5,469,000 of additional funding was deposited into the plan to decrease the UAAL for the future.

**Historical Trend Information** – The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

2. “Old Hire” Fire Defined Benefit Plan

**Plan Description** - The city’s full-time firefighters hired prior to April 8, 1978, are members of the City of Boulder “Old Hire” Fire Pension Benefit Plan (Plan), a single employer defined benefit pension plan. The Plan covers two groups: “Employees” and “Former Members”.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)**

2. “Old Hire” Fire Defined Benefit Plan (Continued)

*Employees* – The city established The City of Boulder “Old Hire” Fire Defined Benefit Plan and Trust Agreement (Plan Document) in 2002. This Plan Document was effective retroactive to January 1, 2000, and superseded and replaced the retirement benefits that had previously been provided under Colorado Revised Statutes, Title 31, Article 30.5 as modified by Chapter 9, Title 2 of the Boulder Revised Code, 1981. The provisions of this Plan Document apply solely to employees whose employment with the employer terminates on or after January 1, 2000.

*Former Members* – This group includes employees whose employment with the employer terminated prior to January 1, 2000. They are covered by the retirement benefits provided under Colorado Revised Statutes, Title 31, Article 30.5 as modified by Chapter 9, Title 2 of the Boulder Revised Code, 1981. However, the Trust Fund established by the Plan Document is obligated to pay all benefits to these employees.

**Benefits** – Members aged 50 with 20 years of credited service are entitled to annual pension benefits equivalent to 50% of monthly compensation at the date of retirement. The Plan Document provides for an additional retirement benefit of 2% per year for each additional year of service after 20 years of service, credited after September 1, 1987, and attainment of age 50, up to a maximum of 10% prior to January 1, 2000. Beginning January 1, 2000, and on each successive January 1, all actives, who are eligible for normal retirement (age 50 and 20 years of service) are to receive a 3% increase of final salary, up to a maximum of 65% of final salary. On termination, members may receive a refund of their contributions without interest. This refund of contributions paid waives future rights to any benefits.

The minimum benefits for *Former Members* are: \$875.50 per month for those receiving a normal or disability retirement and \$515.00 per month for those receiving a beneficiary retirement.

Any pension benefit increase shall not negatively impact the actuarial soundness of the fund.

**Deferred Retirement Option Plan (DROP) Program** – During 2000, a DROP provision was added to the Plan. This enables an active member, who is eligible to retire, to elect to have their employee contributions, annual pension benefits and interest thereon, directed to a separate account for up to five years prior to retirement. The city share of pension contributions is excluded from the employee’s DROP account but continues to be allocated to the Plan. The annual pension benefit is initially calculated as of the date of the election of the DROP.

The pension benefit in subsequent years will include any benefit increases granted by the Board to retirees and widows. Upon retirement, the member begins to receive pension payments in the form of an annuity and the cumulative assets in the DROP account are paid to him in a lump-sum. As of December 31, 2013, one member has elected the DROP option. For Note U purposes (unless otherwise stated), this employee is shown as an active member and included in covered payroll.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)**

2. “Old Hire” Fire Defined Benefit Plan (Continued)

**Death and Disability Benefits**

*Employees and Former Members* – Effective January 1, 2007, the widow of a retiree who retired prior to January 1, 1990, is eligible for a benefit of the lesser of one-third of the monthly salary paid by the city to a first class firefighter at the date of the member’s death or earlier retirement or the Board established minimum widow benefit which is currently \$515.00 per month. Benefits for normal or disability retirees who retired prior to January 1, 2000, are eligible for a minimum benefit of \$875.50 per month. Dependent children of the employee are eligible for \$30.00 per month, if there is no surviving spouse. Benefit payments to beneficiaries continue if the widow of a deceased member remarries.

*Employees* – The benefits of active employees as of January 1, 1990, include a widow’s benefit equal to 100% of the active employees retirement benefit. This benefit change was approved during 1990 and is fully-funded by employee contributions.

When any member dies, regardless of whether active, retired or terminated, the surviving spouse or the estate of the deceased member shall receive a one-time death benefit of \$100.

**Contributions and Funding Policy** – The Plan is a joint-contributory retirement plan operating on an actuarial reserve basis. Per the “Old Hire” Fire Defined Benefit Pension Plan, the contribution requirements of the plan members and the city are established and may be amended by the International Association of Fire Fighters, Local #900 collective bargaining agreement in effect for the payroll period concerned. Contribution rates during 2012 were 2.451% and 7.833% of covered payroll for the city and employees, respectively. City contributions must be at least equal to employee contributions. The city must also contribute an additional annual payment necessary to make the plan actuarially sound as defined by Section 3.02 of the plan document with no maximum specified. In 2013, the city contributed \$159,119 to meet the actuarially calculated contribution requirement which exceeded the state-mandated requirement. Administrative expenditures are recorded when incurred and are financed by the Plan.

**Actuarial Present Value of Accumulated Plan Benefits** - An actuarial study was prepared at January 1, 2012. It is the Fire Pension Board policy to have an actuarial study prepared every two years or whenever a benefit change is being considered.

The significant actuarial assumptions used in the valuation as of January 1, 2012 included the following:

- Actuarial Cost Method – Entry age normal actuarial cost method.
- Actuarial Value of Assets – Market value.
- Annual Required Contribution – Closed, level dollar amortization of unfunded actuarial liability over the remaining amortization period which is 12 years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)**

2. “Old Hire” Fire Defined Benefit Plan (Continued)

- Investment Earnings – 7.5% compounded annually, net of expenses.
- Cost of Living Adjustments – None assumed.
- Retirement – Not Applicable – All participants are retired.
- Retiree Mortality – Sex-distinct RP-2000 mortality for annuitants projected by Scale AA to 2017.
- Minimum Death Benefit – A minimum death benefit of \$515 per pay period is used.
- First Class Firefighter Salary – The highest negotiated First Class Firefighter Salary is used to calculate death benefits. For 2013, this is projected to be \$2,802 per pay period.
- Inflation rate – Not specified by actuary.
- Marriage Rates – Male spouses are assumed to be three years older than their female spouses. Actual marital status is used for retirees.

The significant changes in actuarial assumptions and methods as of January 1, 2012 included the following:

- First Class Firefighter Salary was increased from \$2,666 to \$2,802 to reflect the current highest negotiated rate.

**Funded Status and Funding Progress** – As of January 1, 2012, the most recent actuarial valuation date, the plan was 90.4% funded. The actuarial accrued liability for benefits was \$13,142,256 and the actuarial value of assets was \$11,884,000, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,258,256. The covered payroll (annual payroll of active employees covered by the plan) was \$0 and the ratio of the UAAL to the covered payroll was not applicable since all participants were retired as of January 1, 2012. In October 2010, City of Boulder Taxable Pension Obligation Bonds were issued and \$3,531,000 of additional funding was deposited into the plan to decrease the UAAL for the future.

**Historical Trend Information** – The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)**

3. Public Employees Retirement Association (PERA)

**Plan Description** – The City of Boulder contributes to the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The LGDTF provides retirement and disability, post-retirement annual increases, and death benefits for members and their beneficiaries. All employees, except firefighters, police officers and certain management employees that work directly for the City Manager are members of the LGDTF. Those employees excepted from PERA are covered by other plans described in this Note. Title 24, Article 51 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State Legislature. PERA issues a publicly-available Comprehensive Annual Financial Report that includes financial statements and required supplementary information for the LGDTF. That report may be obtained online at [www.copera.org](http://www.copera.org) or by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado, 80203, or by calling PERA at (303) 832-9550 or 1-800-759-PERA (7372).

**Funding Policy** – The City of Boulder is required to contribute member and employer contributions to PERA at a rate set by statute. The contribution requirements of plan members and the City of Boulder are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate for members is 8.0% and for the City of Boulder is 13.7% of covered salary. A portion of the City of Boulder's contribution (1.02% of covered salary) is allocated for the Health Care Trust Fund (HCTF) (see Note W – Other Postemployment Benefit Plans (OPEB) than Pensions). The City of Boulder is also required to pay an amortization equalization disbursement (AED) equal to 2.20% of the total payroll for the calendar year 2013 (2.20% of total payroll for the calendar year 2012, 2.20% of total payroll for the calendar year 2011). Additionally, the City of Boulder is required to pay a supplemental amortization equalization disbursement (SAED) equal to 1.50% of total payroll for the calendar year 2013 (1.50% of total payroll for the calendar year 2012 and 1.50% of total payroll for the calendar year 2011).

If the City of Boulder rehires a PERA retiree as an employee or under any other work arrangement, it is required to report and pay the employer contribution rate on the amounts paid for the retiree. As of January 1, 2011, the employee is also required to pay the 8.0% contribution rate on any wages earned.

For the years ending December 31, 2013, 2012, and 2011, the City of Boulder's contributions to the LGDTF, were \$9,027,975, \$8,425,590, and \$8,027,409, respectively, equal to their required contributions for each year.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)**

**4. Police and Fire Money Purchase Pension Plan**

The city's full-time police officers and firefighters hired on or after April 8, 1978, are covered by the Police and Fire Money Purchase Plan (Plan), an Internal Revenue Code Section 401(a) plan. This Plan is a single-employer defined contribution plan that was established by the City Council effective January 1, 1983. The Plan is administered by a Board of Trustees comprised of two elected Boulder Police Department employees, two elected Boulder Fire Department employees and one appointed member who is not an employee of either the Police or Fire departments and has business and/or investment experience within the community. The contribution levels are established at the time of labor negotiations and are detailed in the bargaining unit agreements for information only.

The Boulder Police Benevolent Association negotiated an economic agreement with the city which is in effect through December 31, 2014. The city's contribution requirement for the year ended December 31, 2013, was 13.8%, of covered payroll. The dollar amount of the city's contributions was \$1,833,000 in 2013. The employee contributions were 6.2%, or \$823,000, of covered payroll.

The International Association of Firefighters, Local #900, negotiated an economic agreement with the city, which was in effect through December 31, 2013. The city's contribution requirement for the year ended December 31, 2013, was 13% of covered payroll, or \$1,143,000. The employee contributions were 8% of covered payroll, or \$703,000.

City contributions and interest forfeited by employees who leave employment before five years of service are first used for administrative charges and second to reduce the city's current period contribution requirement. All participants may make additional contributions of up to 25% of their salary or \$30,000, whichever is less.

**Benefits** – An employee is eligible to receive benefits upon death, disability or normal retirement. Benefits are paid out of the employee's individual account. This account is made up of: 100% of the employee's contributions; 100% of the employer contributions if the employee terminates because of death, disability or normal retirement, or a lesser percent based on the vesting schedule in the plan document if the employee terminates for another reason; and the interest earnings either positive or negative, over the term of the employee's employment with the city. Benefits are distributed at the discretion of the administration committee either in a lump-sum or over the employee's life expectancy or 10 years, whichever is less.

**Death and Disability Benefits** – If an active member dies or becomes disabled (but is not eligible for an age and service retirement) while employed, the member's spouse and dependent children will receive survivor benefits or the member will receive benefits under the State Fire and Police Pension Association (FPPA). See description under Fire and Police Pension Association below.

The Police and Fire Money Purchase Plan issues a publicly available annual financial report that includes financial statements and required supplementary information. That report may be obtained by writing to City of Boulder Fire and Police Money Purchase Plan, 1805 33<sup>rd</sup> Street, Boulder, Colorado, 80301.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)**

5. Fire and Police Pension Association (FPPA)

All full-time police officers and firefighters are covered by the Fire and Police Pension Association (FPPA), a multiple-employer cost-sharing plan for pre-retirement death and disability. To date contributions to the plan have been determined and budgeted by the State legislature. State law provided that these contributions would continue in diminishing amounts until 1994. The State requires employees hired on or after January 1, 1997, to contribute 2.6% of salary. The city pays the 2.6% for all affected police officers and firefighters. In 2013, 2012, and 2011, the city paid \$320,527, \$297,687, and \$280,671, respectively, equal to their required contributions for each year.

FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information. That report may be obtained online at [www.fppaco.org](http://www.fppaco.org) or by writing to Fire and Police Pension Association of Colorado, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado, 80111-2721 or by calling FPPA at (303) 770-3772 or 1-800-332-3772.

**NOTE V – DEFERRED COMPENSATION PLANS**

The Colorado Revised Statutes allow any city to exempt the City Manager and key management staff who report directly to the City Manager or the City Council from membership in the Public Employees Retirement Association, provided each such person has executed a trust agreement and deferred compensation employment agreement with the International City Management Association Retirement Corporation (ICMA-RC), an Internal Revenue Code Section 401(a) plan. The assets of these two plans are held in a trust account and therefore are not reflected on the City of Boulder financial statements.

In addition to ICMA-RC, City Council authorized the establishment of a deferred compensation program for city employees. T. Rowe Price, through a bid process, was selected as administrator of the program. Deferred compensation is not available for withdrawal by employees until termination, retirement, death or unforeseeable emergency. The assets of this plan are held in a trust account and therefore are not reflected on the City of Boulder financial statements.

In the opinion of the city's legal counsel, the city has no liability for losses under the plans but does have the duty of due care that would be required of an ordinary prudent investor.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE W – OTHER POSTEMPLOYMENT BENEFIT PLANS (OPEB)  
THAN PENSIONS**

1. Public Employees Retirement Association (PERA) Health Care Trust Fund

Plan Description – The City of Boulder contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF provides a health care premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCTF benefit provisions to the State Legislature. PERA issues a publicly available Comprehensive Annual Financial Report that includes financial statements and required supplementary information for the HCTF. That report may be obtained online at [www.copera.org](http://www.copera.org) or by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado, 80203 or by calling PERA at (303) 832-9550 or 1-800-759-PERA (7372).

Funding Policy – The City of Boulder is required to contribute at a rate of 1.02%, of covered salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the City of Boulder are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contribution to the HCTF is established under Title 24, Article 51, Section 208 of the CRS, as amended.

The City of Boulder's contributions to HCTF for the years ending December 31, 2013, 2012, and 2011 were \$671,828; \$627,054, and \$597,661, respectively, equal to their required contributions for each year.

2. City of Boulder Retiree Health Care Benefit Plan

Plan Description – The City of Boulder administers a single-employer defined benefit healthcare plan (the Retiree Health Care Benefit Plan). The city provides health care insurance coverage to current and future retirees of the city who retire with a PERA or city provided pension and have 12 years of service with the city. Employees who terminate or retire prior to meeting the eligibility requirements for retiree healthcare benefits are not eligible to participate in the program. The Retiree Health Care Benefit Plan is not covered within a trust fund and does not issue a publicly available financial report.

Funding Policy – The Retiree Health Care Benefit Plan is funded on a pay-as-you-go basis with retirees paying 100% of the blended health insurance premium for the retiree and dependents. Benefit provisions are established by city management. The benefit provided by the Retiree Health Care Benefit Plan is made up entirely of the implicit rate subsidy which results from both the retirees and the active employees paying the same insurance premiums.

Annual OPEB Cost and Net OPEB Obligation – The city's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE W – OTHER POSTEMPLOYMENT BENEFIT PLANS (OPEB)  
THAN PENSIONS (CONTINUED)**

2. City of Boulder Retiree Health Care Benefit Plan (Continued)

The following table shows the components of the city's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the city's net OPEB obligation (amounts in 000's):

Annual required contribution (ARC)	\$	777
Interest on prior year net OPEB obligation		61
Adjustment to ARC		(235)
Annual OPEB cost		603
Contributions made		440
Increase in net OPEB obligation		163
Net OPEB obligation – beginning of year		1,631
Net OPEB obligation – end of year	\$	1,794

The city's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 and the two preceding years were as follows:

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	\$ 602	56.0%	\$ 1,367
2012	\$ 602	56.0%	\$ 1,631
2013	\$ 603	73.0%	\$ 1,794

Funded Status and Funding Progress – As of January 1, 2013, the most recent actuarial evaluation date, the actuarial accrued liability for benefits was \$8,280,910, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$78,172,630, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 10.6%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE W – OTHER POSTEMPLOYMENT BENEFIT PLANS (OPEB)  
THAN PENSIONS (CONTINUED)**

2. City of Boulder Retiree Health Care Benefit Plan (Continued)

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

An actuarial study was prepared at January 1, 2013. It is the plan's policy to have an actuarial study prepared every two years.

The significant actuarial assumptions used in the valuation as of January 1, 2013, included the following:

- Discount Rate – 3.75% per annum.
- Inflation – 2.5% per annum.
- Wage Growth – 3.0% per annum.
- Administrative Expense – Claims expense is included in the premiums charged by the city's health insurance carrier. No other OPEB program expenses are included in this valuation.
- Mortality –
  - Healthy Lives – RP-2000 Combined Healthy Mortality Table projected to 2021 using Scale AA.
  - Disabled Lives – RP-2000 Disabled Mortality Table projected to 2021 using Scale AA.
- Retirement – Age and service eligibility requirements for PERA (Management and BMEA) and city provided pensions (Fire and Police).
- Election of Retirement Coverage – All current retired participants are assumed to continue health care coverage. 25% of future eligible retired participants are assumed to participate upon retirement.
- Health Care Cost Trend – Using the Getzen Model, the trend rate starts at 10.8% for 2013 and trends downward to a rate of 4.8% in 2079.
- Amortization Period – The unfunded actuarial accrued liability is amortized over 30 years using an open level percent of pay method.

The significant changes in actuarial assumptions and methods as of January 1, 2013 included the following:

- Updated claims and premiums to experience and plan changes.
- The trend assumption was updated using the Getzen Trend Model.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE W – OTHER POSTEMPLOYMENT BENEFIT PLANS (OPEB)  
THAN PENSIONS (CONTINUED)**

2. City of Boulder Retiree Health Care Benefit Plan (Continued)

- A lapse assumption was added at age 65 to reflect anticipated plan experience.
- The withdrawal and retirement decrement rates were updated to better reflect anticipated plan experience.

**NOTE X – PLEDGED REVENUES**

**Water and Sewer Revenues Pledged**

The city has pledged future water and sewer customer revenues, net of specified operating expenses, to repay \$66,115,000 in outstanding water and sewer system revenue bonds. Proceeds from the bonds provided financing for the construction of capital assets or refunded other revenue bonds issued for that purpose. The bonds are payable solely from water and sewer customer net revenues and are payable through 2030. Annual principal and interest payments on the bonds are expected to require approximately 50% of net revenues (as defined by the bond ordinances). The total principal and interest remaining to be paid on the bonds at December 31, 2013 is \$83,012,525. Principal and interest paid for the current year and total customer net revenues were \$9,580,525 and \$18,179,000, respectively.

**Stormwater and Flood Management Revenues Pledged**

The city has pledged future stormwater and flood management fund revenues, net of specified operating expenses, to repay \$1,765,000 in outstanding stormwater and flood management revenue bonds. Proceeds from the bonds provided financing for the construction of capital assets or refunded other revenue bonds issued for that purpose. The bonds are payable solely from stormwater and flood management fund revenues and are payable through 2018. Annual principal and interest payments on the bonds are expected to require less than 42% of net revenues (as defined by the bond ordinances). The total principal and interest remaining to be paid on the bonds at December 31, 2013 is \$1,923,200. Principal and interest paid for the current year and total customer net revenues were \$391,300 and \$2,429,000, respectively.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE X – PLEDGED REVENUES (CONTINUED)**

**Open Space Sales Tax Revenues Pledged**

The city has pledged future sales and use tax revenues generated by the .88% sales and use tax levies of the Open Space Fund to repay \$19,815,000 in outstanding open space bonds. Proceeds from the bonds provided financing for the acquisition of open space land or refunded other bonds issued for that purpose. The \$19,815,000 in bonds are payable from the Open Space Fund sales tax revenues and \$15,410,000 of those bonds are also backed with a pledge of the full faith and credit of the city. These bonds mature through 2019; the year .48% of the total .88% sales tax levy expires. Annual principal and interest payments on the bonds are expected to require less than 39% of pledged sales tax revenues. The total principal and interest remaining to be paid on the bonds at December 31, 2013 is \$22,432,544. Principal and interest paid for the current year and total pledged sales tax revenues were \$7,069,775 and \$26,771,000, respectively.

**25 Cent Parks Acquisition and Recreation Sales Tax Revenues Pledged**

The city has pledged future sales and use tax revenues of the .25 Cent Sales Tax Fund to repay \$4,195,000 in outstanding bonds. Proceeds from the bonds provided financing to refund the Parks Acquisition Bonds, Series 1999, which refunded the Parks Acquisition Bonds, Series 1996 used to acquire and develop park lands. The bonds are payable from the sales tax revenues of the .25 Cent Sales Tax Fund and are also backed with a pledge of the full faith and credit of the city. These bonds mature through 2015, the year the .25% sales tax levy expires. Annual principal and interest payments on the bonds are expected to require less than 40% of pledged sales tax revenues. The total principal and interest remaining to be paid on the bonds at December 31, 2013 is \$4,384,750. Principal and interest paid for the current year and total pledged sales tax revenues were \$2,196,150 and \$7,578,000, respectively.

**Downtown Commercial District Revenues Pledged**

The city has pledged a portion of future sales tax revenues to repay \$7,185,000 in outstanding bonds issued by the City of Boulder Central Area General Improvement District (CAGID), now known as the Downtown Commercial District, to finance an underground parking garage located at 9<sup>th</sup> Street and Canyon Boulevard (TIF bonds). These TIF bonds are payable from the Parking Garage Net Revenues, incremental property tax revenues of the tax increment area and incremental sales and accommodations tax revenues.

In addition, the city has pledged future net revenue derived by CAGID from the operation of its properties to repay \$4,625,000 in other general obligation bonds outstanding. These bonds are payable from the net operating revenues generated by operations of the District's parking structures.

Both the TIF bonds and the other general obligation bonds are backed with a pledge of the full faith and credit of CAGID. These bonds mature through 2023. Annual principal and interest payments on the outstanding bonds are expected to require less than 39% of pledged revenues. The total principal and

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE X – PLEDGED REVENUES (CONTINUED)**

**Downtown Commercial District Revenues Pledged (continued)**

interest remaining to be paid on the bonds at December 31, 2013 is \$13,485,650. Principal and interest paid for the current year and total pledged revenues were \$1,873,586 and \$5,043,474 respectively.

**Boulder Municipal Property Authority Revenues Pledged**

The Boulder Municipal Property Authority (BMPA) pledged as security for certificates of participation and lease purchase notes (debt) the base rental revenues received from the city's various funds and operations. As of December 31, 2013, BMPA currently has \$8,949,381 in outstanding debt used primarily to provide funding for acquisition of land for Parks and Open Space purposes. The city appropriates each year, from various revenue sources, base rental expenses in amounts sufficient to cover the principal and interest requirements on BMPA's debt. In accordance with state statutes, the appropriation by the city is subject to annual renewal at discretion of the City Council. BMPA has pledged, as the sole security for the bonds, the annual base rental revenues received from the city. Total principal and interest remaining on the debt is \$10,364,623 with annual requirements ranging from \$1,770,875 in 2014 to \$539,342 in 2021. The base rental revenues received each year equal the debt service requirements on BMPA's debt, averaging \$4,098,666 over the last 13 years. For the current year, principal and interest incurred by BMPA and the total base rental revenues pledged were \$1,364,278 and \$1,364,278, respectively.

**Trash Tax Revenues**

On August 16, 1994, the city passed the 1994 Ordinance approving the 1994 Election Question which authorized the city to raise its trash tax to a rate not to exceed a maximum per month of \$3.50 for residential customers and a maximum of \$0.85 per cubic yard per month for commercial customers. At a special municipal election held on November 8, 1994, the voters of the city approved the 1994 Election Question authorizing the maximum trash tax rates and authorizing the city under TABOR to issue not to exceed \$6,000,000 of bonds payable from the city's trash tax revenues and additionally secured by the full faith and credit of the city, for the purpose acquisition of interests in land and constructing, operating and maintenance of municipal solid waste recycling and composting facilities. On December 15, 2009, \$6,000,000 in General Obligation Waste Reduction Bonds were issued. As of December 31, 2013, there are currently \$5,000,000 in outstanding Waste Reduction Bonds. Total principal and interest remaining as of December 31, 2013 is \$6,764,112. The bond ordinance requires quarterly transfers of trash haulers tax to cover the current year's debt service. For the current year, principal and interest paid and total pledged revenues were \$433,287 and \$433,287, respectively.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2013

**NOTE X – PLEDGED REVENUES (CONTINUED)**

**General Fund Bonds (Capital Improvement Projects)**

The city has pledged any and all legally available funds and revenues of the General Fund of the city, up to the full amount of principal of, interest on and premium, if any, due in each year, for the punctual payment of the principal of, interest on and premium, if any, due in connection with the maturity of or redemption of the Series 2012 Bonds as the same respectively became due and payable. These bonds were issued March 22, 2012 in the amount of \$49,000,000 with a net premium of \$5,829,997. As of December 31, 2013, \$44,900,000 in bonds remains outstanding. The principal and interest remaining to be paid on the bonds at December 31, 2013 is \$62,626,850. Principal and interest paid for the current year and total General Fund pledged revenues were \$3,995,100 and \$3,995,100, respectively.

**NOTE Y – CHANGE IN ACCOUNTING PRINCIPLES**

During 2013, the city adopted the following Governmental Accounting Standard Board (GASB) Statements: Statement No. 61 The Financial Reporting Entity: Omnibus; and Statement No. 65 Items Previously Reported as Assets and Liabilities. GASB 61 modifies the requirements for the assessment of potential component units in determining what should be included in the financial reporting entity and presentation and disclosure requirements. Adoption of GASB 61 had no effect on the beginning net position/fund balance or change in net position/fund balance.

GASB 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. GASB 65 also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term “deferred” in the financial statement presentations. Adoption of GASB 65 resulted in the following changes in net position as of January 1, 2013: a decrease of \$760,205 for the Governmental Activities and a decrease of \$927,114 for Business-type Activities, which included a decrease of \$203,571 for the Water Fund, a decrease of \$444,423 for the Wastewater Fund, a decrease of \$47,788 for the Stormwater and Flood Management Fund and a decrease of \$231,332 for the Downtown General Improvement District Fund. These changes resulted from the requirement in GASB 65 that debt issuance costs be recognized as an expense in the period incurred. Other changes resulting from the application of GASB 65 are the reclassification of the following items to deferred inflows of resources: property tax, assets recorded in the fund statements for which revenues are not available and measurable. Additionally, the deferred loss on refunding of debt is reclassified as a deferred outflow of resources.

**NOTE Z – EXTRAORDINARY ITEM**

During the period of September 11 to September 18, 2013, the city of Boulder experienced a major flood event resulting in significant damage to insured property. The City received \$1,887,706 in insurance proceeds for covered damages from this event which is recognized in the General Fund as extraordinary income for the year ended December 31, 2013.

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## REQUIRED SUPPLEMENTARY INFORMATION

## CITY OF BOULDER, COLORADO

Required Supplementary Information

## Schedule of Funding Progress

## Police Pension Fund

Fiscal Year	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age (b)	Total Unfunded (Overfunded) Actuarial Accrued Liability (1) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2008	1/1/2008	13,254,129	17,462,836	4,208,707	75.9%	184,130	2285.7%
2010	1/1/2010	10,394,413	16,663,370	6,268,957	62.4%	124,228	5046.3%
2012	1/1/2012	14,051,067	16,057,253	2,006,186	87.5%	130,326	1539.4%

- (1) In October 2010, the city of Boulder issued pension obligation bonds and invested \$5,469,000 of the proceeds into the Police Pension Fund, in addition to the regular annual contribution. This contribution was reflected in the actuarial evaluation as of January 1, 2012.

CITY OF BOULDER, COLORADO

Required Supplementary Information

Schedule of Funding Progress

Fire Pension Fund

<u>Fiscal Year</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability Entry Age (b)</u>	<u>Total Unfunded (Overfunded) Actuarial Accrued Liability (1) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
2008	1/1/2008	11,814,000	13,870,522	2,056,522	85.2%	161,644	1272.3%
2010	1/1/2010	9,493,000	13,681,074	4,188,074	69.4%	-	NA
2012	1/1/2012	11,884,000	13,142,256	1,258,256	90.4%	-	NA

- (1) In October 2010, the city of Boulder issued pension obligation bonds and invested \$3,531,000 of the proceeds into the Fire Pension Fund, in addition to the regular annual contribution. This contribution was reflected in the actuarial evaluation as of January 1, 2012.
- (2) As of January 1, 2010, there are no active participants in the plan. Participants in an approved DROP plan are not considered active employees for purposes of the actuarial calculations. Therefore, there is no covered payroll in the table above but employee contributions to their DROP account continue.

CITY OF BOULDER, COLORADO

Required Supplementary Information

Schedule of Employer Contributions -  
Police and Fire Pension Funds

Fiscal Year	Police Pension Fund (Note 1)			Fire Pension Fund (Note 2)		
	Annual Required Contributions	Actual City Contributions	Percentage Contributed	Annual Required Contributions	Actual City Contributions	Percentage Contributed
2004	362,824	370,662	102.2%	109,541	124,565	113.7%
2005	362,824	369,722	101.9%	109,541	118,183	107.9%
2006	302,812	369,386	122.0%	133,792	141,313	105.6%
2007	302,812	473,695	156.4%	133,792	313,944	234.7%
2008	403,366	471,474	116.9%	197,099	314,422	159.5%
2009	403,366	470,892	116.7%	197,099	314,770	159.7%
2010	634,924	5,984,894	942.6%	479,444	3,874,297	808.1%
2011	188,544	191,945	101.8%	60,510	64,510	106.6%
2012	219,204	221,807	101.2%	156,888	161,800	103.1%
2013	219,204	221,966	101.3%	156,888	159,119	101.4%

Note 1: Benefits were increased as of January 1, 2007. A special actuarial study was performed to determine the cost of these benefit changes, and an additional \$104,000 was budgeted beginning in 2007 to fully fund them.

Note 2: Benefits were increased as of January 1, 2007. A special actuarial study was performed to determine the cost of these benefit changes, and an additional \$306,000 was budgeted beginning in 2007 to fully fund them.

CITY OF BOULDER, COLORADO

Required Supplementary Information

Schedule of Funding Progress

Boulder Retiree Health Care Benefit Plan

<u>Fiscal Year</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability Entry Age (b)</u>	<u>Total Unfunded (Overfunded) Actuarial Accrued Liability (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
2009	1/1/2009	\$ -	\$ 7,616,068	\$ 7,616,068	-	\$ 85,687,119	8.9%
2011	1/1/2011	\$ -	\$ 6,747,489	\$ 6,747,489	-	\$ 82,956,844	8.1%
2013	1/1/2013	\$ -	\$ 8,280,910	\$ 8,280,910	-	\$ 78,172,630	10.6%

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## GENERAL FUND DETAILS

In 2011, the City of Boulder implemented GASB Statement No. 54 which refined what qualifies for inclusion as a Special Revenue Fund. Two former Special Revenue Funds did not meet the new requirements and have been combined with other general governmental operations into the General Fund. As a result, beginning in 2011 the General Fund is comprised of the following three separate sub-funds:

Core General Fund – to account for all financial resources of the general government except those accounted for in another fund.

Library Fund - to account for the operations of the City-owned library and branches. Financing is provided by general property taxes and General Fund contributions.

Community Housing Assistance Program (CHAP) Fund - to account for property tax, a housing excise tax and fees to be used to increase the supply of affordable housing in Boulder.

## CITY OF BOULDER, COLORADO

## Balance Sheet

Combining General Fund

December 31, 2013

(Amounts in 000's)

<u>Assets and Deferred Outflows of Resources</u>	<u>Core General Fund</u>	<u>Library Fund</u>	<u>Community Hsg Asst Prgm Fund</u>	<u>Total General Fund</u>
Equity in pooled cash and cash equivalents	\$ 4,897	\$ 498	\$ 320	\$ 5,715
Investments	25,496	2,592	1,671	29,759
Receivables:				
General property taxes	25,282	848	2,032	28,162
Sales and use taxes	6,431	-	-	6,431
Accounts	2,242	2	-	2,244
Notes	40	-	1,115	1,155
Accrued interest	64	6	4	74
Intergovernmental	375	-	-	375
Other	9	-	-	9
Total receivables	<u>34,443</u>	<u>856</u>	<u>3,151</u>	<u>38,450</u>
Due from other funds	266	-	-	266
Advances to other funds	260	-	-	260
Inventory of materials and supplies	45	-	-	45
Restricted assets:				
Investments for special purposes	1,366	-	-	1,366
Other assets	<u>1,501</u>	<u>-</u>	<u>-</u>	<u>1,501</u>
Total assets	<u>68,274</u>	<u>3,946</u>	<u>5,142</u>	<u>77,362</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	\$ <u>68,274</u>	\$ <u>3,946</u>	\$ <u>5,142</u>	\$ <u>77,362</u>

<u>Liabilities, Deferred Inflows of Resources and Fund</u> <u>Balance</u>	Core General <u>Fund</u>	Library <u>Fund</u>	Community Hsg Asst Prgm <u>Fund</u>	Total General <u>Fund</u>
Liabilities:				
Accounts and accrued liabilities:				
Vouchers and accounts payable	\$ 1,862	\$ 79	\$ 3	\$ 1,944
Contracts and retainage payable	55	-	-	55
Accrued salaries, wages and amounts withheld from employees	1,443	115	8	1,566
Due to other funds	643	-	-	643
Advances from other funds	1,846	-	-	1,846
Other liabilities	26	-	-	26
Unearned revenue:				
Grants and other	658	-	-	658
Total liabilities	<u>6,533</u>	<u>194</u>	<u>11</u>	<u>6,738</u>
Deferred inflows of resources:				
Property tax	25,282	848	2,032	28,162
Unavailable fund resources	20	-	-	20
Total deferred inflows of resources	<u>25,302</u>	<u>848</u>	<u>2,032</u>	<u>28,182</u>
Fund balances:				
Nonspendable				
Prepaid/receivable	1,501	-	-	1,501
Inventory	45	-	-	45
Endowment	100	-	-	100
Restricted				
Legally restricted	1,130	-	-	1,130
Debt service	428	-	-	428
Donor restrictions	136	-	-	136
Assigned				
Special purposes	3,164	2,904	3,099	9,167
Contractual obligations	1,719	-	-	1,719
Unassigned	28,216	-	-	28,216
Total fund balances	<u>36,439</u>	<u>2,904</u>	<u>3,099</u>	<u>42,442</u>
Total liabilities, deferred inflows of resources and fund balances	\$ <u>68,274</u>	\$ <u>3,946</u>	\$ <u>5,142</u>	\$ <u>77,362</u>

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## CITY OF BOULDER, COLORADO

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances

## General Fund

Year ended December 31, 2013  
(Amounts in 000's)

	Core General Fund	Library Fund	Community Hsg Asst Prgm Fund	Eliminations	Total General Fund
Revenues:					
Taxes:					
Sales and use taxes	\$ 51,375	\$ -	\$ -	\$ -	\$ 51,375
General property taxes	24,416	818	1,960	-	27,194
Accommodations taxes	5,192	-	-	-	5,192
Franchise taxes	10,938	-	-	-	10,938
Specific ownership & tobacco taxes	1,839	-	-	-	1,839
Excise taxes	180	-	149	-	329
Charges for services	4,873	156	3	-	5,032
Sale of goods	68	-	129	-	197
Licenses, permits and fines	6,334	-	-	-	6,334
Intergovernmental	1,677	33	-	-	1,710
Leases, rents and royalties	204	15	-	-	219
Interest and investment earnings	108	14	6	-	128
Other	658	86	1	-	745
Total revenues	<u>107,862</u>	<u>1,122</u>	<u>2,248</u>	<u>-</u>	<u>111,232</u>
Expenditures:					
Current:					
General Government	18,575	-	-	-	18,575
Administrative Services	10,024	-	-	-	10,024
Public Safety	48,122	-	-	-	48,122
Public Works	5,529	-	-	-	5,529
Planning & Development Services	43	-	-	-	43
Culture and Recreation	5,334	7,251	-	-	12,585
Open Space and Mountain Parks	193	-	-	-	193
Housing and Human Services	6,778	-	3,500	-	10,278
Debt service payments:					
Principal	3,115	-	-	-	3,115
Interest	2,341	-	-	-	2,341
Total expenditures	<u>100,054</u>	<u>7,251</u>	<u>3,500</u>	<u>-</u>	<u>110,805</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,808</u>	<u>(6,129)</u>	<u>(1,252)</u>	<u>-</u>	<u>427</u>
Other financing sources (uses):					
Extraordinary Item	1,888	-	-	-	1,888
Transfers in	8,992	7,841	-	(6,550)	10,283
Transfers out	(14,916)	-	(45)	6,550	(8,411)
Total other financing sources (uses)	<u>(4,036)</u>	<u>7,841</u>	<u>(45)</u>	<u>-</u>	<u>3,760</u>
Net change in fund balances	3,772	1,712	(1,297)	-	4,187
Fund balances, beginning of year	<u>32,667</u>	<u>1,192</u>	<u>4,396</u>	<u>-</u>	<u>38,255</u>
Fund balances, end of year	<u>\$ 36,439</u>	<u>\$ 2,904</u>	<u>\$ 3,099</u>	<u>\$ -</u>	<u>\$ 42,442</u>

CITY OF BOULDER, COLORADO

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)

Core General Fund

Year ended December 31, 2013

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	<u>final budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Taxes:				
Sales and use taxes	\$ 47,379	\$ 47,379	\$ 51,375	\$ 3,996
General property taxes	24,848	24,861	24,416	(445)
Accommodations taxes	4,939	4,939	5,192	253
Franchise taxes	10,233	10,307	10,938	631
Specific ownership & tobacco taxes	1,599	1,599	1,839	240
Excise taxes	-	65	180	115
Charges for services	3,979	4,110	4,873	763
Sale of goods	67	126	68	(58)
Licenses, permits and fines	6,019	6,071	6,334	263
Intergovernmental	682	1,426	1,677	251
Leases, rents and royalties	239	239	204	(35)
Interest and investment earnings	500	500	209	(291)
Other	523	1,513	658	(855)
Total revenues	<u>101,007</u>	<u>103,135</u>	<u>107,963</u>	<u>4,828</u>
Expenditures:				
Current:				
General Government	16,046	23,561	19,476	4,085
Administrative Services	10,212	13,198	10,411	2,787
Public Safety	49,158	51,247	50,274	973
Public Works	5,413	5,588	5,588	-
Planning & Development Services	43	43	43	-
Culture and Recreation	5,437	5,696	5,419	277
Open Space and Mountain Parks	193	193	193	-
Housing and Human Services	6,783	7,463	6,778	685
Debt service payments:				
Principal	3,115	3,115	3,115	-
Interest	2,264	2,264	2,341	(77)
Total expenditures	<u>98,664</u>	<u>112,368</u>	<u>103,638</u>	<u>8,730</u>
Excess (deficiency) of revenues				
over (under) expenditures	<u>2,343</u>	<u>(9,233)</u>	<u>4,325</u>	<u>13,558</u>

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget -
				Positive
				<u>(Negative)</u>
Other financing sources (uses):				
Extraordinary Item	-	-	1,888	1,888
Transfers in	8,746	8,617	9,030	413
Transfers out	<u>(13,812)</u>	<u>(14,172)</u>	<u>(15,220)</u>	<u>(1,048)</u>
Total other financing sources (uses)	<u>(5,066)</u>	<u>(5,555)</u>	<u>(4,302)</u>	<u>1,253</u>
Net change in fund balance	\$ <u>(2,723)</u>	\$ <u>(14,788)</u>	23	\$ <u>14,811</u>
Encumbrances, end of year			1,719	
Fund balance, beginning of year, basis of budgeting			<u>37,012</u>	
Fund balance, end of year, basis of budgeting			38,754	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			(91)	
Accrued salaries, wages and amounts				
withheld from employees			(1,606)	
Change in prepaid assets			(3)	
Transfers to other funds			(304)	
Advances from other funds			<u>(311)</u>	
Fund balance, end of year, GAAP basis			\$ <u>36,439</u>	

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Library Fund

Year ended December 31, 2013

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	<u>final budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Taxes:				
General property taxes	\$ 832	\$ 832	\$ 818	\$ (14)
Charges for services	120	152	156	4
Intergovernmental	-	31	33	2
Leases, rents and royalties	9	9	15	6
Interest and investment earnings	15	15	14	(1)
Other	87	76	86	10
Total revenues	<u>1,063</u>	<u>1,115</u>	<u>1,122</u>	<u>7</u>
Expenditures:				
Current:				
Culture and Recreation	<u>7,574</u>	<u>9,048</u>	<u>7,438</u>	<u>1,610</u>
Total expenditures	<u>7,574</u>	<u>9,048</u>	<u>7,438</u>	<u>1,610</u>
Excess (deficiency) of revenues				
over (under) expenditures	(6,511)	(7,933)	(6,316)	1,617
Other financing sources -				
Transfers in	<u>6,511</u>	<u>7,841</u>	<u>7,841</u>	<u>-</u>
Total other financing sources (uses)	<u>6,511</u>	<u>7,841</u>	<u>7,841</u>	<u>-</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>(92)</u>	1,525	\$ <u>1,617</u>
Encumbrances, end of year			48	
Fund balance, beginning of year, basis of budgeting			<u>1,437</u>	
Fund balance, end of year, basis of budgeting			3,010	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			9	
Accrued salaries, wages and amounts withheld			<u>(115)</u>	
Fund balance, end of year, GAAP basis			\$ <u>2,904</u>	



## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)CHAP Fund

Year ended December 31, 2013

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	<u>final budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Taxes:				
General property taxes	\$ 1,998	\$ 1,998	\$ 1,960	\$ (38)
Excise taxes	100	100	149	49
Charges for services	-	-	3	3
Sale of goods and capital assets	86	86	129	43
Interest and investment earnings	62	62	20	(42)
Other	-	-	1	1
Total revenues	<u>2,246</u>	<u>2,246</u>	<u>2,262</u>	<u>16</u>
Expenditures:				
Current:				
Division of Housing	<u>2,222</u>	<u>5,529</u>	<u>3,518</u>	<u>2,011</u>
Total expenditures	<u>2,222</u>	<u>5,529</u>	<u>3,518</u>	<u>2,011</u>
Excess (deficiency) of revenues				
over (under) expenditures	24	(3,283)	(1,256)	2,027
Other financing uses -				
Transfers out	<u>(44)</u>	<u>(44)</u>	<u>(45)</u>	<u>(1)</u>
Total other financing sources (uses)	<u>(44)</u>	<u>(44)</u>	<u>(45)</u>	<u>(1)</u>
Net change in fund balance	\$ <u>(20)</u>	\$ <u>(3,327)</u>	(1,301)	\$ <u>2,026</u>
Fund balance, beginning of year, basis of budgeting			<u>3,288</u>	
Fund balance, end of year, basis of budgeting			<u>1,987</u>	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			5	
Notes Receivable			1,115	
Accrued salaries, wages and amounts			<u>(8)</u>	
Fund balance, end of year, GAAP basis			\$ <u><u>3,099</u></u>	

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## MAJOR CAPITAL PROJECT FUND

2011 Capital Improvement – to account for the projects and improvements throughout the city approved by the voters in 2011. These improvements are funded by General Fund Bonds (Capital Improvement Projects) Series 2012. Only the budget-to-actual statement for this fund appears here. The other statements for this fund are included under the Financial Section tab.

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)2011 Capital Improvement Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Interest and investment earnings	\$ 506	\$ 506	\$ 124	\$ (382)
Other	-	-	2	2
Total revenues	<u>506</u>	<u>506</u>	<u>126</u>	<u>(380)</u>
Expenditures:				
Capital outlay	-	49,689	24,320	25,369
Total expenditures	<u>-</u>	<u>49,689</u>	<u>24,320</u>	<u>25,369</u>
Excess (deficiency) of revenues over (under) expenditures	506	(49,183)	(24,194)	24,989
Other financing uses -				
Transfers in	-	3,466	3,467	1
Total other financing sources (uses)	<u>-</u>	<u>3,466</u>	<u>3,467</u>	<u>1</u>
Net change in fund balance	\$ <u>506</u>	\$ <u>(45,717)</u>	(20,727)	\$ <u>24,990</u>
Encumbrances, end of year			8,349	
Fund balance, beginning of year, basis of budgeting			<u>46,345</u>	
Fund balance, end of year, basis of budgeting			<u>33,967</u>	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			24	
Accrued salaries, wages and amounts withheld from employees			<u>(12)</u>	
Fund balance, end of year, GAAP basis			\$ <u>33,979</u>	

## NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than pension trusts, proprietary fund operations and revenues received for major capital projects) that are legally restricted for specified purposes. The City of Boulder has the following nonmajor special revenue funds:

Capital Development Fund - to account for development excise tax proceeds to be utilized for the acquisition, construction and improvement of facilities necessary to maintain the current level of public amenities such as police, fire, library, human services, municipal offices, streets, and parks and recreation.

Lottery Fund - to account for State Conservation Trust Fund proceeds to be utilized for the refurbishment, capital improvement and debt service on park acquisitions.

Planning & Development Services Fund – to account for revenues and expenditures related to development and building services functions.

Affordable Housing Fund - to account for cash in lieu financial contributions from developers and General Fund contributions committed to be used to construct, purchase and maintain permanently affordable housing units in Boulder.

.25 Cent Sales Tax Fund - to account for earmarked sales tax authorized by the voters in 1995 for parks and recreation operating and capital needs.

Recreation Activity Fund – to account for revenues and expenditures related to the provision of recreation, reservoir and golf course services/programs.

Climate Action Plan Tax Fund – to account for revenues and expenditures related to programs implemented to increase energy efficiency, increase renewable energy use, reduce emissions from motor vehicles and take other steps toward the goal of meeting the Kyoto Protocol.

Airport Fund - to account for the operations of the City-owned municipal airport. Financing is provided by grants, rents and leases which are required to be used for airport operations.

Transportation Development Fund - to account for development excise taxes to be utilized for the construction of transportation capital improvements related to new development and growth.

Transit Pass General Improvement District – to account for earmarked property tax authorized by the voters in 2000 to fund bus transit passes for participating neighborhoods.

BJAGID – TDM – to account for revenues and expenditures related to programs implemented by the Boulder Junction Authority General Improvement District to meet its Transportation Demand Management goals.

Gifts and Contributions Fund - to account for funds received from the Boulder Library Foundation for programs benefiting the city-owned library.

Community Development Fund - to account for funds granted by the Community Development Block Grant program administered by the Department of Housing and Urban Development.

HOME Fund - to account for funds granted by the HOME program administered by the Department of Housing and Urban Development.

#### NONMAJOR DEBT SERVICE FUND

The Debt Service Fund is established to accumulate moneys for payment of general long-term debt principal and interest. The City of Boulder has the following nonmajor debt service fund:

.15 Cent Sales Tax Debt Service Fund - Financing is provided by earmarked sales tax. The related bonds were paid off in 2012 so this fund was closed out in the current fiscal year.

#### NONMAJOR CAPITAL PROJECT FUNDS

The Capital Project Funds are established to account for financial resources to be utilized for acquisition, construction and improvement of capital assets (other than those financed by Proprietary Funds). The City of Boulder has the following nonmajor capital project funds:

Permanent Parks and Recreation Fund - to account for the construction of improvements to the City park systems and the maintenance thereof. Financing is provided by general property taxes, development excise taxes and park fees.

Fire Training Center Construction Fund – to account for the construction of a new fire training facility financed by a .15 cent sales tax approved by the voters in 2006 and funding provided by Boulder County.

Boulder Junction Improvement – to account for the development of a new “Boulder Junction” 160-acre site located around 30<sup>th</sup> and Pearl streets. It will be a regional transit-oriented, mixed-use neighborhood including a new regional bus and light rail terminal developed by Regional Transportation District (RTD). Funding is provided from a portion of the use taxes collected from development in the area.

## CITY OF BOULDER, COLORADO

## Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2013

(Amounts in 000's)

<u>Assets and Deferred Outflows of Resources</u>	<u>Special Revenue</u>	<u>.15 Cent Sales Tax Debt Service</u>	<u>Capital Project</u>	<u>Total</u>
Equity in pooled cash and cash equivalents	\$ 6,858	\$ -	\$ 689	\$ 7,547
Investments	35,798	-	3,600	39,398
Receivables:				
General property taxes	26	-	2,292	2,318
Sales and use taxes	950	-	-	950
Accounts	293	-	-	293
Notes	124	-	-	124
Accrued interest	78	-	7	85
Intergovernmental	131	-	-	131
Total receivables	1,602	-	2,299	3,901
Inventory of materials and supplies	49	-	-	49
Restricted assets:				
Investments for special purposes	1,073	-	-	1,073
Total assets	45,380	-	6,588	51,968
Deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	\$ 45,380	\$ -	\$ 6,588	\$ 51,968
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>				
Liabilities:				
Accounts and accrued liabilities:				
Vouchers and accounts payable	\$ 1,392	\$ -	\$ 409	\$ 1,801
Contracts and retainage payable	36	-	51	87
Accrued salaries, wages and amounts withheld from employees	392	-	25	417
Due to other funds	80	-	-	80
Advances from other funds	260	-	-	260
Other liabilities	3,274	-	-	3,274
Unearned revenue:				
Other	35	-	-	35
Total liabilities	5,469	-	485	5,954
Deferred inflows of resources:				
Property Tax	26	-	2,292	2,318
Fund balances:				
Nonspendable				
Inventory	49	-	-	49
Restricted				
Legally restricted	5,202	-	-	5,202
Capital projects	-	-	2,250	2,250
Lottery funds	1,513	-	-	1,513
Donor restrictions	568	-	-	568
Committed				
Affordable housing	19,376	-	-	19,376
Assigned				
Special purposes	13,177	-	1,561	14,738
Total fund balances	39,885	-	3,811	43,696
Total liabilities, deferred inflows of resources and fund balances	\$ 45,380	\$ -	\$ 6,588	\$ 51,968

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CITY OF BOULDER, COLORADO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year ended December 31, 2013

(Amounts in 000's)

	Special <u>Revenue</u>	.15 Cent Sales Tax <u>Debt Service</u>	Capital <u>Project</u>	<u>Total</u>
Revenues:				
Taxes:				
Sales and use taxes	\$ 7,578	\$ -	\$ 268	\$ 7,846
General property taxes	29	-	2,211	2,240
Franchise taxes	1,877	-	-	1,877
Excise taxes	652	-	357	1,009
Charges for services	16,967	-	542	17,509
Sale of goods	647	-	-	647
License, permits and fines	5,743	-	-	5,743
Intergovernmental	3,855	-	1	3,856
Leases, rents and royalties	1,810	-	5	1,815
Interest and investment earnings	208	-	16	224
Other	549	-	6	555
Total revenues	<u>39,915</u>	<u>-</u>	<u>3,406</u>	<u>43,321</u>
Expenditures:				
Current:				
General Government	1,586	-	-	1,586
Public Works	1,570	-	-	1,570
Planning & Development Services	4,616	-	-	4,616
Culture and Recreation	15,504	-	-	15,504
Open Space and Mountain Parks	353	-	-	353
Housing and Human Services	9,948	-	-	9,948
Capital outlay	-	-	3,269	3,269
Debt service payments:				
Principal	2,036	-	-	2,036
Interest	188	-	-	188
Total expenditures	<u>35,801</u>	<u>-</u>	<u>3,269</u>	<u>39,070</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,114</u>	<u>-</u>	<u>137</u>	<u>4,251</u>
Other financing sources (uses):				
Capital lease funding	107	-	-	107
Transfers in	4,944	-	422	5,366
Transfers out	<u>(6,882)</u>	<u>(243)</u>	<u>(307)</u>	<u>(7,432)</u>
Total other financing sources (uses)	<u>(1,831)</u>	<u>(243)</u>	<u>115</u>	<u>(1,959)</u>
Net change in fund balances	2,283	(243)	252	2,292
Fund balances, beginning of year	<u>37,602</u>	<u>243</u>	<u>3,559</u>	<u>41,404</u>
Fund balances, end of year	\$ <u>39,885</u>	\$ <u>-</u>	\$ <u>3,811</u>	\$ <u>43,696</u>

## CITY OF BOULDER, COLORADO

## Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2013

(Amounts in 000's)

<u>Assets and Deferred Outflows of Resources</u>	Capital Development Fund	Lottery Fund	Planning & Development Services Fund	Affordable Housing Fund	.25 Cent Sales Tax Fund	Recreation Activity Fund
Equity in pooled cash and cash equivalents	\$ 475	\$ 247	\$ 1,285	\$ 3,668	\$ 389	\$ 256
Investments	2,483	1,292	6,710	19,160	2,036	1,307
Receivables:						
General property taxes	-	-	-	-	-	-
Sales and use taxes	-	-	-	-	950	-
Accounts	-	-	42	-	-	12
Notes	-	-	-	124	-	-
Accrued interest	5	3	14	42	5	3
Intergovernmental	-	-	-	-	-	-
Total receivables	5	3	56	166	955	15
Inventory of materials and supplies	-	-	-	-	-	49
Restricted assets -						
Investments for special purposes	-	-	11	-	287	62
Total assets	2,963	1,542	8,062	22,994	3,667	1,689
Deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	\$ 2,963	\$ 1,542	\$ 8,062	\$ 22,994	\$ 3,667	\$ 1,689
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>						
Liabilities:						
Accounts and accrued liabilities:						
Vouchers and accounts payable	\$ -	\$ 28	\$ 62	\$ 611	\$ 181	\$ 149
Contracts and retainage payable	11	1	-	-	24	-
Accrued salaries, wages and amounts withheld from employees	-	-	169	7	71	123
Due to other funds	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Other liabilities	-	-	258	3,000	11	-
Unearned revenue:						
Other	-	-	-	-	10	24
Total liabilities	11	29	489	3,618	297	296
Deferred inflows of resources:						
Property Tax	-	-	-	-	-	-
Fund balances:						
Nonspendable						
Inventory	-	-	-	-	-	49
Restricted						
Legally restricted	909	-	11	-	3,083	-
Lottery Funds	-	1,513	-	-	-	-
Donor restrictions	-	-	-	-	287	62
Committed						
Affordable housing	-	-	-	19,376	-	-
Assigned						
Special purposes	2,043	-	7,562	-	-	1,282
Total fund balances	2,952	1,513	7,573	19,376	3,370	1,393
Total liabilities, deferred inflows from resources and fund balances	\$ 2,963	\$ 1,542	\$ 8,062	\$ 22,994	\$ 3,667	\$ 1,689

(continued)

Climate Action Plan Tax Fund	Airport Fund	Trans- portation Development Fund	Transit Pass General Improvement District	Boulder Junction Access GID - TDM	Gifts and Contributions Fund	Community Development Fund	HOME Fund	Total
\$ 201	\$ 49	\$ 281	\$ 2	\$ 5	\$ -	\$ -	\$ -	\$ 6,858
1,048	257	1,469	9	27	-	-	-	35,798
-	-	-	10	16	-	-	-	26
-	-	-	-	-	-	-	-	950
185	54	-	-	-	-	-	-	293
-	-	-	-	-	-	-	-	124
2	-	3	-	-	1	-	-	78
-	6	-	-	-	-	106	19	131
187	60	3	10	16	1	106	19	1,602
-	-	-	-	-	-	-	-	49
-	-	-	-	-	713	-	-	1,073
1,436	366	1,753	21	48	714	106	19	45,380
-	-	-	-	-	-	-	-	-
\$ 1,436	\$ 366	\$ 1,753	\$ 21	\$ 48	\$ 714	\$ 106	\$ 19	\$ 45,380
\$ 309	\$ 14	\$ -	\$ -	\$ -	\$ 1	\$ 37	\$ -	\$ 1,392
-	-	-	-	-	-	-	-	36
11	4	-	-	-	-	4	3	392
-	-	-	-	-	-	64	16	80
-	260	-	-	-	-	-	-	260
-	5	-	-	-	-	-	-	3,274
-	-	-	-	-	-	1	-	35
320	283	-	-	-	1	106	19	5,469
-	-	-	10	16	-	-	-	26
-	-	-	-	-	-	-	-	49
1,116	83	-	-	-	-	-	-	5,202
-	-	-	-	-	-	-	-	1,513
-	-	-	-	-	219	-	-	568
-	-	-	-	-	-	-	-	19,376
-	-	1,753	11	32	494	-	-	13,177
1,116	83	1,753	11	32	713	-	-	39,885
\$ 1,436	\$ 366	\$ 1,753	\$ 21	\$ 48	\$ 714	\$ 106	\$ 19	\$ 45,380

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## CITY OF BOULDER, COLORADO

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

Year ended December 31, 2013

(Amounts in 000's)

	Capital Development <u>Fund</u>	Lottery <u>Fund</u>	Planning & Development Services <u>Fund</u>	Affordable Housing <u>Fund</u>
Revenues:				
Taxes:				
Sales and use taxes	\$ -	\$ -	\$ -	\$ -
General property taxes	-	-	-	-
Franchise taxes	-	-	-	-
Excise taxes	91	-	-	-
Charges for services	661	-	2,124	7,175
Sale of goods	-	-	4	450
Licenses, permits and fines	-	-	5,582	-
Intergovernmental	-	1,076	23	-
Leases, rents and royalties	-	-	-	224
Interest and investment earnings	13	6	27	125
Other	-	-	10	124
Total revenues	<u>765</u>	<u>1,082</u>	<u>7,770</u>	<u>8,098</u>
Expenditures:				
Current:				
General Government	-	-	-	-
Public Works	129	-	-	-
Planning & Development Services	-	-	4,616	-
Culture and Recreation	-	377	-	-
Open Space and Mountain Parks	-	353	-	-
Housing and Human Services	-	-	3,243	4,402
Debt service payments:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>129</u>	<u>730</u>	<u>7,859</u>	<u>4,402</u>
Excess (deficiency) of revenues over (under) expenditures	<u>636</u>	<u>352</u>	<u>(89)</u>	<u>3,696</u>
Other financing sources (uses):				
Capital lease funding	-	-	-	-
Transfers in	-	-	2,913	325
Transfers out	(4,022)	-	(2,381)	(44)
Total other financing sources (uses)	<u>(4,022)</u>	<u>-</u>	<u>532</u>	<u>281</u>
Net change in fund balances	(3,386)	352	443	3,977
Fund balances, beginning of year	<u>6,338</u>	<u>1,161</u>	<u>7,130</u>	<u>15,399</u>
Fund balances, end of year	<u>\$ 2,952</u>	<u>\$ 1,513</u>	<u>\$ 7,573</u>	<u>\$ 19,376</u>

## CITY OF BOULDER, COLORADO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances,  
continuedNonmajor Special Revenue Funds

Year ended December 31, 2013

(Amounts in 000's)

	<u>.25 Cent Sales Tax Fund</u>	<u>Recreation Activity Fund</u>	<u>Climate Action Plan Tax Fund</u>	<u>Airport Fund</u>	<u>Trans- portation Development Fund</u>
<b>Revenues:</b>					
<b>Taxes:</b>					
Sales and use taxes	\$ 7,578	\$ -	\$ -	\$ -	\$ -
General property taxes	-	-	-	-	-
Franchise taxes	-	-	1,877	-	-
Excise taxes	-	-	-	-	561
Charges for services	18	6,989	-	-	-
Sale of goods	-	193	-	-	-
Licenses, permits and fines	5	156	-	-	-
Intergovernmental	15	28	7	345	19
Leases, rents and royalties	26	1,154	-	406	-
Interest and investment earnings	14	9	4	-	7
Other	15	191	-	-	-
Total revenues	<u>7,671</u>	<u>8,720</u>	<u>1,888</u>	<u>751</u>	<u>587</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General Government	-	-	1,584	-	-
Public Works	394	-	-	961	76
Planning & Development Services	-	-	-	-	-
Culture and Recreation	5,002	10,053	-	-	-
Open Space and Mountain Parks	-	-	-	-	-
Housing and Human Services	-	-	-	-	-
<b>Debt service payments:</b>					
Principal	2,036	-	-	-	-
Interest	188	-	-	-	-
Total expenditures	<u>7,620</u>	<u>10,053</u>	<u>1,584</u>	<u>961</u>	<u>76</u>
Excess (deficiency) of revenues over (under) expenditures	<u>51</u>	<u>(1,333)</u>	<u>304</u>	<u>(210)</u>	<u>511</u>
<b>Other financing sources (uses):</b>					
Capital lease funding	107	-	-	-	-
Transfers in	-	1,702	-	-	-
Transfers out	(267)	(14)	-	(99)	(16)
Total other financing sources (uses)	<u>(160)</u>	<u>1,688</u>	<u>-</u>	<u>(99)</u>	<u>(16)</u>
Net change in fund balances	(109)	355	304	(309)	495
Fund balances, beginning of year	<u>3,479</u>	<u>1,038</u>	<u>812</u>	<u>392</u>	<u>1,258</u>
Fund balances, end of year	<u>\$ 3,370</u>	<u>\$ 1,393</u>	<u>\$ 1,116</u>	<u>\$ 83</u>	<u>\$ 1,753</u>

Transit Pass General Improvement District	Boulder Junction Access GID- TDM	Gifts and Contributions Fund	Community Development Fund	HOME Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,578
10	19	-	-	-	29
-	-	-	-	-	1,877
-	-	-	-	-	652
-	-	-	-	-	16,967
-	-	-	-	-	647
-	-	-	-	-	5,743
-	-	-	734	1,608	3,855
-	-	-	-	-	1,810
-	-	3	-	-	208
-	-	209	-	-	549
<u>10</u>	<u>19</u>	<u>212</u>	<u>734</u>	<u>1,608</u>	<u>39,915</u>
-	2	-	-	-	1,586
10	-	-	-	-	1,570
-	-	-	-	-	4,616
-	-	72	-	-	15,504
-	-	-	-	-	353
-	-	-	706	1,597	9,948
-	-	-	-	-	2,036
-	-	-	-	-	188
<u>10</u>	<u>2</u>	<u>72</u>	<u>706</u>	<u>1,597</u>	<u>35,801</u>
-	17	140	28	11	4,114
-	-	-	-	-	107
4	-	-	-	-	4,944
-	-	-	(28)	(11)	(6,882)
<u>4</u>	<u>-</u>	<u>-</u>	<u>(28)</u>	<u>(11)</u>	<u>(1,831)</u>
4	17	140	-	-	2,283
<u>7</u>	<u>15</u>	<u>573</u>	<u>-</u>	<u>-</u>	<u>37,602</u>
\$ <u>11</u>	\$ <u>32</u>	\$ <u>713</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>39,885</u>

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Capital Development Fund

Year ended December 31, 2013

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	<u>final budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Taxes:				
Excise taxes	\$ 1	\$ 1	\$ 91	\$ 90
Charges for services	324	324	661	337
Interest and investment earnings	51	51	41	(10)
Total revenues	<u>376</u>	<u>376</u>	<u>793</u>	<u>417</u>
Expenditures:				
Current:				
Public Works	110	220	131	89
Total expenditures	<u>110</u>	<u>220</u>	<u>131</u>	<u>89</u>
Excess (deficiency) of revenues				
over (under) expenditures	266	156	662	506
Other financing uses -				
transfers out	(23)	(4,022)	(4,022)	-
Total other financing sources (uses)	<u>(23)</u>	<u>(4,022)</u>	<u>(4,022)</u>	<u>-</u>
Net change in fund balance	\$ <u>243</u>	\$ <u>(3,866)</u>	(3,360)	\$ <u>506</u>
Encumbrances, end of year			2	
Fund balance, beginning of year, basis of budgeting			<u>6,301</u>	
Fund balance, end of year, basis of budgeting			2,943	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			<u>9</u>	
Fund balance, end of year, GAAP basis			\$ <u>2,952</u>	



## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Lottery Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Intergovernmental	\$ 836	\$ 836	\$ 1,076	\$ 240
Interest and investment earnings	<u>1</u>	<u>1</u>	<u>8</u>	<u>7</u>
Total revenues	<u>837</u>	<u>837</u>	<u>1,084</u>	<u>247</u>
Expenditures:				
Current:				
Culture and Recreation	493	1,196	425	771
Open Space and Mountain Parks	<u>343</u>	<u>594</u>	<u>452</u>	<u>142</u>
Total expenditures	<u>836</u>	<u>1,790</u>	<u>877</u>	<u>913</u>
Excess (deficiency) of				
revenues over expenditures	1	(953)	207	1,160
Other financing uses -				
Excess (deficiency) of revenues				
over (under) expenditures	\$ <u>1</u>	\$ <u>(953)</u>	207	\$ <u>1,160</u>
Encumbrances, end of year			146	
Fund balance, beginning of year, basis of budgeting			<u>1,157</u>	
Fund balance, end of year, basis of budgeting			1,510	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			<u>3</u>	
Fund balance, end of year, GAAP basis			\$ <u>1,513</u>	

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Planning & Development Services Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Charges for services	\$ 1,762	\$ 1,763	\$ 2,124	\$ 361
Sale of goods	5	5	4	(1)
Licenses, permits and fines	4,033	4,078	5,582	1,504
Intergovernmental	-	21	23	2
Interest and investment earnings	91	91	49	(42)
Other	-	-	10	10
Total revenues	<u>5,891</u>	<u>5,958</u>	<u>7,792</u>	<u>1,834</u>
Expenditures:				
Current:				
Planning & Development Services	4,875	5,335	4,904	431
Housing and Human Services	<u>3,310</u>	<u>3,565</u>	<u>3,305</u>	<u>260</u>
Total expenditures	<u>8,185</u>	<u>8,900</u>	<u>8,209</u>	<u>691</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,294)</u>	<u>(2,942)</u>	<u>(417)</u>	<u>2,525</u>
Other financing sources (uses):				
Transfers in	2,913	2,913	2,913	-
Transfers out	<u>(1,381)</u>	<u>(2,381)</u>	<u>(2,381)</u>	<u>-</u>
Total other financing sources (uses)	<u>1,532</u>	<u>532</u>	<u>532</u>	<u>-</u>
Net change in fund balance	\$ <u>(762)</u>	\$ <u>(2,410)</u>	115	\$ <u>2,525</u>
Encumbrances, end of year			179	
Fund balance, beginning of year, basis of budgeting			<u>7,427</u>	
Fund balance, end of year, basis of budgeting			7,721	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			21	
Accrued salaries, wages and amounts withheld from employees			<u>(169)</u>	
Fund balance, end of year, GAAP basis			\$ <u>7,573</u>	

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Affordable Housing Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Charges for services	\$ 1,004	\$ 1,004	\$ 7,175	\$ 6,171
Sale of goods	-	450	450	-
Leases, rents and royalties	156	156	224	68
Interest and investment earnings	55	55	150	95
Other	-	-	124	124
Total revenues	<u>1,215</u>	<u>1,665</u>	<u>8,123</u>	<u>6,458</u>
Expenditures:				
Current:				
Housing and Human Services	1,519	17,070	4,410	12,660
Total expenditures	<u>1,519</u>	<u>17,070</u>	<u>4,410</u>	<u>12,660</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(304)</u>	<u>(15,405)</u>	<u>3,713</u>	<u>19,118</u>
Other financing sources (uses):				
Transfers in	325	325	325	-
Transfers out	<u>(44)</u>	<u>(44)</u>	<u>(44)</u>	<u>-</u>
Total other financing sources (uses)	<u>281</u>	<u>281</u>	<u>281</u>	<u>-</u>
Net change in fund balance	\$ <u>(23)</u>	\$ <u>(15,124)</u>	3,994	\$ <u>19,118</u>
Encumbrances, end of year			2	
Fund balance, beginning of year, basis of budgeting			<u>15,202</u>	
Fund balance, end of year, basis of budgeting			19,198	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			61	
Notes Receivable			124	
Accrued salaries, wages and amounts withheld from employees			<u>(7)</u>	
Fund balance, end of year, GAAP basis			\$ <u>19,376</u>	

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis).25 Cent Sales Tax Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Taxes:				
Sales and use taxes	\$ 7,054	\$ 7,054	\$ 7,578	\$ 524
Charges for services	25	25	18	(7)
Licenses, permits and fines	-	-	5	5
Intergovernmental	-	173	15	(158)
Leases, rents and royalties	-	-	26	26
Interest and investment earnings	20	20	23	3
Other	25	25	15	(10)
Total revenues	<u>7,124</u>	<u>7,297</u>	<u>7,680</u>	<u>383</u>
Expenditures:				
Current:				
Public Works	450	450	451	(1)
Culture and Recreation	4,826	7,463	6,027	1,436
Debt service payments:				
Principal	2,036	2,036	2,036	-
Interest	188	188	188	-
Total expenditures	<u>7,500</u>	<u>10,137</u>	<u>8,702</u>	<u>1,435</u>
Excess (deficiency) of revenues over (under) expenditures	(376)	(2,840)	(1,022)	1,818
Other financing uses -				
Capital lease funding	-	107	107	-
Transfers out	(267)	(267)	(267)	-
Total other financing sources (uses)	<u>(267)</u>	<u>(160)</u>	<u>(160)</u>	<u>-</u>
Net change in fund balance	\$ <u>(643)</u>	\$ <u>(3,000)</u>	(1,182)	\$ <u>1,818</u>
Encumbrances, end of year			1,052	
Fund balance, beginning of year, basis of budgeting			<u>3,566</u>	
Fund balance, end of year, basis of budgeting			3,436	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			5	
Accrued salaries, wages and amounts withheld from employees			<u>(71)</u>	
Fund balance, end of year, GAAP basis			<u>\$ 3,370</u>	

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Recreation Activity Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Charges for services	\$ 6,708	\$ 6,714	\$ 6,989	\$ 275
Sale of goods	192	192	193	1
Licenses, permits and fines	180	180	156	(24)
Intergovernmental	-	28	28	-
Leases, rents and royalties	1,052	1,052	1,154	102
Interest and investment earnings	4	18	12	(6)
Other	53	145	191	46
Total revenues	8,189	8,329	8,723	394
Expenditures:				
Current:				
Culture and Recreation	10,198	10,481	10,255	226
Total expenditures	10,198	10,481	10,255	226
Excess (deficiency) of revenues over (under) expenditures	(2,009)	(2,152)	(1,532)	620
Other financing sources (uses):				
Transfers in	1,702	1,702	1,702	-
Transfers out	-	(14)	(14)	-
Total other financing sources (uses)	1,702	1,688	1,688	-
Net change in fund balance	\$ <u>(307)</u>	\$ <u>(464)</u>	156	\$ <u>620</u>
Fund balance, beginning of year, basis of budgeting			1,356	
Fund balance, end of year, basis of budgeting			1,512	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			4	
Accrued salaries, wages and amounts withheld from employees			(123)	
Fund balance, end of year, GAAP basis			\$ <u>1,393</u>	

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Climate Action Plan Tax Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Taxes:				
Franchise taxes	\$ 491	\$ 1,850	\$ 1,877	\$ 27
Intergovernmental	-	15	7	(8)
Interest and investment earnings	-	-	7	7
Total revenues	<u>491</u>	<u>1,865</u>	<u>1,891</u>	<u>26</u>
Expenditures:				
Current:				
General Government	<u>491</u>	<u>2,593</u>	<u>2,010</u>	<u>583</u>
Total expenditures	<u>491</u>	<u>2,593</u>	<u>2,010</u>	<u>583</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(728)</u>	<u>(119)</u>	<u>609</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>(728)</u>	(119)	\$ <u>609</u>
Encumbrances, end of year			412	
Fund balance, beginning of year, basis of budgeting			<u>831</u>	
Fund balance, end of year, basis of budgeting			1,124	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			3	
Accrued salaries, wages and amounts withheld from employees			<u>(11)</u>	
Fund balance, end of year, GAAP basis			\$ <u>1,116</u>	

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Airport Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Charges for services	\$ 8	\$ 8	\$ -	\$ (8)
Sale of goods	500	500	-	(500)
Intergovernmental	-	223	345	122
Leases, rents and royalties	418	418	406	(12)
Interest and investment earnings	3	3	1	(2)
Total revenues	929	1,152	752	(400)
Expenditures:				
Current:				
Public Works	460	972	966	6
Total expenditures	460	972	966	6
Excess (deficiency) of revenues over (under) expenditures	469	180	(214)	(394)
Other financing uses -				
Transfers in	260	260	-	(260)
Transfers out	(99)	(99)	(99)	-
Total other financing sources (uses)	161	161	(99)	(260)
Net change in fund balance	\$ <u>630</u>	\$ <u>341</u>	(313)	\$ <u>(654)</u>
Fund balance, beginning of year, basis of budgeting			399	
Fund balance, end of year, basis of budgeting			<u>86</u>	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			1	
Accrued salaries, wages and amounts withheld from employees			<u>(4)</u>	
Fund balance, end of year, GAAP basis			\$ <u>83</u>	

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Transportation Development Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Taxes:				
Excise taxes	\$ 606	\$ 606	\$ 561	\$ (45)
Intergovernmental	-	-	19	19
Interest and investment earnings	12	12	10	(2)
Other	<u>100</u>	<u>100</u>	<u>-</u>	<u>(100)</u>
Total revenues	718	718	590	(128)
Expenditures:				
Current:				
Public Works	<u>701</u>	<u>1,325</u>	<u>186</u>	<u>1,139</u>
Total expenditures	701	1,325	186	1,139
Excess (deficiency) of revenues over (under) expenditures	17	(607)	404	1,011
Other financing uses -				
Transfers out	<u>(16)</u>	<u>(16)</u>	<u>(16)</u>	<u>-</u>
Total other financing sources (uses)	(16)	(16)	(16)	-
Net change in fund balance	\$ <u>1</u>	\$ <u>(623)</u>	388	\$ <u>1,011</u>
Encumbrances, end of year			109	
Fund balance, beginning of year, basis of budgeting			<u>1,252</u>	
Fund balance, end of year, basis of budgeting			1,749	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			<u>4</u>	
Fund balance, end of year, GAAP basis			\$ <u>1,753</u>	



## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Transit Pass General Improvement District

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Taxes:				
General property taxes	\$ <u>10</u>	\$ <u>10</u>	\$ <u>10</u>	\$ <u>-</u>
Total revenues	<u>10</u>	<u>10</u>	<u>10</u>	<u>-</u>
Expenditures:				
Current:				
Public Works	<u>15</u>	<u>15</u>	<u>10</u>	<u>5</u>
Total expenditures	<u>15</u>	<u>15</u>	<u>10</u>	<u>5</u>
Excess (deficiency) of revenues over (under) expenditures	(5)	(5)	-	5
Other financing sources -				
Transfers in	<u>4</u>	<u>4</u>	<u>4</u>	<u>-</u>
Total other financing sources (uses)	<u>4</u>	<u>4</u>	<u>4</u>	<u>-</u>
Net change in fund balance	\$ <u><u>(1)</u></u>	\$ <u><u>(1)</u></u>	4	\$ <u><u>5</u></u>
Fund balance, beginning of year, basis of budgeting			<u>7</u>	
Fund balance, end of year, basis of budgeting			11	
Fund balance, end of year, GAAP basis			\$ <u><u>11</u></u>	

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Boulder Junction Access GID - TDM

Year ended December 31, 2013

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	<u>final budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Taxes:				
General property taxes	\$ <u>66</u>	\$ <u>66</u>	\$ <u>19</u>	\$ <u>(47)</u>
Total revenues	<u>66</u>	<u>66</u>	<u>19</u>	<u>(47)</u>
Expenditures:				
Current:				
General Government	<u>50</u>	<u>50</u>	<u>2</u>	<u>48</u>
Total expenditures	<u>50</u>	<u>50</u>	<u>2</u>	<u>48</u>
Excess (deficiency) of revenues				
over (under) expenditures	<u>16</u>	<u>16</u>	<u>17</u>	<u>1</u>
Net change in fund balance	\$ <u><u>16</u></u>	\$ <u><u>16</u></u>	17	\$ <u><u>1</u></u>
Fund balance, beginning of year, basis of budgeting			<u>15</u>	
Fund balance, end of year, basis of budgeting			32	
Fund balance, end of year, GAAP basis			\$ <u><u>32</u></u>	

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Community Development Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Intergovernmental	\$ 720	\$ 1,701	\$ 740	\$ (961)
Total revenues	<u>720</u>	<u>1,701</u>	<u>740</u>	<u>(961)</u>
Expenditures:				
Current:				
Housing and Human Services	<u>692</u>	<u>1,673</u>	<u>712</u>	<u>961</u>
Total expenditures	<u>692</u>	<u>1,673</u>	<u>712</u>	<u>961</u>
Excess (deficiency) of revenues				
over (under) expenditures	28	28	28	-
Other financing uses -				
Transfers out	<u>(28)</u>	<u>(28)</u>	<u>(28)</u>	<u>-</u>
Total other financing sources (uses)	<u>(28)</u>	<u>(28)</u>	<u>(28)</u>	<u>-</u>
Net change in fund balance	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	-	\$ <u><u>-</u></u>
Fund balance, beginning of year, basis of budgeting			<u>-</u>	
Fund balance, end of year, GAAP basis			\$ <u><u>-</u></u>	

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)HOME Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Intergovernmental	\$ 800	\$ 3,163	\$ 1,608	\$ (1,555)
Total revenues	<u>800</u>	<u>3,163</u>	<u>1,608</u>	<u>(1,555)</u>
Expenditures:				
Current:				
Housing and Human Services	790	3,152	1,597	1,555
Total expenditures	<u>790</u>	<u>3,152</u>	<u>1,597</u>	<u>1,555</u>
Excess (deficiency) of revenues				
over (under) expenditures	10	11	11	-
Other financing uses -				
Transfers out	(11)	(11)	(11)	-
Total other financing sources (uses)	<u>(11)</u>	<u>(11)</u>	<u>(11)</u>	<u>-</u>
Net change in fund balance	\$ <u>(1)</u>	\$ <u>-</u>	-	\$ <u>-</u>
Encumbrances, end of year			-	
Fund balance, beginning of year, basis of budgeting			-	
Fund balance, end of year, basis of budgeting			-	
Fund balance, end of year, GAAP basis			\$ <u>-</u>	

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis).15 Cent Sales Tax Debt Service Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual amounts	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest and investment earnings	\$ -	\$ 2	\$ -	\$ (2)
Total revenues	-	2	-	(2)
Expenditures:				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	2	-	(2)
Other financing uses -				
Transfers out	-	(2)	(243)	(241)
Total other financing sources (uses)	-	(2)	(243)	(241)
Net change in fund balance	\$ -	\$ -	(243)	\$ (243)
Fund balance, beginning of year, basis of budgeting			243	
Fund balance, end of year, GAAP basis			\$ -	

## CITY OF BOULDER, COLORADO

## Combining Balance Sheet

Nonmajor Capital Project Funds

December 31, 2013

(Amounts in 000's)

<u>Assets and Deferred Outflows of Resources</u>	Permanent Parks and Recreation Fund	Fire Training Center Construction Fund	Boulder Junction Improvement Fund	<u>Total</u>
Equity in pooled cash and cash equivalents	\$ 377	\$ 7	\$ 305	\$ 689
Investments	1,967	39	1,594	3,600
Receivables:				
General property taxes	2,292	-	-	2,292
Accrued interest	4	-	3	7
Total Receivables	<u>2,296</u>	<u>-</u>	<u>3</u>	<u>2,299</u>
Total assets	<u>4,640</u>	<u>46</u>	<u>1,902</u>	<u>6,588</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 4,640</u>	<u>\$ 46</u>	<u>\$ 1,902</u>	<u>\$ 6,588</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balance</u>				
Liabilities:				
Accounts and accrued liabilities:				
Vouchers and accounts payable	\$ 25	\$ -	\$ 384	\$ 409
Contracts and retainage payable	51	-	-	51
Accrued salaries, wages and amounts withheld from employees	22	-	3	25
Total liabilities	<u>98</u>	<u>-</u>	<u>387</u>	<u>485</u>
Deferred inflows of resources:				
Property Tax	<u>2,292</u>	<u>-</u>	<u>-</u>	<u>2,292</u>
Fund balances:				
Restricted				
Capital projects	2,250	-	-	2,250
Assigned				
Special purposes	-	46	1,515	1,561
Total fund balances	<u>2,250</u>	<u>46</u>	<u>1,515</u>	<u>3,811</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,640</u>	<u>\$ 46</u>	<u>\$ 1,902</u>	<u>\$ 6,588</u>

## CITY OF BOULDER, COLORADO

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Project Funds

Year ended December 31, 2013

(Amounts in 000's)

	Permanent Parks and Recreation <u>Fund</u>	Fire Training Center Construction <u>Fund</u>	Boulder Junction Improvement <u>Fund</u>	<u>Total</u>
Revenues:				
Taxes:				
Sales and use taxes	\$ -	\$ -	\$ 268	\$ 268
General property taxes	2,211	-	-	2,211
Excise taxes	284	-	73	357
Charges for services	-	-	542	542
Licenses, permits and fines	-	-	-	-
Intergovernmental	1	-	-	1
Leases, rents and royalties	5	-	-	5
Interest and investment earnings	10	-	6	16
Other	6	-	-	6
Total revenues	<u>2,517</u>	<u>-</u>	<u>889</u>	<u>3,406</u>
Expenditures:				
Current:				
Capital outlay	<u>2,029</u>	<u>4</u>	<u>1,236</u>	<u>3,269</u>
Total expenditures	<u>2,029</u>	<u>4</u>	<u>1,236</u>	<u>3,269</u>
Excess (deficiency) of revenues over (under) expenditures	488	(4)	(347)	137
Other financing sources (uses)				
Transfers in	-	-	422	422
Transfers out	<u>(307)</u>	<u>-</u>	<u>-</u>	<u>(307)</u>
Total other financing sources (uses)	<u>(307)</u>	<u>-</u>	<u>422</u>	<u>115</u>
Net change in fund balances	<u>181</u>	<u>(4)</u>	<u>75</u>	<u>252</u>
Fund balances, beginning of year	<u>2,069</u>	<u>50</u>	<u>1,440</u>	<u>3,559</u>
Fund balances, end of year	\$ <u><u>2,250</u></u>	\$ <u><u>46</u></u>	\$ <u><u>1,515</u></u>	\$ <u><u>3,811</u></u>

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Permanent Parks and Recreation Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Taxes:				
General property taxes	\$ 2,248	\$ 2,248	\$ 2,211	\$ (37)
Excise taxes	137	137	284	147
Intergovernmental	-	-	1	1
Leases, rents and royalties	-	-	5	5
Interest and investment earnings	7	7	17	10
Other	20	24	6	(18)
Total revenues	<u>2,412</u>	<u>2,416</u>	<u>2,524</u>	<u>108</u>
Expenditures:				
Capital outlay	<u>2,496</u>	<u>3,785</u>	<u>2,079</u>	<u>1,706</u>
Total expenditures	<u>2,496</u>	<u>3,785</u>	<u>2,079</u>	<u>1,706</u>
Excess (deficiency) of revenues over (under) expenditures	(84)	(1,369)	445	1,814
Other financing sources (uses)				
Transfers out	<u>(222)</u>	<u>(307)</u>	<u>(307)</u>	<u>-</u>
Total other financing sources (uses)	<u>(222)</u>	<u>(307)</u>	<u>(307)</u>	<u>-</u>
Net change in fund balance	\$ <u><u>(306)</u></u>	\$ <u><u>(1,676)</u></u>	138	\$ <u><u>1,814</u></u>
Encumbrances, end of year			32	
Fund balance, beginning of year, basis of budgeting			<u>2,096</u>	
Fund balance, end of year, basis of budgeting			<u>2,266</u>	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			6	
Accrued salaries, wages and amounts withheld from employees			<u>(22)</u>	
Fund balance, end of year, GAAP basis			\$ <u><u>2,250</u></u>	



## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Fire Training Center Construction Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Total revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay	-	47	4	43
Total expenditures	-	47	4	43
Excess (deficiency) of revenues over (under) expenditures	-	(47)	(4)	43
Net change in fund balance	\$ -	\$ (47)	(4)	\$ 43
Fund balance, beginning of year, basis of budgeting			50	
Fund balance, end of year, GAAP basis			\$ 46	

## CITY OF BOULDER, COLORADO

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
(Budgetary Basis)Boulder Junction Improvement Fund

Year ended December 31, 2013

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with
	<u>Original</u>	<u>Final</u>	<u>amounts</u>	final budget - Positive (Negative)
Revenues:				
Taxes:				
Sales and use taxes	\$ 301	\$ 301	\$ 268	\$ (33)
Excise taxes	244	244	73	(171)
Charges for services	348	514	542	28
Interest and investment earnings	11	11	9	(2)
Other	-	436	-	(436)
Total revenues	<u>904</u>	<u>1,506</u>	<u>892</u>	<u>(614)</u>
Expenditures:				
Capital outlay	<u>1,402</u>	<u>3,006</u>	<u>1,883</u>	<u>1,123</u>
Total expenditures	<u>1,402</u>	<u>3,006</u>	<u>1,883</u>	<u>1,123</u>
Excess (deficiency) of revenues over (under) expenditures	(498)	(1,500)	(991)	509
Other financing sources (uses)				
Transfers in	<u>337</u>	<u>422</u>	<u>422</u>	<u>-</u>
Total other financing sources (uses)	<u>337</u>	<u>422</u>	<u>422</u>	<u>-</u>
Net change in fund balance	\$ <u>(161)</u>	\$ <u>(1,078)</u>	(569)	\$ <u>509</u>
Encumbrances, end of year			645	
Fund balance, beginning of year, basis of budgeting			<u>1,437</u>	
Fund balance, end of year, basis of budgeting			1,513	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			5	
Accrued salaries, wages and amounts withheld from employees			<u>(3)</u>	
Fund balance, end of year, GAAP basis			\$ <u>1,515</u>	

## NONMAJOR ENTERPRISE FUNDS

Enterprise Funds are established to account for operations that are primarily funded through user charges to customers outside of the organization. The City of Boulder has the following Nonmajor Enterprise Funds:

Boulder Municipal Property Authority – to account for the acquisition and construction of certain city properties and facilities. Funding is derived from the issuance of lease purchase revenue debt. Debt service is paid with income received from the city in the form of base rentals that are derived from the acquired or constructed assets.

University Hill Commercial District Fund – this district provides parking facilities and services to the commercial district adjacent to the University of Colorado (CU) campus. It is predominately self-supported by user charges but also receives general property and other tax revenues.

Boulder Junction Access GID - Parking Fund - to account for revenues and expenditures related to programs implemented by the Boulder Junction Authority General Improvement District to meet its parking facility and service goals. It is predominately self-supported through property tax revenue approved by the voters.

## CITY OF BOULDER, COLORADO

## Combining Statement of Net Position

Nonmajor Enterprise Funds

December 31, 2013

(Amounts in 000's)

	Boulder Municipal Property <u>Authority</u>	University Hill Commercial <u>District</u>	Boulder Junction Access GID - <u>Parking</u>	Total Nonmajor Enterprise <u>Funds</u>
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	\$ -	\$ 126	\$ 4	\$ 130
Investments	-	660	24	684
Receivables:				
General property taxes	-	32	23	55
Notes - current installments	139	-	-	139
Accrued interest	12	2	-	14
Total receivables	151	34	23	208
Due from other funds	148	-	-	148
Total current assets	299	820	51	1,170
Noncurrent assets:				
Notes receivable - less current installments	299	-	-	299
Capital assets:				
Land and easements	21,008	444	-	21,452
Buildings	6,433	-	-	6,433
Improvements other than buildings	-	58	-	58
Vehicles	-	83	-	83
Machinery and equipment	-	247	-	247
	27,441	832	-	28,273
Less accumulated depreciation	(3,074)	(227)	-	(3,301)
	24,367	605	-	24,972
Total capital assets, net of accumulated depreciation	24,367	605	-	24,972
Total noncurrent assets	24,666	605	-	25,271
Total assets	24,965	1,425	51	26,441
Deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	\$ 24,965	\$ 1,425	\$ 51	\$ 26,441

## CITY OF BOULDER, COLORADO

Combining Statement of Net Position  
continuedNonmajor Enterprise Funds

December 31, 2013

(Amounts in 000's)

	Boulder Municipal Property <u>Authority</u>	University Hill Commercial <u>District</u>	Boulder Junction GID <u>Fund</u>	Total Enterprise <u>Funds</u>
Liabilities:				
Current liabilities:				
Accounts and accrued liabilities:				
Vouchers and accounts payable	\$ -	\$ 5	\$ -	\$ 5
Accrued salaries, wages and amounts withheld from employees	-	6	-	6
Accrued interest	147	-	-	147
Advances from other funds	-	-	16	16
Other liabilities	-	9	-	9
Revenue notes payable (current portion)	1,771	-	-	1,771
Total current liabilities	<u>1,918</u>	<u>20</u>	<u>16</u>	<u>1,954</u>
Non-current liabilities:				
Revenue notes payable	7,178	-	-	7,178
Compensated absences payable	-	27	-	27
Retiree health care benefit	-	4	-	4
Total non-current liabilities	<u>7,178</u>	<u>31</u>	<u>-</u>	<u>7,209</u>
Total liabilities	<u>9,096</u>	<u>51</u>	<u>16</u>	<u>9,163</u>
Deferred inflows of resources:				
Property Tax	<u>-</u>	<u>32</u>	<u>23</u>	<u>55</u>
Net position:				
Net investment in capital assets	15,418	605	-	16,023
Restricted for:				
Legally restricted	-	6	-	6
Unrestricted	<u>451</u>	<u>731</u>	<u>12</u>	<u>1,194</u>
Total net position	<u>\$ 15,869</u>	<u>\$ 1,342</u>	<u>\$ 12</u>	<u>\$ 17,223</u>

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## CITY OF BOULDER, COLORADO

## Combining Statement of Revenues, Expenses and Changes in Net Position

Nonmajor Enterprise Funds

Year ended December 31, 2013

(Amounts in 000's)

	Boulder Municipal Property <u>Authority</u>	University Hill Commercial <u>District</u>	Boulder Junction Access GID - <u>Parking</u>	Total Nonmajor Enterprise <u>Funds</u>
Operating revenues:				
Charges for services	\$ -	\$ 121	\$ -	\$ 121
Leases, rents and royalties	1,625	-	-	1,625
Total operating revenues	<u>1,625</u>	<u>121</u>	<u>-</u>	<u>1,746</u>
Operating expenses:				
Personnel	-	265	-	265
Non-personnel	-	239	4	243
Depreciation	143	39	-	182
Total operating expenses	<u>143</u>	<u>543</u>	<u>4</u>	<u>690</u>
Operating income (loss)	<u>1,482</u>	<u>(422)</u>	<u>(4)</u>	<u>1,056</u>
Nonoperating revenues (expenses):				
Interest and investment earnings	25	3	-	28
General property taxes	-	28	26	54
Specific ownership & tobacco taxes	-	2	1	3
Interest expense	(260)	-	-	(260)
Gain (loss) on disposition of capital assets	(715)	-	-	(715)
Other, net	-	1	-	1
Total nonoperating revenues (expenses)	<u>(950)</u>	<u>34</u>	<u>27</u>	<u>(889)</u>
Income (loss) before capital contributions and transfers	532	(388)	23	167
Transfers in	-	400	-	400
Transfers out	<u>(161)</u>	<u>(47)</u>	<u>-</u>	<u>(208)</u>
Changes in net position	371	(35)	23	359
Total net position, beginning of year	<u>15,498</u>	<u>1,377</u>	<u>(11)</u>	<u>16,864</u>
Total net position, end of year	<u>\$ 15,869</u>	<u>\$ 1,342</u>	<u>\$ 12</u>	<u>\$ 17,223</u>

## CITY OF BOULDER, COLORADO

## Combining Statement of Cash Flows

Nonmajor Enterprise Funds

Year ended December 31, 2013

(Amounts in 000's)

	Boulder Municipal Property Authority	University Hill Commercial District	Boulder Junction Access GID - Parking	Total Nonmajor Enterprise Funds
Cash flows from operating activities:				
Receipts from customers and users	\$ 1,640	\$ 121	\$ -	\$ 1,761
Other receipts (payments)	-	4	-	4
Payments to suppliers	-	(242)	(4)	(246)
Payments to employees	-	(272)	-	(272)
Net cash provided (used) by operating activities	<u>1,640</u>	<u>(389)</u>	<u>(4)</u>	<u>1,247</u>
Cash flows from noncapital financing activities:				
Payments from (to) other funds on advances	-	-	(2)	(2)
General property taxes	-	28	26	54
Specific ownership & tobacco taxes	-	2	1	3
Transfers in	-	400	-	400
Transfers out	<u>(161)</u>	<u>(47)</u>	<u>-</u>	<u>(208)</u>
Net cash provided (used) by noncapital financing activities	<u>(161)</u>	<u>383</u>	<u>25</u>	<u>247</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	-	(4)	-	(4)
Proceeds from sale or transfer of property and equipment	-	4	-	4
Principal paid on notes payable, bonds payable and capitalized lease obligations	(1,364)	-	-	(1,364)
Interest paid on notes payable, bonds payable, and capitalized lease obligations	(276)	-	-	(276)
Payment received on note receivable due from County for sale of land	<u>132</u>	<u>-</u>	<u>-</u>	<u>132</u>
Net cash provided (used) for capital related financing activities	<u>(1,508)</u>	<u>-</u>	<u>-</u>	<u>(1,508)</u>
Cash flows from investing activities:				
Purchase of investment securities	-	(199)	(21)	(220)
Proceeds from sale and maturities of investment securities	-	310	4	314
Interest on investments	<u>29</u>	<u>2</u>	<u>-</u>	<u>31</u>
Net cash provided (used) in investing activities	<u>29</u>	<u>113</u>	<u>(17)</u>	<u>125</u>
Net increase in cash and cash equivalents	-	107	4	111
Cash and cash equivalents, January 1	<u>-</u>	<u>19</u>	<u>-</u>	<u>19</u>
Cash and cash equivalents, December 31	<u>\$ -</u>	<u>\$ 126</u>	<u>\$ 4</u>	<u>\$ 130</u>



## CITY OF BOULDER, COLORADO

Combining Statement of Cash Flows,  
continuedNonmajor Enterprise Funds

Year ended December 31, 2013

(Amounts in 000's)

	Boulder Municipal Property Authority	University Hill Commercial District	Boulder Junction Access GID - Parking	Total Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 1,482	\$ (422)	\$ (4)	\$ 1,056
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	143	39	-	182
Change in assets and liabilities:				
(Increase) decrease in assets:				
Due from other funds	15	-	-	15
Increase (decrease) in liabilities:				
Vouchers and accounts payable	-	1	-	1
Other liabilities	-	(7)	-	(7)
Total adjustments	158	33	-	191
Net cash provided (used) by operating activities	\$ 1,640	\$ (389)	\$ (4)	\$ 1,247
Noncash investing, capital and financing activities:				
Assets acquired through:				
Issuance of long-term lease purchase revenue notes	5,000	-	-	5,000
Assets transferred to other funds	\$ (715)	\$ -	\$ -	\$ (715)
Increase in fair value of investments	-	2	-	2
	\$ 4,285	\$ 2	\$ -	\$ 4,287

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## INTERNAL SERVICE FUNDS

The Internal Service Funds are established to finance and account for services and/or commodities required by other funds. The City of Boulder has the following Internal Service Funds:

Telecommunications Fund - to account for the costs of operating, acquiring and maintaining telecommunications equipment used by all City departments.

Property and Casualty Insurance Fund - to account for property and casualty insurance expenditures and reserves funded through cost allocation to all City departments.

Workers Compensation Insurance Fund - to account for and facilitate the monitoring of the City's self-insured workers compensation plan.

Compensated Absences Fund - to account for payments of compensated absences to employees of the General and Library Funds. Funding is received primarily from the General Fund.

Fleet Fund - to account for the costs of operating, acquiring and maintaining automotive equipment used by other City departments. Such costs are billed to the other departments.

Computer Replacement Fund - to account for the costs of acquiring and maintaining computer equipment used by other City departments. Such costs are billed to the other departments.

Equipment Replacement Fund - to account for the costs of acquiring equipment used by other City departments. Such costs are billed to the other departments.

Facility Renovation and Replacement Fund - to account for the costs of maintaining, renovating and replacing facilities within the City. Such costs are billed to the other departments.

## CITY OF BOULDER, COLORADO

## Combining Statement of Net Position

Internal Service Funds

December 31, 2013

(Amounts in 000's)

	Telecom- munications Fund	Property and Casualty Insurance Fund	Workers' Compensation Insurance Fund	Compensated Absences Fund
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 221	\$ 1,024	\$ 483	\$ 279
Investments	1,154	5,350	2,522	1,455
Receivables, net:				
Accounts	-	-	-	-
Accrued interest	2	12	5	3
Intergovernmental	-	-	-	-
Total Receivables	2	12	5	3
Due from other funds	-	-	57	-
Advances to other funds	-	-	-	-
Other assets - prepaid expenses	-	182	-	-
Total current assets	1,377	6,568	3,067	1,737
Noncurrent assets:				
Advances to other funds, less current	-	-	-	-
Capital assets:				
Land and easements	-	-	-	-
Buildings	207	-	-	-
Improvements other than buildings	-	-	-	-
Vehicles	-	-	-	-
Machinery and equipment	3,106	13	-	-
	3,313	13	-	-
Less accumulated depreciation	(1,765)	(4)	-	-
	1,548	9	-	-
Construction in progress	-	-	-	-
Total capital assets, net of accumulated depreciation	1,548	9	-	-
Total noncurrent assets	1,548	9	-	-
Total assets	2,925	6,577	3,067	1,737
Deferred outflows of resources:				
Deferred loss on refunding	-	-	-	-
Total assets and deferred outflows of resources	2,925	6,577	3,067	1,737
<b>Liabilities:</b>				
Current liabilities:				
Accounts and accrued liabilities:				
Vouchers and accounts payable	51	-	37	-
Contracts and retainage payable	-	-	-	-
Accrued salaries, wages and amounts withheld from employees	3	8	6	11
Accrued interest	-	-	-	-
Accrued claims liability (current portion)	-	167	762	-
Due to other funds	-	98	-	-
Other liabilities	2	-	-	-
Compensated absences payable (current portion)	-	-	-	-
Capitalized lease obligations (current portion)	-	-	-	-
Total current liabilities	56	273	805	11
Non-current liabilities:				
Capitalized lease obligations	-	-	-	-
Compensated absences payable	-	-	-	-
Accrued claims liability	-	553	421	-
Retiree health care benefit	-	3	2	-
Total non-current liabilities	-	556	423	-
Total liabilities	56	829	1,228	11
Deferred inflows of resources	-	-	-	-
<b>Net position:</b>				
Net investment in capital assets	1,548	9	-	-
Unrestricted	1,321	5,739	1,839	1,726
Total net position	\$ 2,869	\$ 5,748	\$ 1,839	\$ 1,726

<u>Fleet Fund</u>	<u>Computer Replacement Fund</u>	<u>Equipment Replacement Fund</u>	<u>Facility Renovation and Replacement Fund</u>	<u>Total</u>
\$ 1,733	\$ 1,078	\$ 670	\$ 1,870	\$ 7,358
9,052	5,632	3,497	9,766	38,428
11	-	-	16	27
20	12	8	21	83
-	-	-	73	73
<u>31</u>	<u>12</u>	<u>8</u>	<u>110</u>	<u>183</u>
-	-	-	-	57
140	-	-	-	140
-	-	-	-	182
<u>10,956</u>	<u>6,722</u>	<u>4,175</u>	<u>11,746</u>	<u>46,348</u>
992	-	-	-	992
-	-	-	102	102
2,381	-	108	84,743	87,439
1,437	-	-	7,174	8,611
29,775	-	-	-	29,775
27	3,912	3,213	182	10,453
33,620	3,912	3,321	92,201	136,380
<u>(16,678)</u>	<u>(2,321)</u>	<u>(2,420)</u>	<u>(51,046)</u>	<u>(74,234)</u>
16,942	1,591	901	41,155	62,146
-	-	-	423	423
<u>16,942</u>	<u>1,591</u>	<u>901</u>	<u>41,578</u>	<u>62,569</u>
<u>17,934</u>	<u>1,591</u>	<u>901</u>	<u>41,578</u>	<u>63,561</u>
28,890	8,313	5,076	53,324	109,909
-	-	-	139	139
<u>28,890</u>	<u>8,313</u>	<u>5,076</u>	<u>53,463</u>	<u>110,048</u>
424	25	61	204	802
-	-	-	1,089	1,089
33	-	-	2	63
-	-	-	57	57
-	-	-	-	929
145	-	-	-	243
-	-	-	248	250
11	-	-	-	11
-	-	-	514	514
<u>613</u>	<u>25</u>	<u>61</u>	<u>2,114</u>	<u>3,958</u>
-	-	-	9,374	9,374
80	-	-	-	80
-	-	-	-	974
19	-	1	2	27
<u>99</u>	<u>-</u>	<u>1</u>	<u>9,376</u>	<u>10,455</u>
712	25	62	11,490	14,413
-	-	-	-	-
16,942	1,591	849	30,510	51,449
<u>11,236</u>	<u>6,697</u>	<u>4,165</u>	<u>11,463</u>	<u>44,186</u>
\$ <u>28,178</u>	\$ <u>8,288</u>	\$ <u>5,014</u>	\$ <u>41,973</u>	\$ <u>95,635</u>

## CITY OF BOULDER, COLORADO

## Combining Statement of Revenues, Expenses and Changes in Net Position

Internal Service Funds

Year ended December 31, 2013

(Amounts in 000's)

	Telecom- munications <u>Fund</u>	Property and Casualty Insurance <u>Fund</u>	Workers' Compensation Insurance <u>Fund</u>	Compensated Absences <u>Fund</u>
Operating revenues:				
Charges for services	\$ 726	\$ 1,510	\$ 1,310	\$ 844
Total operating revenues	<u>726</u>	<u>1,510</u>	<u>1,310</u>	<u>844</u>
Operating expenses:				
Personnel	154	323	228	696
Non-personnel	390	728	1,429	-
Depreciation	266	3	-	-
Total operating expenses	<u>810</u>	<u>1,054</u>	<u>1,657</u>	<u>696</u>
Operating income (loss)	<u>(84)</u>	<u>456</u>	<u>(347)</u>	<u>148</u>
Nonoperating revenues (expenses):				
Interest and investment earnings	3	21	9	5
Leases, rents and royalties	-	-	-	-
Interest expense	-	-	-	-
Gain (loss) on sale of capital assets	-	-	-	-
Other (net)	<u>-</u>	<u>5</u>	<u>25</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>3</u>	<u>26</u>	<u>34</u>	<u>5</u>
Income (loss) before capital contributions, and transfers	(81)	482	(313)	153
Capital contributions	-	-	-	-
Transfers in	-	-	-	-
Transfers out	<u>(15)</u>	<u>(168)</u>	<u>(131)</u>	<u>(35)</u>
Changes in net position	(96)	314	(444)	118
Total net position, beginning of year	<u>2,965</u>	<u>5,434</u>	<u>2,283</u>	<u>1,608</u>
Total net position, end of year	\$ <u>2,869</u>	\$ <u>5,748</u>	\$ <u>1,839</u>	\$ <u>1,726</u>

<u>Fleet Fund</u>	<u>Computer Replacement Fund</u>	<u>Equipment Replacement Fund</u>	<u>Facility Renovation and Replacement Fund</u>	<u>Total</u>
\$ <u>8,052</u>	\$ <u>1,794</u>	\$ <u>700</u>	\$ <u>3,337</u>	\$ <u>18,273</u>
<u>8,052</u>	<u>1,794</u>	<u>700</u>	<u>3,337</u>	<u>18,273</u>
1,086	-	27	110	2,624
2,171	875	58	913	6,564
<u>2,153</u>	<u>460</u>	<u>260</u>	<u>3,678</u>	<u>6,820</u>
<u>5,410</u>	<u>1,335</u>	<u>345</u>	<u>4,701</u>	<u>16,008</u>
<u>2,642</u>	<u>459</u>	<u>355</u>	<u>(1,364)</u>	<u>2,265</u>
74	22	12	27	173
-	-	-	20	20
-	-	-	(366)	(366)
366	5	(16)	(9)	346
<u>15</u>	<u>-</u>	<u>-</u>	<u>142</u>	<u>187</u>
<u>455</u>	<u>27</u>	<u>(4)</u>	<u>(186)</u>	<u>360</u>
3,097	486	351	(1,550)	2,625
136	-	-	349	485
78	-	35	4,150	4,263
<u>(1,437)</u>	<u>(13)</u>	<u>(2,506)</u>	<u>(46)</u>	<u>(4,351)</u>
1,874	473	(2,120)	2,903	3,022
<u>26,304</u>	<u>7,815</u>	<u>7,134</u>	<u>39,070</u>	<u>92,613</u>
\$ <u><u>28,178</u></u>	\$ <u><u>8,288</u></u>	\$ <u><u>5,014</u></u>	\$ <u><u>41,973</u></u>	\$ <u><u>95,635</u></u>

## CITY OF BOULDER, COLORADO

## Combining Statement of Cash Flows

Internal Service Funds

Year ended December 31, 2013

(Amount in 000's)

	Telecom- munications Fund	Property and Casualty Insurance Fund	Workers' Compensation Insurance Fund	Compensated Absences Fund
Cash flows from operating activities:				
Receipts from customers and users	\$ 757	\$ 1,510	\$ 1,310	\$ 844
Receipts from interfund services provided	-	-	-	-
Other receipts (payments)	-	5	25	-
Refundable deposits receipts (payments)	-	-	-	-
Payments to suppliers	(370)	(994)	(1,431)	-
Payments to employees	(158)	(337)	(236)	(786)
Net cash provided (used) by operating activities	<u>229</u>	<u>184</u>	<u>(332)</u>	<u>58</u>
Cash flows from noncapital financing activities:				
Payments from (to) other funds				
on due from (due to) balances	-	57	(57)	-
Payments from (to) other funds on advances	-	-	-	-
Leases, rents and royalties	-	-	-	-
Intergovernmental revenue	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(15)	(168)	(131)	(35)
Net cash provided (used) by noncapital financing activities	<u>(15)</u>	<u>(111)</u>	<u>(188)</u>	<u>(35)</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(61)	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Principal paid on capitalized lease obligation	-	-	-	-
Interest paid on capitalized lease obligation	-	-	-	-
Capital contributions	-	-	-	-
Net cash provided (used) for capital and related financing activities	<u>(61)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:				
Purchase of investment securities	(344)	(1,578)	(741)	(430)
Proceeds from sale and maturities of investment securities	374	2,365	1,655	641
Interest on investments	8	10	3	3
Net cash provided in investing activities	<u>38</u>	<u>797</u>	<u>917</u>	<u>214</u>
Net increase in cash and cash equivalents	191	870	397	237
Equity in pooled cash and cash equivalents, January 1	<u>30</u>	<u>154</u>	<u>86</u>	<u>42</u>
Equity in pooled cash and cash equivalents, December 31	<u>\$ 221</u>	<u>\$ 1,024</u>	<u>\$ 483</u>	<u>\$ 279</u>



<u>Fleet Fund</u>	<u>Computer Replacement Fund</u>	<u>Equipment Replacement Fund</u>	<u>Facility Renovation and Replacement Fund</u>	<u>Total</u>
\$ 71	\$ -	\$ -	\$ -	\$ 4,492
7,990	1,795	700	3,336	13,821
15	-	-	142	187
	-	-	(1,018)	(1,018)
(1,928)	(966)	(60)	(2,900)	(8,649)
<u>(1,198)</u>	<u>-</u>	<u>(29)</u>	<u>(116)</u>	<u>(2,860)</u>
<u>4,950</u>	<u>829</u>	<u>611</u>	<u>(556)</u>	<u>5,973</u>
-	-	-	-	-
135	-	-	-	135
-	-	-	20	20
-	-	-	(285)	(285)
78	-	35	4,150	4,263
<u>(520)</u>	<u>(13)</u>	<u>(2,506)</u>	<u>(46)</u>	<u>(3,434)</u>
<u>(307)</u>	<u>(13)</u>	<u>(2,471)</u>	<u>3,839</u>	<u>699</u>
(4,962)	(983)	(121)	(2,496)	(8,623)
461	5	-	-	466
-	-	-	(503)	(503)
-	-	-	(349)	(349)
<u>-</u>	<u>-</u>	<u>-</u>	<u>349</u>	<u>349</u>
<u>(4,501)</u>	<u>(978)</u>	<u>(121)</u>	<u>(2,999)</u>	<u>(8,660)</u>
(2,670)	(1,681)	(1,044)	(2,916)	(11,404)
3,947	2,700	3,497	4,177	19,356
<u>55</u>	<u>53</u>	<u>48</u>	<u>69</u>	<u>249</u>
<u>1,332</u>	<u>1,072</u>	<u>2,501</u>	<u>1,330</u>	<u>8,201</u>
1,474	910	520	1,614	6,213
<u>259</u>	<u>168</u>	<u>150</u>	<u>256</u>	<u>1,145</u>
<u>\$ 1,733</u>	<u>\$ 1,078</u>	<u>\$ 670</u>	<u>\$ 1,870</u>	<u>\$ 7,358</u>

(continued)

## CITY OF BOULDER, COLORADO

Combining Statement of Cash Flows,  
continuedInternal Service Funds

Year ended December 31, 2013

(Amount in 000's)

	Telecom- munications <u>Fund</u>	Property and Casualty Insurance <u>Fund</u>	Workers' Compensation Insurance <u>Fund</u>	Compensated Absences <u>Fund</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ <u>(84)</u>	\$ <u>456</u>	\$ <u>(347)</u>	\$ <u>148</u>
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	266	3	-	-
Other nonoperating revenues (expenses)	-	5	25	-
Change in assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	57	-	-	-
Other assets - prepaid expenses	-	22	-	-
Increase (decrease) in liabilities:				
Vouchers and accounts payable	20	(1)	(25)	-
Accrued salaries, wages and amounts withheld from employees	(4)	(11)	(6)	(90)
Other liabilities	-	-	-	-
Other liabilities - refundable deposits	-	-	-	-
Unearned revenue	(26)	-	-	-
Accrued claims liability	-	(287)	23	-
Compensated absences	-	-	-	-
Retiree health care benefit	-	(3)	(2)	-
Total adjustments	<u>313</u>	<u>(272)</u>	<u>15</u>	<u>(90)</u>
Net cash provided (used) by operating activities	\$ <u><u>229</u></u>	\$ <u><u>184</u></u>	\$ <u><u>(332)</u></u>	\$ <u><u>58</u></u>
Noncash investing, capital and financing activities:				
Assets acquired through:				
Capital contributions:				
From governmental funds	\$ -	\$ -	\$ -	\$ -
Financed through accounts, contracts and retainage payable	-	-	-	-
Assets transferred to other funds	-	-	-	-
Increase (decrease) in fair value of investments	<u>(3)</u>	<u>19</u>	<u>12</u>	<u>4</u>
	\$ <u><u>(3)</u></u>	\$ <u><u>19</u></u>	\$ <u><u>12</u></u>	\$ <u><u>4</u></u>

<u>Fleet Fund</u>	<u>Computer Replacement Fund</u>	<u>Equipment Replacement Fund</u>	<u>Facility Renovation and Replacement Fund</u>	<u>Total</u>
\$ 2,642	\$ 459	\$ 355	\$ (1,364)	\$ 2,265
2,153	460	260	3,678	6,820
15	-	-	142	187
9	1	-	(1)	66
	-	-		22
243	(91)	(3)	(1,393)	(1,250)
(26)	-	(2)	(6)	(145)
-	-	-	(594)	(594)
-	-	-	(1,018)	(1,018)
-	-	-		(26)
-	-	-	-	(264)
(103)	-	-	-	(103)
17	-	1	-	13
<u>2,308</u>	<u>370</u>	<u>256</u>	<u>808</u>	<u>3,708</u>
\$ <u>4,950</u>	\$ <u>829</u>	\$ <u>611</u>	\$ <u>(556)</u>	\$ <u>5,973</u>
\$ 136	\$ -	\$ -	\$ -	\$ 136
-	-	51	120	171
(917)	-	-	-	(917)
<u>32</u>	<u>(22)</u>	<u>(25)</u>	<u>(30)</u>	<u>(13)</u>
\$ <u>(749)</u>	\$ <u>(22)</u>	\$ <u>26</u>	\$ <u>90</u>	\$ <u>(623)</u>

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SUPPLEMENTARY SCHEDULE

Supplementary Schedule

Combined Schedule of Long-Term Debt Payable

December 31, 2013

(Amounts in 000's)

	Interest rates %	Dates		Authorized and issued	Outstanding	Current portion
		Issued	Maturity			
Governmental Activities:						
Supported by sales tax revenues and other financing sources:						
General Obligation Bonds:						
Open Space Acquisition	4.00 - 5.50	6/20/06	8/15/19	\$ 20,115	\$ 10,565	\$ 1,590
Premium on Bonds					78	
Open Space Acquisition Refunding	3.50 - 4.00	6/26/07	8/15/18	12,345	7,880	1,445
Premium on Refunding Bonds					16	
Parks, Recreation, Muni., Cap., Imp., Ref.	2.00 - 3.00	9/16/09	12/15/15	11,895	4,195	2,065
Premium on Refunding Bonds					81	
Waste Reduction Bonds	2.00 - 4.00	12/15/09	12/01/29	6,000	5,000	250
Premium on Waste Reduction Bonds					50	
General Fund Cap. Imp. Projects Bonds	2.00 - 4.00	3/22/12	10/01/31	49,000	44,900	2,315
Premium on Cap. Imp. Projects Bonds					4,952	
				<u>99,355</u>	<u>77,717</u>	<u>7,665</u>
Taxable Pension Obligation Bonds	2.00 - 5.00	10/26/10	10/01/30	9,070	8,075	355
Premium on Pension Obligation Bonds					101	
				<u>9,070</u>	<u>8,176</u>	<u>355</u>
Sales Tax Revenue Bonds:						
Open Space Acq. Sales Tax Rev. Ref. Bonds	2.50 - 3.00	7/07/09	8/15/14	6,485	1,370	1,370
Premium on Refunding Bonds					8	
				<u>6,485</u>	<u>1,378</u>	<u>1,370</u>
Capital Lease Purchase Agreements						
Banc of America Leasing & Capital, LLC	4.93	9/27/10	11/27/23	1,500	1,244	99
Suntrust Equipment Finance & Leasing Corp.	2.65	1/25/12	7/25/27	9,250	8,644	415
Bank of the West Equipment Lease	3.25	2/05/13	3/15/16	107	81	35
				<u>10,857</u>	<u>9,969</u>	<u>549</u>
Compensated Absences				-	11,014	559
Retiree Health Care Benefit (OPEB)				-	1,561	-
Estimated Claims Payable				<u>-</u>	<u>1,903</u>	<u>-</u>
Total Governmental Activities and total supported by sales tax revenues and other financing sources				\$ <u>125,767</u>	\$ <u>111,718</u>	\$ <u>10,498</u>

Business-type Activities:

Supported by utility revenues:

Revenue Bonds:						
Water and Sewer Revenue Refunding Bonds	2.00 - 4.00	2/22/11	12/01/21	18,335	14,070	1,560
Premium on Bonds					513	
Water and Sewer Revenue Refunding Bonds	3.00 - 3.75	5/01/05	12/01/16	7,900	2,400	770
Water and Sewer Revenue Refunding Bonds	4.00 - 4.125	7/10/07	12/01/19	25,935	12,320	2,030
Water and Sewer	3.50 - 5.00	11/15/05	12/01/15	45,245	4,210	2,065
Premium on Bonds				-	14	
Water and Sewer	4.00 - 5.00	11/20/12	12/01/25	24,325	24,325	-
Premium on Bonds				-	5,772	
Water and Sewer Revenue Bonds	2.00 - 3.00	10/12/10	12/01/30	9,980	8,790	410
Premium on Bonds					172	
Storm Water & Flood Mgmt Rev. Rfdg.	2.00 - 3.00	6/08/10	12/01/18	3,165	1,765	335
Premium on Bonds					34	
				<u>134,885</u>	<u>74,385</u>	<u>7,170</u>

(continued)

## CITY OF BOULDER, COLORADO

Supplementary ScheduleCombined Schedule of Long-Term Debt Payable,  
(continued)

December 31, 2013

(Amounts in 000's)

	Interest rates	Dates		Authorized and issued	Outstanding	Current portion	
		Issued	Maturity				
Business-type Activities (Continued):							
Compensated Absences				-	1,095	155	
Retiree Health Care Benefit (OPEB)				-	185	-	
Total supported by utility revenues				134,885	75,665	7,325	
Supported by parking revenues:							
General Obligation General Improvement District Bonds:							
Downtown Commercial District:							
Parking Facilities	2.00 - 3.00	11/28/12	8/15/23	7,275	7,185	640	
Premium on Bonds					458		
Parking Facilities	3.00 - 4.00	5/14/09	8/15/18	7,730	4,625	855	
Premium on Bonds					122		
				15,005	12,390	1,495	
Compensated Absences				-	151	-	
Retiree Health Care Benefit (OPEB)				-	48	-	
Total supported by parking revenues				15,005	12,589	1,495	
Supported by base rentals:							
Lease Purchase Revenue Notes:							
Boulder Municipal Property Authority:							
Open space acquisition:							
Foothills	Note 1997G	7.00	7/16/97	7/16/17	1,095	350	79
Van Vleet	Note 1999B	6.00	3/05/99	3/05/14	2,500	243	243
Abbott	Note 2001D	6.00	12/05/01	1/14/14	430	45	45
Dagle	Note 2004A	4.75	12/01/04	12/01/14	770	94	94
Gisle	Note 2005A	4.75	2/18/05	2/18/17	1,180	468	109
Hill	Note 2005B	4.75	4/05/05	4/05/15	910	217	106
Luchetta	Note 2005C	5.00	8/05/05	8/05/20	720	401	49
Boulder Valley	Note 2006A	5.00	6/16/06	6/16/16	3,550	1,252	397
Eisenberg	Note 2006B	5.00	6/07/06	6/07/16	1,206	425	135
Kolb, Edward H.	Note 2008AR-1	5.00	4/22/08	4/22/18	404	227	41
Vigil	Note 2008AR-2	5.00	4/22/08	4/22/18	404	227	41
E.R.T.L.	Note 2013A	3.25	10/31/13	10/31/23	5,000	5,000	432
				18,169	8,949	1,771	
Total supported by base rentals				18,169	8,949	1,771	
Total Business-type Activities				\$ 168,059	\$ 97,203	\$ 10,591	

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## STATISTICAL TABLES

Statistical tables are presented to provide an historical financial review of and additional information about the City of Boulder. The various tables provide information useful in analyzing the existing financial position of the City as well as in identifying trends.

The source of the statistical information in the following tables is taken from the City's records unless otherwise noted.

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CITY OF BOULDER, COLORADO

Statistical Section

Index

December 31, 2013

(Unaudited)

The statistical section of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the City's overall financial health.

Contents	Page
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.	
Net Position by Component	210
Changes in Net Position	212
Fund Balances - Governmental Funds	216
Changes in Fund Balances - Governmental Funds	218
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax (or sales tax).	
Taxable Sales by Market Sector	220
Direct and Overlapping Sales Tax Rates	222
Largest Sales Tax Remitters by Market Sector	225
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	
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Direct and Overlapping Debt	229
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<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Demographic and Economic Statistics	234
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<b>Operating Information</b>	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	
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**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual report for the relevant year.

CITY OF BOULDER, COLORADO

Statistical Data

Net Position By Component

Last Ten Fiscal Years  
(Unaudited)

(Accrual Basis of Accounting)  
(Amounts in 000's)

	Fiscal Year				
	2004	2005	2006	2007	2008
Governmental activities:					
Net Investment in capital assets	\$ 200,574	\$ 329,926	\$ 343,319	\$ 350,644	\$ 363,896
Restricted	41,906	47,497	63,452	56,833	59,456
Unrestricted	34,929	39,282	20,955	45,771	51,761
<b>Total governmental activities net position</b>	<b>\$ 277,409</b>	<b>\$ 416,705</b>	<b>\$ 427,726</b>	<b>\$ 453,248</b>	<b>\$ 475,113</b>
Business-type activities:					
Net Investment in capital assets	\$ 266,227	\$ 267,873	\$ 269,527	\$ 283,633	\$ 295,936
Restricted	208	213	220	228	234
Unrestricted	32,862	32,291	53,147	57,233	65,263
<b>Total business-type activities net position</b>	<b>\$ 299,297</b>	<b>\$ 300,377</b>	<b>\$ 322,894</b>	<b>\$ 341,094</b>	<b>\$ 361,433</b>
Primary government:					
Net Investment in capital assets	\$ 466,801	\$ 597,799	\$ 612,846	\$ 634,277	\$ 659,832
Restricted	42,114	47,710	63,672	57,061	59,690
Unrestricted	67,791	71,573	74,102	103,004	117,024
<b>Total primary government net position</b>	<b>\$ 576,706</b>	<b>\$ 717,082</b>	<b>\$ 750,620</b>	<b>\$ 794,342</b>	<b>\$ 836,546</b>

Note: Fiscal year 2012 has not been restated for the effect of the adoption of GASB 65.

Fiscal Year				
2009	2010	2011	2012	2013
\$ 379,461	\$ 395,174	\$ 418,691	\$ 458,372	\$ 480,321
58,197	51,815	30,256	35,096	33,822
51,266	69,024	86,439	102,519	113,701
<u>\$ 488,924</u>	<u>\$ 516,013</u>	<u>\$ 535,386</u>	<u>\$ 595,987</u>	<u>\$ 627,844</u>
\$ 313,583	\$ 310,791	\$ 325,861	\$ 325,883	\$ 331,096
242	249	254	257	265
59,917	65,547	67,166	61,583	67,747
<u>\$ 373,742</u>	<u>\$ 376,587</u>	<u>\$ 393,281</u>	<u>\$ 387,723</u>	<u>\$ 399,108</u>
\$ 693,044	\$ 705,965	\$ 744,552	\$ 727,155	\$ 811,417
58,439	52,064	30,510	81,581	34,087
111,183	134,571	153,605	174,974	181,448
<u>\$ 862,666</u>	<u>\$ 892,600</u>	<u>\$ 928,667</u>	<u>\$ 983,710</u>	<u>\$ 1,026,952</u>

## CITY OF BOULDER, COLORADO

## Statistical Data

## Changes In Net Position

Last Ten Fiscal Years  
(Unaudited)

(Accrual Basis of Accounting)  
(Amounts in 000's)

	Fiscal Year				
	2004	2005	2006	2007	2008
Expenses:					
Governmental activities:					
General Government	\$ 7,803	\$ 7,632	\$ 8,429	\$ 9,846	\$ 10,227
Administrative Services	2,541	2,708	3,337	3,182	2,951
Public Safety	37,941	38,091	37,942	42,221	44,479
Public Works	19,156	28,773	32,657	36,030	30,966
Planning & Development Services	7,021	7,180	7,476	7,657	8,966
Culture and Recreation	24,170	24,357	25,901	26,573	27,961
Open Space and Mountain Parks	10,425	11,023	12,299	13,156	13,360
Housing and Human Services	10,926	11,692	14,720	10,420	13,983
Interest on long-term debt	4,496	4,016	4,137	3,872	3,530
Total governmental activities expenses	<u>124,479</u>	<u>135,472</u>	<u>146,898</u>	<u>152,957</u>	<u>156,423</u>
Business-type activities:					
Water utility	19,058	20,657	21,711	20,767	21,713
Wastewater utility	8,352	9,043	10,362	10,849	11,693
Stormwater and flood management	4,162	3,891	3,963	4,197	4,407
Parking facilities and services	4,478	5,223	5,374	5,549	6,228
Property and facility acquisition	1,559	1,460	1,411	1,316	1,150
Total business-type activities expenses	<u>37,609</u>	<u>40,274</u>	<u>42,821</u>	<u>42,678</u>	<u>45,191</u>
Total primary government expenses	<u>162,088</u>	<u>175,746</u>	<u>189,719</u>	<u>195,635</u>	<u>201,614</u>
Program revenue:					
Governmental activities:					
Charges for services:					
General Government	1,788	1,826	1,783	2,009	2,832
Administrative Services	281	116	98	112	268
Public Safety	1,043	1,075	990	1,426	1,640
Public works	835	928	719	890	909
Planning & Development Services	4,622	5,298	6,289	6,803	6,327
Culture and Recreation	7,090	7,341	8,057	8,589	9,069
Open Space and Mountain Parks	386	369	405	374	367
Housing and Human Services	1,642	1,529	1,527	1,328	3,671
Operating grants and contributions:	4,805	3,887	7,039	7,522	8,500
Capital grants and contributions	5,900	9,991	6,514	13,521	6,886
Total governmental activities program revenue	<u>28,392</u>	<u>32,360</u>	<u>33,421</u>	<u>42,574</u>	<u>40,469</u>
Business-type activities:					
Charges for services:					
Water utility	18,180	21,055	23,570	21,175	21,123
Wastewater utility	8,488	10,002	12,126	12,596	12,606
Stormwater and flood management	4,317	4,402	4,607	4,796	4,959
Parking facilities and services	3,193	3,607	3,808	4,231	4,319
Property and facility acquisition	4,647	5,090	4,444	4,540	4,042
Operating grants and contributions:	148	196	140	210	168
Capital grants and contributions:	6,091	6,738	6,618	4,812	10,703
Total business-type activities program revenues	<u>45,064</u>	<u>51,090</u>	<u>55,313</u>	<u>52,360</u>	<u>57,920</u>
Total primary government program revenues	<u>73,456</u>	<u>83,450</u>	<u>88,734</u>	<u>94,934</u>	<u>98,389</u>
Net (expense) revenue:					
Governmental activities	(96,087)	(103,112)	(113,477)	(110,383)	(115,954)
Business-type activities	7,455	10,816	12,492	9,682	12,729
Total primary government net expense	<u>\$ (88,632)</u>	<u>\$ (92,296)</u>	<u>\$ (100,985)</u>	<u>\$ (100,701)</u>	<u>\$ (103,225)</u>

Fiscal Year				
2009	2010	2011	2012	2013
\$ 9,945	\$ 12,431	\$ 19,509	\$ 16,625	\$ 22,857
2,139	1,678	1,892	2,627	4,387
45,506	45,819	47,391	49,693	50,468
32,634	30,542	30,844	33,110	27,558
8,619	8,248	5,665	5,555	6,087
27,478	27,200	28,140	28,112	30,749
13,043	13,548	14,863	13,040	16,023
14,745	16,580	13,060	14,431	17,937
2,820	2,285	2,290	2,984	3,532
<u>156,929</u>	<u>158,331</u>	<u>163,654</u>	<u>166,177</u>	<u>179,598</u>
21,051	20,921	21,223	21,925	22,599
13,458	12,885	13,948	13,776	13,916
4,011	4,454	4,790	4,523	4,461
7,385	7,602	6,570	7,303	6,853
1,009	860	724	479	1,118
<u>46,914</u>	<u>46,722</u>	<u>47,255</u>	<u>48,006</u>	<u>48,947</u>
<u>203,843</u>	<u>205,053</u>	<u>210,909</u>	<u>214,183</u>	<u>228,545</u>
2,819	3,512	2,941	7,593	7,546
205	191	142	548	1,163
1,706	1,874	1,748	1,629	1,652
803	1,122	2,095	1,730	2,070
4,587	5,421	5,862	7,473	7,710
8,448	8,121	8,386	9,041	9,015
384	425	479	506	423
2,608	5,775	1,401	13,303	7,859
6,607	7,338	6,154	6,911	5,824
11,950	8,381	7,679	9,260	7,630
<u>40,117</u>	<u>42,160</u>	<u>36,887</u>	<u>57,994</u>	<u>50,892</u>
20,201	21,633	22,940	24,592	23,269
12,748	12,688	12,955	13,013	14,267
5,084	5,080	4,896	5,167	5,537
3,939	4,162	4,324	4,483	4,905
3,455	3,447	5,178	2,336	1,625
136	169	151	181	138
8,408	5,610	8,411	5,175	6,498
<u>53,971</u>	<u>52,789</u>	<u>58,855</u>	<u>54,947</u>	<u>56,239</u>
<u>94,088</u>	<u>94,949</u>	<u>95,742</u>	<u>112,941</u>	<u>107,131</u>
(116,812)	(116,171)	(126,767)	(108,183)	(128,706)
7,057	6,067	11,600	6,941	7,292
<u>\$ (109,755)</u>	<u>\$ (110,104)</u>	<u>\$ (115,167)</u>	<u>\$ (101,242)</u>	<u>\$ (121,414)</u>

## CITY OF BOULDER, COLORADO

Statistical Data

## Changes In Net Position (Continued)

Last Ten Fiscal Years  
(Unaudited)

(Accrual Basis of Accounting)  
(Amounts in 000's)

	Fiscal Year				
	2004	2005	2006	2007	2008
General revenues and other changes in net assets:					
Governmental activities:					
Taxes:					
Sales and use taxes (a)	\$ 71,688	\$ 76,624	\$ 80,057	\$ 88,403	\$ 84,867
Property taxes (a)	19,275	19,391	19,854	20,475	21,865
Other taxes (b)	13,799	15,686	14,053	14,791	-
Accommodation taxes	-	-	-	-	3,389
Franchise Taxes	-	-	-	-	9,131
Specific Ownership & Tobacco taxes	-	-	-	-	1,705
Excise Taxes	-	-	-	-	2,748
Interest and investment earnings	1,348	2,315	4,869	6,594	7,875
Miscellaneous (c)	4,312	5,125	5,002	6,752	5,025
Gain on Sale of Capital Assets	-	-	-	-	627
Transfers	(544)	3,439	663	(1,110)	587
Extraordinary Item	-	-	-	-	-
Total governmental activities	<u>109,878</u>	<u>122,580</u>	<u>124,498</u>	<u>135,905</u>	<u>137,819</u>
Business-type activities:					
Taxes:					
Sales and use tax increment (a)	-	46	85	99	94
Property taxes (a)	805	839	874	912	1,578
Property tax increment (a)	-	44	500	563	-
Other taxes (b)	68	433	664	766	-
Accommodation taxes	-	-	-	-	714
Specific Ownership & Tobacco taxes	-	-	-	-	63
Excess tax increment	-	-	(245)	(703)	-
Interest and investment earnings	1,167	1,585	5,215	5,796	5,583
Miscellaneous (c)	(1,887)	(390)	(159)	(25)	165
Gain on Sale of Capital Assets	-	-	-	-	-
Transfers	544	(3,439)	(663)	1,110	(587)
Extraordinary item	-	-	3,754	-	-
Total business-type activities	<u>697</u>	<u>(882)</u>	<u>10,025</u>	<u>8,518</u>	<u>7,610</u>
Total primary government	<u>110,575</u>	<u>121,698</u>	<u>134,523</u>	<u>144,423</u>	<u>145,429</u>
Changes in net assets:					
Governmental activities	6,766	9,103	14,115	25,522	21,865
Business-type activities	11,513	11,610	19,707	18,200	20,339
Total primary government	<u>\$ 18,279</u>	<u>\$ 20,713</u>	<u>\$ 33,822</u>	<u>\$ 43,722</u>	<u>\$ 42,204</u>

(a) Starting in 2008, Sales and use tax is combined with Sales and use tax increment.

The same applies to Property tax and Property tax increment.

(b) Starting in 2008, Other Taxes is reported separately as follows:

Accommodation taxes, Franchise Taxes, Specific Ownership & Tobacco Taxes and Excise Taxes

(c) Starting in 2008, Gain on Sale of Capital Assets is reported separately  
from Governmental Activities Miscellaneous



Fiscal Year				
2009	2010	2011	2012	2013
\$ 85,457	\$ 87,802	\$ 92,627	\$ 97,397	\$ 104,136
23,526	26,022	27,462	29,474	29,434
-	-	-	-	-
3,049	3,199	4,668	4,890	5,192
9,121	10,868	10,282	12,310	12,815
1,587	1,587	1,578	1,789	1,839
1,847	837	1,927	1,290	1,338
2,088	2,060	1,895	1,052	755
5,286	5,633	6,418	1,645	1,678
130	805	456	2,173	3,878
(1,468)	5,982	(1,208)	16,764	(1,630)
-	(1,535)	35	-	1,888
<u>130,623</u>	<u>143,260</u>	<u>146,140</u>	<u>168,784</u>	<u>161,323</u>
83	87	94	119	118
1,627	1,704	1,782	1,952	1,976
-	-	-	-	-
-	-	-	-	-
604	635	715	781	844
55	51	51	55	60
-	-	-	-	-
1,257	1,226	1,156	384	301
78	81	64	974	91
80	-	-	-	-
1,468	(5,982)	1,208	(16,764)	1,630
-	(1,024)	24	-	-
<u>5,252</u>	<u>(3,222)</u>	<u>5,094</u>	<u>(12,499)</u>	<u>5,020</u>
<u>135,875</u>	<u>140,038</u>	<u>151,234</u>	<u>156,285</u>	<u>166,343</u>
13,811	27,089	19,373	60,601	32,617
12,309	2,845	16,694	(5,558)	12,312
<u>\$ 26,120</u>	<u>\$ 29,934</u>	<u>\$ 36,067</u>	<u>\$ 55,043</u>	<u>\$ 44,929</u>

CITY OF BOULDER, COLORADO

Statistical Data

Fund Balances - Governmental Funds

Last Ten Fiscal Years  
(Unaudited)

(Modified Accrual Basis of Accounting)  
(Amounts in 000's)

	Fiscal Year				
	2004	2005	2006	2007	2008
General Fund:					
Reserved	\$ 3,037	\$ 2,706	\$ 2,784	\$ 2,953	\$ 2,928
Unreserved	13,826	16,631	18,466	17,600	18,524
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total General Fund	<u>\$ 16,863</u>	<u>\$ 19,337</u>	<u>\$ 21,250</u>	<u>\$ 20,553</u>	<u>\$ 21,452</u>
All Other Governmental Funds:					
Reserved	\$ 9,496	\$ 10,228	\$ 32,671	\$ 10,662	\$ 9,857
Unreserved, reported in:					
Special revenue funds	35,739	37,616	29,772	38,995	57,409
Debt service funds	297	301	303	334	356
Capital projects funds	3,549	3,870	4,675	13,112	14,449
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Total all other government funds	<u>\$ 49,081</u>	<u>\$ 52,015</u>	<u>\$ 67,421</u>	<u>\$ 63,103</u>	<u>\$ 82,071</u>

(a) In 2011, reporting of fund balances was changed to meet the requirements of GASB 54

Fiscal Year				
2009	2010	2011 (a)	2012	2013
\$ 3,934	\$ 4,179	\$ -	\$ -	\$ -
19,399	22,103	-	-	-
-	-	297	276	1,646
-	-	3,468	2,492	1,694
-	-	-	-	-
-	-	7,711	10,016	10,886
-	-	20,209	25,471	28,216
<u>\$ 23,333</u>	<u>\$ 26,282</u>	<u>31,685</u>	<u>\$ 38,255</u>	<u>42,442</u>
\$ 17,774	\$ 11,338	\$ -	\$ -	\$ -
38,605	45,123	-	-	-
418	446	-	-	-
4,568	1,125	-	-	-
-	-	63	47	50
-	-	26,688	78,732	63,649
-	-	4,174	15,399	19,376
-	-	21,949	21,964	23,754
<u>\$ 61,365</u>	<u>\$ 58,032</u>	<u>\$ 52,874</u>	<u>\$ 116,142</u>	<u>\$ 106,829</u>

## CITY OF BOULDER, COLORADO

Statistical Data

## Changes In Fund Balances - Governmental Funds

Last Ten Fiscal Years  
(Unaudited)(Modified Accrual Basis of Accounting)  
(Amounts in 000's)

	Fiscal Year				
	2004	2005	2006	2007	2008
Revenues:					
Taxes:					
Sales and use taxes	\$ 71,688	\$ 76,624	\$ 80,057	\$ 88,403	\$ 84,867
General property taxes	19,275	19,391	19,854	20,475	21,865
Other taxes (a)	13,799	15,686	14,053	14,791	-
Accommodation taxes	-	-	-	-	3,389
Franchise taxes	-	-	-	-	9,131
Specific Ownership & Tobacco taxes	-	-	-	-	1,705
Excise taxes	-	-	-	-	2,748
Charges for services	10,229	10,493	11,375	12,080	16,115
Sale of goods	5,598	1,635	738	2,993	329
License, permits and fines	8,884	9,337	9,830	10,259	9,910
Intergovernmental	8,788	9,956	14,252	19,842	15,192
Leases, rents and royalties	2,182	1,993	1,976	329	2,278
Interest and investment earnings	1,073	1,748	3,760	9,910	5,698
Other	957	1,648	1,335	15,192	1,567
Total revenues	142,473	148,511	157,230	194,274	174,794
Expenditures:					
General Government	9,206	9,291	9,722	11,705	11,838
Administrative Services	7,981	8,021	8,473	8,599	8,773
Public Safety	34,599	35,105	36,738	40,327	42,882
Public Works	23,234	23,374	27,950	34,479	29,204
Planning & Development Services	5,825	6,057	6,352	6,796	7,849
Culture and Recreation	21,509	22,977	23,412	24,179	26,195
Open Space and Mountain Parks	9,809	11,726	17,616	29,919	13,579
Housing and Human Services	14,362	9,925	13,602	10,431	12,736
Capital outlay	1,826	1,390	1,729	1,254	1,840
Debt service payments:					
Principal	8,857	8,322	8,439	8,899	10,331
Interest	4,447	3,961	4,102	3,817	2,552
Base rentals to Boulder Municipal					
Property Authority Debt Service Fund	4,647	5,090	4,444	4,540	4,042
Cost of issuance - refunding bonds	-	-	-	-	-
Total expenditures	146,302	145,239	162,579	184,945	171,821
Excess of revenues (under)					
expenditures	(3,829)	3,272	(5,349)	9,329	2,973
Other financing sources (uses):					
Sale of capital assets	-	-	-	-	-
Capital lease financing	-	-	-	-	-
Extraordinary Item	-	-	-	-	-
Notes / loans payable issued	2,520	-	-	-	-
Bonds issued (including refunding bonds)	-	-	20,482	12,416	-
Premium on bonds issued	-	-	-	-	-
Transfers in	18,805	18,188	18,540	20,259	20,795
Transfers out	(16,668)	(16,052)	(16,354)	(17,948)	(18,706)
Payment to refunding bond escrow agent	-	-	-	(12,311)	-
Total other financing sources					
(uses)	4,657	2,136	22,668	2,416	2,089
Net changes in fund balance	\$ 828	\$ 5,408	\$ 17,319	\$ 11,745	\$ 5,062
Debt service as a percentage of noncapital					
expenditures (b)	9.8%	9.2%	8.8%	8.5%	8.3%

(a) Starting in 2008, Other Taxes is reported separately as follows:

Accommodation taxes, Franchise Taxes, Specific Ownership &amp; Tobacco Taxes and Excise Taxes

(b) These percentages have been changed from prior year reports to more accurately reflect the Debt Service percentage of noncapital expenditures.

Fiscal Year				
2009	2010	2011	2012	2013
\$ 85,457	\$ 87,802	\$ 92,627	\$ 97,397	\$ 104,136
23,526	26,022	27,462	29,474	29,434
-	-	-	-	-
3,049	3,199	4,668	4,890	5,192
9,121	10,858	10,295	12,310	12,815
1,587	1,587	1,578	1,788	1,839
1,847	837	1,927	1,290	1,338
13,982	17,239	14,015	27,030	22,670
318	812	368	628	863
8,716	10,956	10,518	11,918	12,156
15,589	17,043	13,647	16,420	13,348
2,148	2,240	2,346	2,433	2,365
1,392	1,445	1,416	879	563
1,914	1,208	2,869	1,792	1,556
168,646	181,248	183,736	208,249	208,275
11,294	13,852	18,122	18,568	20,161
8,749	8,597	8,504	9,149	10,024
43,273	53,972	45,123	47,825	48,202
32,276	31,970	29,558	22,178	27,896
7,460	7,118	7,551	4,370	4,659
27,029	26,352	26,839	25,677	28,089
10,396	11,199	15,978	12,055	22,521
13,443	15,308	12,022	13,384	20,226
12,417	9,785	4,077	29,111	19,218
11,561	9,895	9,715	10,549	11,201
2,930	2,406	2,398	3,025	3,549
3,454	3,452	5,178	3,452	1,625
-	28	104	28	-
184,282	193,934	185,169	193,934	217,371
(15,636)	(12,686)	(1,433)	(12,686)	(9,096)
84	24	17	24	257
-	-	-	-	107
-	-	(1,500)	-	1,888
5,441	-	-	-	-
30,685	9,203	-	9,203	-
1,016	-	-	-	-
20,745	21,638	22,576	21,638	20,371
(18,410)	(18,563)	(19,415)	(18,563)	(18,653)
(27,945)	-	-	-	-
11,616	12,302	1,678	12,302	3,970
\$ (4,020)	\$ (384)	\$ 245	\$ (384)	\$ (5,126)
8.7%	7.8%	8.6%	8.4%	7.7%

CITY OF BOULDER, COLORADO

Statistical Data

Taxable Sales by Market Sector

Last Ten Fiscal Years  
(Unaudited)

(Amounts in 000's)

Market Sector	2004	2005	2006	2007	2008
Food Stores	\$ 298,690	\$ 295,719	\$ 305,797	\$ 315,876	\$ 329,727
Eating Places	254,215	264,788	281,966	306,927	321,062
Apparel Stores	65,694	69,535	71,349	79,051	82,966
Home Furnishings	79,635	81,784	80,872	85,709	80,115
General Retail	415,652	429,372	453,235	508,536	532,688
Transportation/Utilities	192,758	203,096	211,510	208,719	231,463
Automotive Trade	170,452	164,197	161,209	173,982	151,612
Building Material-Retail	55,579	58,356	87,678	91,274	90,428
Construction Use Tax	89,565	132,227	133,395	136,291	103,986
Construction Sales Tax	8,335	8,126	8,602	11,751	11,960
Consumer Electronics	41,570	49,663	54,812	69,954	61,953
Computer Related Business Sector	139,012	162,849	145,538	153,321	158,410
All Other	292,985	330,152	354,847	344,405	335,698
Refunds	(1,856)	(2,827)	(3,098)	(2,565)	(3,300)
Total Sales and Use Tax	<u>\$ 2,102,286</u>	<u>\$ 2,247,037</u>	<u>\$ 2,347,712</u>	<u>\$ 2,483,231</u>	<u>\$ 2,488,768</u>
Direct city sales tax rate	3.41%	3.41%	3.41%	3.56%	3.41%
Food service sales tax	0.15%	0.15%	0.15%	0.15%	0.15%
Total direct city sales tax	<u>3.56%</u>	<u>3.56%</u>	<u>3.56%</u>	<u>3.71%</u>	<u>3.56%</u>

Source: Annual Sales and Use Tax Revenue Reports prepared by the City of Boulder Sales Tax Division.

Note: The City has an additional .15% sales tax on food service establishment collections. The food service sales tax is deposited into the General Fund and then the total is distributed to the Boulder Center for Conference Services and Cultural Affairs.

2009	2010	2011	2012	2013
\$ 328,338	\$ 327,796	\$ 359,707	\$ 388,154	\$ 397,482
311,060	321,904	347,871	384,485	389,207
77,259	79,232	100,696	110,467	111,504
75,883	76,487	81,304	81,243	80,077
515,305	567,786	586,189	606,359	613,769
215,137	220,981	215,462	208,713	227,916
145,333	157,930	174,631	187,675	206,196
82,342	87,238	85,319	94,886	109,136
142,739	173,534	153,438	171,106	254,550
11,263	14,922	16,147	12,006	12,695
50,755	54,843	73,237	62,924	58,542
168,124	146,311	167,503	188,876	209,218
390,880	351,272	359,612	359,324	383,549
(8,349)	(5,396)	(4,781)	-	-
<u>\$ 2,506,069</u>	<u>\$ 2,574,840</u>	<u>\$ 2,716,335</u>	<u>\$ 2,856,218</u>	<u>\$ 3,053,841</u>
3.41%	3.41%	3.41%	3.41%	3.41%
0.15%	0.15%	0.15%	0.15%	0.15%
<u>3.56%</u>	<u>3.56%</u>	<u>3.56%</u>	<u>3.56%</u>	<u>3.56%</u>

CITY OF BOULDER, COLORADO

Statistical Data

Direct and Overlapping Sales Tax Rates

Last Ten Fiscal Years  
(Unaudited)

Tax Year Levied	City Direct Rates								
	General Fund	General Fund	General Fund	Open Space	Open Space	Open Space	Transportation	Parks & Rec	Parks Acquisition
	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	& General Muni	& Recreation
	No Expiration	No Expiration	Expires 12/31/24	No Expiration	Expires 12/31/18	Expires 12/31/19	No Expiration	No Expiration	Expires 12/31/15
2004	1.00%	0.38%	0.15%	0.40%	0.33%	0.15%	0.60%	0.15%	0.25%
2005	1.00%	0.38%	0.15%	0.40%	0.33%	0.15%	0.60%	0.15%	0.25%
2006	1.00%	0.38%	0.15%	0.40%	0.33%	0.15%	0.60%	0.15%	0.25%
2007	1.00%	0.38%	0.15%	0.40%	0.33%	0.15%	0.60%	0.15%	0.25%
2008	1.00%	0.38%	0.15%	0.40%	0.33%	0.15%	0.60%	0.15%	0.25%
2009	1.00%	0.38%	0.15%	0.40%	0.33%	0.15%	0.60%	0.15%	0.25%
2010	1.00%	0.38%	0.15%	0.40%	0.33%	0.15%	0.60%	0.15%	0.25%
2011	1.00%	0.38%	0.15%	0.40%	0.33%	0.15%	0.60%	0.15%	0.25%
2012	1.00%	0.38%	0.15%	0.40%	0.33%	0.15%	0.60%	0.15%	0.25%
2013	1.00%	0.38%	0.15%	0.40%	0.33%	0.15%	0.60%	0.15%	0.25%

Source: City Sales Tax Division and the Colorado Department of Revenue

Notes: Food services establishments collections are deposited into the General Fund and a check written for the total to the Boulder Center for Conference Services and Cultural Affairs.

Overlapping rates are those of local, county, regional and state governments that apply to sales within the City.



			Overlapping Rates						
Food Service Establishments	Fire Training Center								
Sales Tax	Sales Tax	Total	State of	Regional	Cultural	Ball	Boulder	Total	Total
No Expiration	2007 only	Direct	Colorado	Transportation District	District	Stadium District	County	Overlapping	Direct and Overlapping
0.15%	-	3.56%	2.90%	0.60%	0.10%	0.10%	0.55%	4.25%	7.81%
0.15%	-	3.56%	2.90%	1.00%	0.10%	0.10%	0.65%	4.75%	8.31%
0.15%	-	3.56%	2.90%	1.00%	0.10%	0.10%	0.65%	4.75%	8.31%
0.15%	0.15%	3.71%	2.90%	1.00%	0.10%	0.10%	0.65%	4.75%	8.46%
0.15%	-	3.56%	2.90%	1.00%	0.10%	0.10%	0.65%	4.75%	8.31%
0.15%	-	3.56%	2.90%	1.00%	0.10%	0.10%	0.65%	4.75%	8.31%
0.15%	-	3.56%	2.90%	1.00%	0.10%	0.10%	0.80%	4.90%	8.46%
0.15%	-	3.56%	2.90%	1.00%	0.10%	0.10%	0.80%	4.90%	8.46%
0.15%	-	3.56%	2.90%	1.00%	0.10%	-	0.80%	4.80%	8.36%
0.15%	-	3.56%	2.90%	1.00%	0.10%	-	0.80%	4.80%	8.36%

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CITY OF BOULDER, COLORADO

Statistical Data

Largest Sales Tax Remitters by Market Sector

Current Year and Nine Years Ago  
(Unaudited)

(Amounts in 000's)

	2004			2013		
Market Sector	Number Of Filers	Tax Liability	Percentage Of Total	Number Of Filers	Tax Liability	Percentage Of Total
Food Stores	4	\$ 5,602	7.81%	4	\$ 7,468	7.17%
Automotive Trade	1	2,138	2.98%	1	2,757	2.65%
Computer Related Business Sector	1	2,381	3.32%	1	2,372	2.28%
General Retail, Utilities, & Other	4	6,876	9.59%	4	9,291	8.92%
Total	10	\$16,997	23.71%	10	\$21,888	21.02%

Source: City of Boulder Sales Tax Division

Note: Individual sales tax payer information is confidential under Boulder Revised Code. Due to this, the names of the ten largest revenue payers are not available. Taxpayer information by industry for the ten largest payers is provided to present alternative information regarding the concentration of the city's sales tax revenue sources by industry.

CITY OF BOULDER, COLORADO

Statistical Data

Ratios of Net Outstanding Debt by Type

Last Ten Fiscal Years  
(Unaudited)

(Amounts in 000's)

Fiscal Year	Governmental Activities						Business-Type Activities	
	General Obligation Bonds	Taxable Pension Obligation Bonds	Revenue Bonds	Revenue Notes Payable	Capitalized Lease Obligations	Loans Payable	General Obligation Bonds	Revenue Bonds
2004	65,929	-	11,800	317	34	5,000	28,492	74,445
2005	60,375	-	10,850	69	-	3,500	25,643	116,899
2006	75,082	-	9,855	-	-	1,920	23,143	111,120
2007	67,755	-	8,810	-	-	1,536	20,431	101,792
2008	60,120	-	7,720	-	-	-	19,259	95,393
2009	58,410	-	6,614	-	-	500	18,071	88,780
2010	49,683	9,201	5,350	-	7,957	500	16,753	91,429
2011	41,746	8,881	4,054	-	7,763	250	15,350	84,861
2012 (b)	87,577	8,531	2,739	-	10,391	250	14,046	82,204
2013	77,717	8,176	1,378	-	9,969	-	12,390	74,385

(a) Population information is presented in the Demographic and Economic Statistics schedule.

(b) 2012 amounts restated due to the implementation of GASB 65 (Items previously reported as assets and liabilities)

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

Business-Type Activities			Total Primary Government	Market Value of Taxable Property	Percentage of Property Values	Per Capita (a)
Revenue Notes Payable	Certificates Of Participation	Lease Purchase Revenue Notes				
219	4,190	18,033	208,459	15,002,072	1.39%	2,043.72
113	3,485	17,776	238,710	15,071,496	1.58%	2,340.29
-	3,055	19,787	243,962	15,963,605	1.53%	2,391.78
-	2,605	16,869	219,798	16,088,279	1.37%	2,133.96
-	2,130	15,118	199,740	18,494,895	1.08%	1,920.58
-	1,635	13,024	187,034	18,685,545	1.00%	1,798.40
-	1,120	10,809	192,802	19,851,162	0.97%	1,987.65
-	575	6,739	170,219	19,992,416	0.85%	1,736.93
-	-	5,313	211,051	19,602,390	1.08%	2,089.61
-	-	8,949	192,964	19,676,353	0.98%	1,891.80

CITY OF BOULDER, COLORADO

Statistical Data

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years  
(Unaudited)

(Amounts in 000's)

Fiscal Year	Governmental Activities	Business-Type Activities	Total	Taxable Sales	Percentage of Taxable Sales (a)	Per Capita (b)
	General Obligation Bonds	General Obligation Bonds				
2004	65,929	28,492	94,421	2,102,286	4.49%	925.70
2005	60,375	25,643	86,018	2,247,037	3.83%	843.31
2006	75,082	23,143	98,225	2,347,712	4.18%	962.99
2007	67,755	20,431	88,186	2,483,231	3.55%	856.17
2008	60,120	19,259	79,379	2,488,768	3.19%	763.26
2009	58,410	18,071	76,481	2,506,069	3.05%	735.39
2010	49,683	16,753	66,436	2,574,840	2.58%	684.91
2011	41,746	15,350	57,096	2,716,335	2.10%	582.61
2012 (c)	87,577	14,046	101,623	2,856,218	3.56%	1,006.17
2013	77,717	12,390	90,107	3,053,841	2.95%	883.40

(a) General bonded debt is repaid with sales tax revenues instead of property taxes. Taxable sales is used as a relevant basis for comparison.

(b) Personal income is not available at the City level; therefore, the Per Capita is used for this calculation as allowed.

(c) 2012 amounts restated due to the implementation of GASB 65 (Items previously reported as assets and liabilities)

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

CITY OF BOULDER, COLORADO

Statistical Data

Direct and Overlapping Debt

December 31, 2013  
(Unaudited)

(Amounts in 000's)

<u>Jurisdiction</u>	<u>Par value of net General Obligation debt outstanding (a)</u>	<u>Percentage applicable to City of Boulder (b)</u>	<u>Amount applicable to City of Boulder (c)</u>
Boulder Valley School District RE-2	\$ 337,495	54.26%	\$ 183,113
Boulder Central Area General Improvement District	12,390	100.00	12,390
Northern Colorado Water Conservancy District (NCWCD)	4,488	17.94	805
Boulder County	-	44.93	-
Urban Drainage and Flood Control District	-	6.82	-
Total Overlapping Debt			196,308
City Direct Governmental Activity Debt			97,240
Total Direct and Overlapping Debt			<u>\$ 293,548</u>

(a) Source for net General Obligation debt outstanding: Boulder Valley School District, NCWCD, Boulder County, and Urban Drainage and Flood Control District

(b) Source for percentage applicable to City of Boulder: 2013 Abstract of Assessment and Summary of Levies (Boulder County Assessor's Office), NCWCD, UDFC and Boulder Valley School District RE-2.

(c) The City of Boulder's valuation is divided by each jurisdiction's valuation, with the exception of the Boulder Central Area General Improvement District, which is wholly within the City limits.

For 2013, each jurisdiction had the following valuations (in 000's):

The City of Boulder	\$ 2,567,475
Boulder Valley School District	4,732,099
NCWCD	14,313,566
Boulder County	5,714,070
Urban Drainage & Flood Control	37,619,709

# CITY OF BOULDER, COLORADO

## Statistical Data

### Legal Debt Margin Information

Last Ten Fiscal Years  
(Unaudited)

(Amounts in 000's)

	2004	2005	2006	2007
Debt limit	\$ 59,129	\$ 59,120	\$ 62,759	\$ 62,838
Total net debt applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 59,129</u>	<u>\$ 59,120</u>	<u>\$ 62,759</u>	<u>\$ 62,838</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

(a) 2012 amounts adjusted due to the implementation of GASB 65  
(Items previously reported as assets and liabilities)

Note: The total indebtedness of the City, payable solely from the proceeds of ad valorem taxes, shall not exceed 3% of assessed value of taxable property in the municipality. Indebtedness payable in whole or in part from other revenue sources, or is subject to annual appropriations therefrom by the Boulder City Council, is not included in this limitation. (Charter of the City of Boulder, Sec. 97.)



### Legal Debt Margin Calculation for Fiscal Year 2013

Assessed value	\$ 2,567,475
Debt limit - 3% of assessed value	<u>77,024</u>
Debt applicable to limit:	
Total bonded debt	90,107
Deductions allowed by law:	
Self-supporting General Obligation bonds	(90,107)
	<u>-</u>
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u><u>\$ 77,024</u></u>

2008	2009	2010	2011	2012 (a)	2013
\$ 72,496	\$ 76,882	\$ 76,981	\$ 74,943	\$ 75,021	\$ 77,024
-	-	-	-	-	-
<u>\$ 72,496</u>	<u>\$ 76,882</u>	<u>\$ 76,981</u>	<u>\$ 74,943</u>	<u>\$ 75,021</u>	<u>\$ 77,024</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

CITY OF BOULDER, COLORADO

Statistical Data

Pledged Revenue Coverage

Last Ten Years  
(Unaudited)

(Amounts in 000's)

Pledged Water and Sewer Bonds

<u>Fiscal year</u>	<u>Gross revenue (a)</u>	<u>Direct operating expense (b)</u>	<u>Net revenue available for debt service</u>	<u>Maximum annual debt service requirement</u>	<u>Coverage (c)</u>
2004	31,978	18,830	13,148	6,856	1.92
2005	37,657	19,633	18,024	10,325	1.75
2006	43,761	20,657	23,104	10,325	2.24
2007	42,081	21,205	20,876	10,037	2.08
2008	43,394	23,340	20,054	10,029	2.00
2009	39,151	21,633	17,518	10,029	1.75
2010	38,626	20,199	18,427	10,704	1.72
2011	41,412	23,026	18,386	10,615	1.73
2012	41,390	23,503	17,887	12,550	1.43
2013	42,526	24,347	18,179	12,379	1.47

- (a) Gross revenue as defined by applicable bond ordinances includes gross operating and nonoperating revenues, plant investment fees and special assessments in the Water Utility and Wastewater Utility Funds.
- (b) Direct operating expense equals total operating expenses less depreciation and amortization expense. In 2004, all prior year direct operating expense totals were restated to include the portion of the annual payment to the Municipal Subdistrict, Northern Colorado Water Conservancy District, that reduces the deferred credit for future water rights in the Water Utility Fund.
- (c) Prior to issuing additional parity bonds, the City must meet the following "facilities earnings test":

The annual gross revenue derived from the operation of the facilities for the fiscal year immediately preceding the date of the issuance of additional parity bonds must be sufficient to pay the annual operation and maintenance expenses of the facilities for that fiscal year, and, in addition, sufficient to pay an amount representing 125% of the combined maximum annual principal and interest requirements of the outstanding bonds, and any other bonds payable from and constituting a lien upon net income of the facilities, and the bonds proposed to be issued.

CITY OF BOULDER, COLORADO

Statistical Data

Pledged Revenue Coverage

Last Ten Years  
(Unaudited)

(Amounts in 000's)

Stormwater and Flood Management Bonds

<u>Fiscal year</u>	<u>Gross income (d)</u>	<u>Operating and Maintenance expense (e)</u>	<u>Net revenue available for debt service</u>	<u>Maximum annual debt service requirement</u>	<u>Coverage (f)</u>
2004	4,693	2,854	1,839	651	2.82
2005	4,734	2,586	2,148	639	3.36
2006	5,215	2,751	2,464	625	3.94
2007	5,537	2,969	2,568	625	4.11
2008	5,988	3,237	2,751	608	4.52
2009	5,362	2,945	2,417	563	4.29
2010	6,590	3,261	3,329	386	8.62
2011	5,185	3,341	1,844	386	4.78
2012	5,386	3,161	2,225	386	5.76
2013	5,708	3,279	2,429	386	6.29

(d) Gross income as defined by applicable bond ordinances means all income and revenues derived directly or indirectly by the City from the Fees, including interest earnings on moneys in any fund or account created by the bond ordinance and includes all revenues earned by the City therefrom.

(e) Operating and Maintenance Expenses means all reasonable and necessary current expenses of the City paid or accrued, of operating, maintaining and repairing the Flood Control System. It does not include depreciation, capital replacements, or operating, maintenance or repair reserves.

(f) Prior to issuing additional parity bonds, the City must meet the following "fee test":

The annual gross income for the fiscal year immediately preceding the date of the issuance of additional parity bonds shall have been sufficient to pay the annual operation and maintenance expenses of the Flood Control System for said fiscal year, and, in addition, sufficient to pay an amount representing 125% of the combined average annual principal and interest requirements of the Outstanding Series 1998 Bonds of the City payable from and constituting a lien upon net income from the Fees and the bonds proposed to be issued.

CITY OF BOULDER, COLORADO

Statistical Data

Demographic and Economic Statistics

Last Ten Fiscal Years  
(Unaudited)

(Amounts in 000's)

Fiscal Year Ended April 30	City of Boulder Population (a)	Boulder, Colorado Metropolitan Statistical Area				Unemployment Rate (e)(f)
		Population (b)	Total Personal Income (c)	Per Capita Income (d)		
2004	102	285	12,246	42.995		5.7%
2005	102	287	13,289	46.376		5.1%
2006	102	291	14,267	48.954		4.3%
2007	103	296	14,784	49.999		3.9%
2008	104	300	15,237	50.714		4.6%
2009	104	303	14,334	48.891		5.3%
2010	97	296	14,768	50.031		6.5%
2011	98	300	15,536	51.893		5.9%
2012	101	305	16,418	53.772		5.6%
2013	102	*	*	*		4.9%

(a) Source: City of Boulder Department of Community Planning & Sustainability. Estimates are based on January 1.

(b) Source: Colorado Department of Local Affairs, State Demography Office. Estimates are based on July 1.

(c) Source: U.S. Department of Commerce, Bureau of Economic Analysis, Table CA1-3

(d) Source: U.S. Department of Commerce, Bureau of Economic Analysis, Table CA1-3

(e) Source: Colorado Department of Labor and Employment (average annual rate for the City of Boulder).

(f) Source: Starting in 2008, amounts were based on Boulder Economic Council estimates. Annual 2013 rate not yet available so October 2013 rate was used.

\* 2013 Boulder, Colorado Metropolitan Statistic Area not available

Note: Personal income information is not available for the City of Boulder. Boulder, Colorado Metropolitan Statistical Area population and personal income information was used.

CITY OF BOULDER, COLORADO

Statistical Data

Principal Employers

Current Year and Nine Years Ago  
(Unaudited)

Employer	2004			2013		
	Employees	Rank	Percentage of Total County Employment (a)	Employees	Rank	Percentage of Total County Employment (a)
University of Colorado at Boulder	6,260	1	3.98%	7,500	1	4.52%
Boulder Valley School District	3,954	3	2.51%	4,133	2	2.49%
St. Vrain Valley School District	3,400	4	2.16%	3,806	3	2.30%
IBM Corp.	4,700	2	2.99%	3,400	4	2.05%
Level 3 Communications Inc.	2,100	9	1.33%	2,500	5	1.51%
Boulder Community Hospital	2,600	7	1.65%	2,350	6	1.42%
Ball Corp	2,600	6	1.65%	2,160	7	1.30%
Boulder County	1,358	10	0.86%	1,902	8	1.15%
Exempla Good Samaritan Medical Center	-			1,400	9	0.84%
Longmont United Hospital	-			1,265	10	0.76%
State of Colorado	2,406	8	1.53%	-		
Sun Microsystems Inc	3,300	5	2.10%	-		
	<u>32,678</u>		<u>20.76%</u>	<u>30,416</u>		<u>18.34%</u>

Source: The Boulder County Business Report Book of Lists and Colorado Department of Labor and Employment.

(a) This list is the 10 largest employers in Boulder and Broomfield counties. Employment information specific to the City of Boulder is not available for the years presented.

## CITY OF BOULDER, COLORADO

Statistical Data

## Full-Time Equivalent City Employees By Functions/Programs

Last Ten Fiscal Years  
(Unaudited)

<u>Functions/Program</u>	<u>Full-Time Equivalent Employees</u>				
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Government:					
City Council	1.00	1.00	1.00	1.00	1.00
Municipal Court	17.00	17.00	17.00	18.50	18.50
City Attorney	20.00	18.75	18.75	19.70	18.65
City Manager- Administration	10.00	10.00	10.00	10.00	16.50
City Manager- Downtown & University Hill Mgt	40.50	40.50	40.50	42.25	42.25
City Manager- Communications	11.00	11.50	11.50	11.50	6.00
Administrative Services:					
Human Resources	15.25	13.75	14.25	14.63	16.38
Finance	30.25	27.25	27.25	28.87	29.37
Information Technology	35.50	32.75	32.75	32.75	35.25
Public Safety:					
Police	256.25	263.25	263.25	269.25	273.25
Fire	108.33	111.33	111.33	111.33	111.33
Planning & Development Services:	65.00	64.71	64.74	69.36	72.56
Environmental Affairs:	4.00	6.00	6.00	5.50	9.50
Public Works:					
Administration	4.05	-	-	-	-
Fleet	17.25	16.90	16.90	16.87	16.87
Transportation	64.08	62.97	62.97	65.99	68.24
Utilities	148.67	150.44	150.44	154.93	155.18
Facility / Asset Management	13.10	13.51	13.51	13.58	14.58
Culture and Recreation:					
Parks and Recreation	144.50	149.22	145.25	144.62	145.82
Library	71.40	78.35	78.95	79.45	80.20
Arts	1.00	1.50	1.50	1.50	1.50
Open Space / Mountain Parks:	70.50	69.00	77.58	83.25	92.00
Housing and Human Services:	54.55	52.43	53.42	56.51	56.24
Total	<u>1,203.18</u>	<u>1,212.11</u>	<u>1,218.84</u>	<u>1,251.34</u>	<u>1,281.17</u>

Source: City of Boulder Summary of Standard FTE's per the annual budget document.

Note: Number of FTE's budgeted and approved for each fiscal year.

Full-Time Equivalent Employees				
2009	2010	2011	2012	2013
1.00	-	-	-	-
18.00	16.25	16.25	16.25	18.16
18.65	18.65	18.65	20.15	20.20
16.50	14.30	11.80	12.68	12.00
42.25	42.25	42.25	42.25	42.25
6.00	4.00	5.50	6.50	6.50
16.63	14.88	14.88	15.38	15.63
28.37	26.37	33.50	34.00	34.00
35.25	33.50	34.50	34.50	34.00
273.25	269.50	276.50	279.50	279.50
112.33	112.33	112.33	115.33	118.33
76.56	79.47	78.66	82.97	88.74
10.50	-	-	-	-
-	-	-	-	2.74
16.87	14.87	14.82	14.82	14.77
68.69	67.10	59.28	59.52	59.78
156.23	155.90	154.84	154.84	153.59
14.58	14.58	14.68	14.68	14.73
146.99	139.24	126.12	126.37	128.37
79.95	76.95	75.45	75.13	74.14
1.50	1.50	1.50	2.00	3.25
91.00	90.50	85.60	89.60	91.60
57.42	56.10	53.39	46.73	48.34
<u>1,288.52</u>	<u>1,248.24</u>	<u>1,230.50</u>	<u>1,243.20</u>	<u>1,260.62</u>

## CITY OF BOULDER, COLORADO

Statistical Data

## Operating Indicators By Function/Program

Last Ten Fiscal Years  
(Unaudited)

Function/Program	2004	2005	2006	2007	2008
General Government:					
Municipal Court					
Traffic tickets processed	13,554	11,928	12,554	11,204	13,782
General summons processed	3,079	3,306	4,249	3,760	4,099
Animal summons processed	752	707	1,459	1,366	986
Arraignments	4,595	4,986	5,030	3,974	4,716
Court trials	194	185	150	114	93
Jury trials	2	6	4	6	9
Public Safety:					
Police					
Number of police officers	171	171	171	171	171
DUI arrests	919	1,115	1,163	989	1,089
Traffic summons	19,336	18,226	17,914	19,554	21,205
Total traffic accidents	4,180	3,644	3,552	3,641	3,242
Total calls for service	77,392	79,354	84,747	87,320	78,204
Fire					
Number of firefighters	95	95	95	95	95
Total annual responses	7,735	8,327	8,679	8,943	8,943
Percentage of responses within 6 minutes	84%	85%	69%	80%	80%
Planning & Development Services:					
Number of applications received	5,698	5,689	5,642	5,920	5,781
Number of zoning and environmental code enforcement cases	2,921	3,920	3,260	4,515	3,000
Public Works					
Transportation					
Daily vehicle miles of travel in Boulder Valley	2.63 million	2.62 million	2.61 million	2.57 million	2.49 million
Culture and Recreation:					
Parks and Recreation					
Recreation center attendance	416,370	412,049	432,901	464,432	453,248
Outdoor pool attendance	34,160	41,406	41,558	58,954	58,643
Adult athletics participation	198,944	198,944	201,040	216,550	234,567
Recreation class enrollment	25,311	24,966	25,818	27,791	26,583
Reservoir attendance	200,000	117,194	91,207	57,408	48,713
Rounds of golf	42,955	48,052	47,966	48,384	49,360
Library					
Circulation of books, videos, tapes	1,058,470	1,088,504	1,109,619	1,183,717	1,274,299
Remote use of library resources online	562,819	737,227	1,630,945	2,028,526	1,792,633
Adults participating in cultural and educational programs	48,802	54,136	62,211	65,455	66,994
Attendance at outreach program activities	5,237	5,424	8,647	7,554	14,569
Arts					
Participants in Boulder Arts Resource	310	456	523	555	625
Housing Division:					
Number of permanently affordable housing units added on an annual basis	202	61	117	147	163

Source: City of Boulder departmental records.



2009	2010	2011	2012	2013
13,260	17,433	17,181	15,681	12,464
4,510	4,351	6,028	6,498	5,871
1,055	870	1,318	1,635	1,340
5,543	5,218	5,437	5,810	5,049
98	87	69	63	84
8	8	20	12	16
171	171	173	173	173
781	767	674	706	592
15,304	18,394	17,530	16,547	18,438
3,405	3,222	3,328	3,183	3,598
77,745	76,383	81,218	91,675	107,519
96	96	96	96	96
9,730	9,535	10,111	10,293	11,203
72%	77%	76%	74%	78%
5,532	6,309	5,888	6,488	7,727
2,821	1,995	2,145	706	809
2.46 million	2.49 million	2.34 million	2.34 million	2.40 million
428,682	422,200	628,639	725,000	736,138
83,335	88,303	83,707	77,441	74,175
237,292	236,950	250,372	175,543	181,752
26,671	22,201	21,794	23,092	23,417
36,582	42,688	330,205	238,265	227,935
43,348	38,293	39,440	43,974	36,872
1,354,742	1,363,545	1,384,900	1,446,816	1,449,679
669,217	806,770	804,998	748,917	752,629
37,319	33,175	33,298	31,063	23,999
5,796	4,525	4,185	5,312	4,429
677	678	718	737	not available
84	100	24	18	236

CITY OF BOULDER, COLORADO

Statistical Data

Capital Asset Statistics By Function/Program

Last Ten Fiscal Years  
(Unaudited)

Function/Program	2004	2005	2006	2007	2008
Public Safety:					
Police					
Number of stations and annexes	3	3	3	3	3
Fire					
Number of stations	7	7	7	7	7
Public Works:					
Fleet Services					
Cars, Pickups, Vans, and Motorcycles	280	282	281	297	311
Fire Apparatus	11	11	11	11	11
Other Heavy Trucks and Equipment	503	493	490	477	658
Total Equipment in Fleet	794	786	782	785	980
Transportation					
Miles of streets	294	285	287	288	289
Number of street lights	4,546	4,525	4,562	4,567	4,608
Utilities - Water					
Number of water accounts	28,303	28,426	28,555	28,578	28,359
Average daily water production (000's)	17,055	17,326	18,187	16,458	16,900
Miles of water mains	440	441	449	451	451
Utilities - Sewer					
Miles of sanitary sewer mains	346	348	349	349	351
Miles of storm sewers	121	138	138	138	150
Culture and Recreation:					
Parks and Recreation					
Acres of urban parks	1,880	1,880	1,880	1,880	1,880
Library					
Number of libraries	4	4	4	4	4
Number of library items in collection	408,163	418,417	419,339	389,805	389,805
Open Space / Mountain Parks:					
Acres of mountain parks and open space	42,873	43,221	43,497	44,921	45,090

Source: City of Boulder departmental records.

2009	2010	2011	2012	2013
4	3	4	4	5
7	7	7	7	7
343	355	347	312	328
22	15	14	14	14
594	585	607	677	720
959	955	968	1,003	1,062
292	293	293	295	295
4,638	4,678	4,689	4,742	4,766
28,458	28,519	28,619	28,759	28,747
15,400	17,300	17,000	17,600	15,737
458	461	463	463	462
350	375	355	355	355
124	183	186	153	152
1,880	1,880	1,800	1,800	1,800
4	4	4	4	4
403,960	405,034	392,506	390,427	413,740
45,091	45,130	45,405	45,591	46,632

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CITY OF BOULDER, COLORADO  
Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2013

<b>Federal Grantor, Program Title, Project/Grant Number, and Program Year</b>	<b>Federal CFDA Number</b>	<b>Pass thru Entity Identifying Number</b>	<b>Federal Expenditures 1/1/13-12/31/13</b>
Department of Housing and Urban Development:			
Direct Programs:			
CDBG - Entitlement Grants Cluster			
Community Development Block Grants/Entitlement Grants	14.218	N/A	\$ 734,041
HOME Investment Partnerships Program	14.239	N/A	<u>1,607,642</u>
Total Department of Housing and Urban Development			<u>2,341,683</u>
Department of Interior:			
Direct Program:			
Historic Preservation Fund Grants-In-Aid:			
Colorado Historical Society 2012 CLG	15.904	N/A	<u>20,453</u>
Department of Justice:			
Direct Program:			
Bulletproof Vest Partnership Program - 2011	16.607	N/A	4,811
Bulletproof Vest Partnership Program - 2012	16.607	N/A	2,153
Bulletproof Vest Partnership Program - 2013	16.607	N/A	6,220
Justice Assistance Grant (JAG) Cluster			
Edward Byrne Memorial Justice Assistance Grant Program - 2011	16.738	N/A	1,088
Edward Byrne Memorial Justice Assistance Grant Program - 2012	16.738	N/A	34,117
Edward Byrne Memorial Justice Assistance Grant Program - 2012	16.738	N/A	
(ICAC Grant 2012)	16.738	N/A	5,749
Edward Byrne Memorial Justice Assistance Grant Program - 2013	16.738	N/A	<u>22,782</u>
Total Justice Assistance Grant (JAG) Cluster			63,736
Passed through Colorado Department of Revenue:			
Enforcing Underage Drinking Laws Program - 2011	16.727	None provided	<u>12,346</u>
Total Department of Justice			<u>89,266</u>
Department of Transportation:			
Direct Programs:			
Airport Improvement Program (Land Purchase)	20.106	N/A	329,737
Highway Planning and Construction Cluster:			
Passed through Colorado Department of Transportation:			
Safe Routes to School	20.205	None provided	14,771
HOP Transit Signal Priority	20.205	None provided	176,204
Safe Routes to School - Heads Up Boulder	20.205	None provided	9,685
Transportation Equity Act	20.205	None provided	837,260
Passed through RAQC			
RAQC EV and Charging Station Grant	20.205	None provided	<u>62,441</u>
Subtotal Highway Planning and Construction Cluster			<u>1,100,361</u>
Total Department of Transportation			<u>1,430,098</u>

CITY OF BOULDER, COLORADO  
Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2013

Federal Grantor, Program Title, Project/Grant Number, and Program Year	Federal CFDA Number	Pass thru Entity Identifying Number	Federal Expenditures 1/1/13-12/31/13
Department of Veteran's Affairs			
Direct Programs:			
United States Olympic Committee	64.xxx	N/A	<u>12,100</u>
Department of Energy:			
Direct Programs:			
Conservation Research and Development (PHEV)	81.086	N/A	<u>258,270</u>
Department of Education:			
Passed through Boulder Valley School District			
21st Century Learning Center	84.287	None provided	<u>47,907</u>
Department of Health and Human Services:			
Passed through Colorado Department of Human Services:			
Temporary Assistance to Needy Families			
Boulder County Child Care Resource & Referral	93.558	None provided	58,445
Passed through Qualistar Early Learning:			
Child Care Mandatory and Matching Funds of the			
Child Care and Development Fund	93.575	None provided	<u>37,257</u>
Total Department of Health and Human Services			<u>95,702</u>
Department of Public Safety			
Passed through Colorado Homeland Security			
Barker Dam Security Upgrades	97.067	None provided	<u>133,714</u>
Total Federal Expenditures			<u><u>\$ 4,429,193</u></u>

See Notes to Schedule of Expenditures of Federal Awards

CITY OF BOULDER, COLORADO  
Notes to Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2013

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Boulder, Colorado for the year ended December 31, 2013. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other governmental agencies, is included in the schedule. The information in this schedule is presented in accordance with requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the basic financial statements.

**Note 2. Significant Accounting Policies**

Revenue from federal awards is recognized when the City has done everything necessary to establish its right to revenue. For governmental funds, revenue from federal grants is recognized when it becomes both measurable and available. Expenditures of federal awards are recognized in the accounting period when the liability is incurred.

**Note 3. Subrecipients**

Of the federal expenditures presented in the schedule, the City provided federal awards to subrecipients as follows:

<b>Program Title</b>	<b>Federal CFDA Number</b>	<b>Amount Provided to Subrecipient</b>
CDBG - Entitlement Grants	14.218	\$ 526,016
HOME Investment Partnerships Program	14.239	\$ 1,497,606
Enforcing Underage Drinking Laws Program	16.727	\$ 3,587
Edward Byrne Memorial Justice Assistance Grant Program	16.738	\$ 21,595



**Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters Based on an  
Audit of the Financial Statements Performed in Accordance with  
Government Auditing Standards**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Boulder, Colorado (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 13, 2014 that contained an emphasis of matter paragraph regarding a change in accounting principle.

***Internal Control Over Financial Reporting***

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting (internal control). In planning and performing our audit, we considered the City's internal control 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Honorable Mayor and Members of City Council  
City of Boulder Colorado

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses as defined above. However, material weaknesses may exist that have not been identified. We identified certain deficiencies in internal control described in the accompanying schedule of findings and responses (schedule of findings and questioned costs) as items 2013-001 and 2013-002 that we consider to be significant deficiencies in internal control.

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

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

### ***City's Response to Findings***

The City's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

We also noted certain matters that we reported to the City's management in a separate letter dated June 13, 2014.

### ***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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*BKD, LLP*

Denver, Colorado  
June 13, 2014

**Independent Auditor's Report on Compliance with  
Requirements That Could Have a Direct and Material Effect on  
Each Major Program and on Internal Control Over Compliance in  
Accordance with OMB Circular A-133**

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

**Report on Compliance for Each Major Federal Program**

We have audited the compliance of the City of Boulder (the City) with the types of compliance requirements described in the OMB Circular A-133, *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City'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's compliance.

Honorable Mayor and Members of City Council  
City of Boulder Colorado

### ***Opinion on Each Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

### **Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses. 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*BKD, LLP*

Denver, Colorado  
June 13, 2014

CITY OF BOULDER, COLORADO  
Schedule of Findings and Questioned Costs  
Year Ended December 31, 2013

**Section I – Summary of Auditor’s Results**

1. The opinions expressed in the independent auditor’s report were:

☒ Unmodified      ☐ Qualified      ☐ Adverse      ☐ Disclaimer

2. The independent auditor’s report on internal control over financial reporting disclosed:

Significant deficiency(ies)?      ☒ Yes      ☐ None reported  
Material weakness(es)?      ☐ Yes      ☒ No

3. Noncompliance considered material to the financial statements was disclosed by the audit?

☐ Yes      ☒ No

4. The independent auditor’s report on internal control over compliance with requirements that could have a direct and material effect on major federal awards programs disclosed:

Significant deficiency(ies)?      ☐ Yes      ☒ None reported  
Material weakness(es)?      ☐ Yes      ☒ No

5. The opinions expressed in the independent auditor’s report on compliance with requirements that could have a direct and material effect on major federal awards was were:

☒ Unmodified      ☐ Qualified      ☐ Adverse      ☐ Disclaimer

6. The audit disclosed findings required to be reported by OMB Circular A-133?

☐ Yes      ☒ No

7. The City’s major programs were:

Cluster/Program	CFDA Number
CDBG – Entitlement Grants Cluster	14.218
HOME Investment Partnerships Program	14.239

CITY OF BOULDER, COLORADO  
Schedule of Findings and Questioned Costs (Continued)  
Year Ended December 31, 2013

8. The threshold used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133 was \$300,000.
9. The Organization qualified as a low-risk auditee as that term is defined in OMB Circular A-133? ☐ Yes ☒ No

CITY OF BOULDER, COLORADO  
Schedule of Findings and Questioned Costs (Continued)  
Year Ended December 31, 2013

**Section II – Financial Statement Findings**

Reference Number	Finding
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2013-001    **Finding:** Accounting for Compensated Absences

**Criteria:** GASB Statement No. 16, *Accounting for Compensated Absences*, requires the compensated absence liability to include salary-related liabilities associated with the payment of compensated absences, including employers share of social security and Medicare taxes and any employer contributions to pension plans.

**Condition:** During our testing of the compensated absence liability, it was noted that the City of Boulder (the City) had not included all of the required salary-related items in the liability. Based on calculations performed, the lack of a complete accrual led to a passed adjustment which affected both governmental activities and business-type activities (both at a fund and government-wide level). Total under accrual for the current year was approximately \$2.2 million, with the majority relating to governmental activities.

**Cause:** The calculation for the compensated absence accrual is based on several system generated queries, ran separately for the various classes of employees, which did not include a parameter for the required additional salary-related items. For those amounts that could not be generated from the system, a manual calculation was not layered into the equation.

**Recommendation:** We recommend the City begin including all required salary-related items in the accrual for compensated absences, including those that may need to be manually calculated.

**Views of responsible officials and planned corrective actions:**

**Response:** Agreed. The City plans on calculating the compensated absence accrual to include salary-related liabilities. An adjustment to the 2014 budget will be needed to account for the additional accrual amount associated with salary-related benefits.

*Person responsible for implementing:* Ron Gilbert, Assistant Controller.

*Implementation date:* November 2014.

CITY OF BOULDER, COLORADO  
Schedule of Findings and Questioned Costs (Continued)  
Year Ended December 31, 2013

Reference Number	Finding
2013-002	<p><b>Finding:</b> Accounting for Capital Assets</p> <p><b>Criteria:</b> Under accounting principles generally accepted in the United States of America (US GAAP), capital assets should be accounted for at their historical cost and in the period in which the asset is acquired and then depreciated over their estimated useful life unless the asset is land which is not depreciated. Accounting guidance that addresses the proper recognition and accounting of capital assets includes Governmental Accounting Standards Board (GASB) Statement No. 34, <i>Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments</i> and other implementation guidance issued by GASB.</p> <p><b>Condition:</b> During testing of capital asset disposals, one of the selections represented a partial disposal of land which was accounted for incorrectly. The initial purchase of the land included 11.236 acres for \$9.5 million, however, a portion of this transaction was never capitalized as it was paid for by (and title transferred to) an outside third party. The City capitalized \$7 million, which included approximately \$784,000 attributable to a building. During 2013, a parcel of the land was sold resulting in the partial disposal. The cost per acre to apply to the tract sold in 2013 was calculated incorrectly as it included both the full amount of the initial purchase and also included the cost of the building. Additionally, this rate was applied to an incorrect acreage amount. As a result, an audit adjustment was required of approximately \$2 million.</p> <p><b>Cause:</b> There was turnover in the capital asset accountant position during 2013 and, during the year-end close process, there was an inadequate understanding of the transaction and no review was performed on the journal entry or supporting calculation prior to posting.</p> <p><b>Recommendation:</b> We recommend the City implement a requirement that journal entries relating to unusual, significant, or complex transactions, be reviewed by finance department management prior to posting.</p> <p><b>Views of responsible officials and planned corrective actions:</b></p> <p><b>Response:</b> Agreed. In June 2013, the Finance Department implemented a review process for all journal entries. All unusual, significant, and/or complex journal entries are currently being reviewed and signed-off by the Assistant Controller, Controller of Director of Finance. In this particular transaction the review was performed; however, closer attention was required for this transaction. The City will pay particular attention to these types of transactions in the future to ensure this type of error does not occur.</p> <p><i>Person responsible for implementing:</i> Ron Gilbert, Assistant Controller.</p> <p><i>Implementation date:</i> June 2014.</p>



CITY OF BOULDER, COLORADO  
Schedule of Findings and Questioned Costs (Continued)  
Year Ended December 31, 2013

**Section III – Federal Award Findings and Questioned Costs**

Reference Number	Finding	Questioned Costs
No matters are reportable.		

CITY OF BOULDER, COLORADO  
Summary Schedule of Prior Audit Findings  
Year Ended December 31, 2013

Reference Number	Summary of Finding	Status
12-01	Weaknesses in the Review Process Over Financial Reporting  The City should implement a requirement that journal entries be reviewed by a higher level of finance department management prior to posting, including at the very least any unusual and/or significant entries or entries over complex transactions.	Partially implemented. See finding 2013-002.
12-02	Subrecipient Monitoring (CDBG and HOME)  The City should continue with procedures implemented, as well as develop and consistently apply a plan for on-site, quarterly reporting, earmarking and reimbursement request monitoring to all subrecipients.	Implemented.
12-03	Procurement (CDBG and HOME)	Implemented.

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County:
		City of Boulder
		YEAR ENDING : December 2013
This Information From The Records Of: City of Boulder		Prepared By: Ken Baird, Financial Manager Phone: 303-441-3252

**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
<b>A. Receipts from local sources:</b>	
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	4,228,876
3. Other local imposts (from page 2)	10,791,123
4. Miscellaneous local receipts (from page 2)	597,069
5. Transfers from toll facilities	0
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	0
b. Bonds - Refunding Issues	0
c. Notes	0
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	15,617,068
<b>B. Private Contributions</b>	0
<b>C. Receipts from State government</b> (from page 2)	3,132,049
<b>D. Receipts from Federal Government</b> (from page 2)	1,298,918
<b>E. Total receipts (A.7 + B + C + D)</b>	20,048,036

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT
<b>A. Local highway disbursements:</b>	
1. Capital outlay (from page 2)	12,310,048
2. Maintenance:	1,833,646
3. Road and street services:	
a. Traffic control operations	2,401,177
b. Snow and ice removal	1,107,686
c. Other	3,037,738
d. Total (a. through c.)	6,546,601
4. General administration & miscellaneous	3,018,220
5. Highway law enforcement and safety	3,574,768
6. Total (1 through 5)	27,283,284
<b>B. Debt service on local obligations:</b>	
1. Bonds:	
a. Interest	804,812
b. Redemption	1,059,024
c. Total (a. + b.)	1,863,836
2. Notes:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	1,863,836
<b>C. Payments to State for highways</b>	0
<b>D. Payments to toll facilities</b>	0
<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	29,147,121

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>	22,006,249	0	1,059,024	20,947,224
1. Bonds (Refunding Portion)		0	0	
<b>B. Notes (Total)</b>				0

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
Transportation Funds	12,713,801	14,760,135	15,881,072	11,592,864	0
Capital Improvement Bond Fund (Street & Road)	18,866,378	0	7,978,149	10,888,229	0
General Fund (Street & Road)	0	5,287,900	5,287,900	0	0
<b>Totals</b>	<b>31,580,179</b>	<b>20,048,036</b>	<b>29,147,121</b>	<b>22,481,094</b>	<b>0</b>

**Notes and Comments:**

Transportation Funds include the Transportation, Transportation Development and Boulder Junction Improvement Funds. Balances for Transportation Funds reflected in Section V include balances not restricted for road and street purposes as transportation funding within the City of Boulder supports multi-modal transportation. In contrast, receipt and disbursement financial data only reflect road and street-related activity.

<b>LOCAL HIGHWAY FINANCE REPORT</b>		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2013	

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	29,285	a. Interest on investments	80,036
b. Other local imposts:		b. Traffic Fines & Penalties	21,730
1. Sales Taxes	9,898,648	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	633,749	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	0
5. Specific Ownership &/or Other	229,441	g. Other Misc. Receipts	495,304
6. Total (1. through 5.)	10,761,838	h. Other	0
c. Total (a. + b.)	10,791,123	i. Total (a. through h.)	597,069
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	2,423,497	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	253,658	d. Federal Transit Admin	0
d. Other - Hwy/Signal Maint Contract	266,892	e. U.S. Corps of Engineers	0
e. Other - CDOT	188,003	f. Other Federal (FHWA)	1,298,918
f. Total (a. through e.)	708,552	g. Total (a. through f.)	1,298,918
4. Total (1. + 2. + 3.f)	3,132,049	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs	206,608	0	206,608
b. Engineering Costs	1,640,182	1,772,440	3,412,623
c. Construction:			
(1). New Facilities	0	0	0
(2). Capacity Improvements	0	489,161	489,161
(3). System Preservation	467,565	5,504,824	5,972,389
(4). System Enhancement & Operation	1,738,001	491,267	2,229,268
(5). Total Construction (1) + (2) + (3) + (4)	2,205,566	6,485,252	8,690,818
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	4,052,356	8,257,692	12,310,048
			(Carry forward to page 1)

**Notes and Comments:**