



COMPREHENSIVE ANNUAL FINANCIAL REPORT

City of Boulder, Colorado
for the fiscal year ended December 31, 2020

CITY OF BOULDER, COLORADO

Comprehensive Annual Financial Report

For the fiscal year ended

December 31, 2020

Prepared by the Finance Department

Contents printed on recycled paper.

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December 31, 2020

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City of Boulder
Finance Department
1777 Broadway
Boulder CO 80301
303-441-3057

June 24, 2021

To: Members of the City Council,
City Manager Nuria Rivera-Vandermyde 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, 2020.

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.

CliftonLarsonAllen LLP, has issued unmodified (“clean”) opinions on the City of Boulder’s financial statements for the year ended December 31, 2020. The independent auditors’ report is located at the front of the financial section of this report.

Management’s Discussion and Analysis (MD&A) immediately follows the independent auditors’ 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 25.8 square miles and is the county seat of Boulder County. The population of the city per the 2020 Boulder Community Profile is 105,673.

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 storm water/flood control utilities; and parking facilities and services.

Certain parking facilities and transportation management services are provided through legally separate entities, Downtown Commercial District, University Hill Commercial District, Boulder Junction Authority General Improvement District-Transportation Demand Management, and the Boulder Junction Improvement 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, are governed by the City Council acting as the Board of Directors 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 two Old Hire Pension Trust Fiduciary Funds.

The city has implemented an annual budget process and adopts the coming year's budget by December 1, as provided by City Charter. 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 and capital project funds.

FACTORS AFFECTING FINANCIAL CONDITION

Actual sales and use tax revenues for the City decreased by 4.35% from 2019. During 2020, Retail Sales Tax was down 8.79%, Business/Consumer Use Tax was up 18.69%, Construction Use Tax was up 10.93%, and Motor Vehicle Use Tax was up 4.19%. Accommodations Tax decreased 62.53% over 2019 and Short-Term Rental Tax decreased 53.92% over 2019.

Sales and use tax revenues in 2020 made up approximately 46% of the General Fund, 88% of the Open Space and Mountain Parks Fund and 78% of the Transportation Fund total revenues.

The property tax base for 2020 was appraised at the 2018 actual value. The assessed valuation for property within the City of Boulder increased from \$3.660 billion in 2018 to \$4.028 billion in 2019, or 10.05%. Taxes levied against the 2019 assessed valuation will be collected in 2020. Since 2012, with voter approval the City is not subject to the Taxpayer Bill of Rights (TABOR) spending limitations except for the UHGID and CAGID Funds.

Projections for the Future

According to “The Colorado Outlook Report”, released March 19, 2021, vaccine distribution and federal stimulus in the form of the American Rescue Plan Act are upgrading the economic forecast for 2021 and 2022. For much of the U.S. and Colorado economic activity, the worst parts of the pandemic-induced recession appear to be behind us. However, pre-pandemic levels of economic activity are closer in some areas than in others. The recession did lasting damage to employment levels and consumer spending, and a long road to recovery lies ahead. The effects of the recovery have been felt differently by different populations. For higher-income earners able to transition smoothly to remote work, the recession’s economic impacts have been muted. Yet, for businesses and employees in industries that remain shut down or at partial capacity, the recession’s consequences remain severe.

The economic outlook for the nation and the state has improved and the consensus forecast is for robust economic growth for 2021. The city contracted with the University of Colorado Business Research Division to forecast sales and use taxes and its forecast uses Moody’s Analytics U.S. Macroeconomic Outlook forecasts for model inputs. The baseline forecast assumes there will be herd immunity to the virus by summer 2021, the \$1.9 trillion American Rescue Plan Act will provide significant stimulus to the national economy and the U.S. economy will perform better than previously expected. This forecast calls for real gross domestic product (GDP) to grow 5.7% for both 2021 and 2022 and will exceed pre-COVID-19 levels during the second quarter of 2021. It expects real consumer spending to grow 6.2% in 2021 and the unemployment rate to dip to 5% by the fourth quarter of 2021 and to 4.2% by the fourth quarter of 2022. It is anticipated that there will be inflationary pressures, but do not expect the first the Federal Reserve rate hike until the first quarter of 2023. When interest rates rise, the stock market may flatten or decline.

The change in March 2021 year-to-date sales and use tax revenue, compared to March 2020 year-to-date is as follows:

TAX CATEGORY	% CHANGE IN REVENUE Increase/(Decrease)	% OF TOTAL
Sales Tax	5.92%	76.03%
Business/Consumer Use Tax	9.58%	10.05%
Construction Use Tax	5.95%	7.76%
Motor Vehicle Use Tax	36.15%	4.68%
Recreational Marijuana Tax	26.68%	1.48%
Total Sales & Use Tax	7.64%	100.00%

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

- Sales Tax – Actual retail sales tax revenue increased 5.92% through March 31, 2021 compared to March 31, 2020. March 2020 included about ten days’ of COVID-19 closures. March 2021 revenue also includes a significant increase in Out of State revenues of \$1,237,922 contributing to the overall increase.
- Business/Consumer Use Tax – Revenues increased 9.58% from March 31, 2021 compared to March 31, 2020. This category can be volatile as it is associated primarily with the amount and timing of capital asset purchases by businesses in the city and the amount and timing of audit revenue. A significant portion of this amount is one time in nature and is not expected to reoccur in future months.
- Construction Use Tax – This category increased 5.95% from March 31, 2021 compared to March 31, 2020. This is another volatile tax category as it depends upon the number and timing of construction projects in any given period. Revenue in this category assumes “base” number of projects will continue indefinitely. Revenue from large projects above the base is considered one-time revenue used for one-time expenses.
- Motor Vehicle Use Tax increased by 36.15% year to date 2021. Vehicles purchased by Boulder residents are subject to a 3.86% use tax. If sales tax is not paid at the time of purchasing a vehicle, a Motor Vehicle Use Tax is due at the time a vehicle is registered or titled to an address within the city.
- Recreational Marijuana Tax - Revenues increased by 26.68% from March 31, 2021 compared to March 31, 2020.

The most current City revenue report can be found at the following website: <https://bouldercolorado.gov/tax-license/revenue-reports>.

For the nation and the state, the COVID-19 pandemic’s, economic shock, and recession were not as severe as feared early in the pandemic due to a number of factors including the federal stimulus packages. However, specific industries, those they employed, and some communities suffered more than others including the city of Boulder. The city’s budget and the public services funded by pre-pandemic levels of economic activity have been negatively impacted by decreasing visitation, reduced general retail location purchasing activity, cancellation or postponement of special events and conferences, and reduced on-site learning and office activity which, in effect, reduced the customer pool for local retailers and restaurant businesses.

Boulder, like other communities, worked expeditiously to address short-term impacts leveraging federal and local resources to help businesses, of all types, navigate requirements to keep the community safe while appreciating the impacts on local industries and workers. Many of the community’s former practices (the nature of work and the length of the workweek, on-line shopping, transit utilization, travel and at-home learning) are still in flux and will continue to have an impact on revenues critical to Boulder’s economic viability and revenue generation.

Below is a table with actual percentage changes in sales and use tax for 2019 and 2020, along with the 2021 sales tax projections for the City of Boulder as well as actuals and projections for consumer prices, unemployment rate and personal income from the Colorado Office of State Planning and Budgeting:

Forecast	2019 Actual	2020 Actual	2021 Projected
Base Sales/Use Tax - City of Boulder	3.92%	.18%	(7.40%)
Denver-Aurora-Lakewood Consumer Price Index	1.90%	2.00%	2.70%
Statewide Unemployment Rate	2.70%	7.30%	5.30%
Statewide Personal Income Growth	5.10%	5.00%	5.20%

THE IMPORTANCE OF SOUND STRATEGIC PLANNING

The following narratives were extracted from the 2020 and 2021 Annual Budgets:

The Boulder community has long been a leader in collaborative strategic planning and proactive long term financial planning. The city developed a Sustainability + Resilience Framework and a Boulder Valley Comprehensive Plan that aligns with that framework. Through the adoption of a Sustainability + Resilience Framework, the city has identified several outcomes necessary for Boulder’s vision of a great community.

The Boulder Valley Comprehensive Plan, Department Master Plans and Strategic Plans, and Subcommunity or Area Plans are then developed to align with and support the achievement of these outcomes. Together, they inform development standards, fiscal policies, financial policies, and resource allocation through the annual budget process. Recent adopted or approved master plans include Library, Transportation, Open Space & Mountain Parks, and Fire-Rescue. Facilities, Police and Parks & Recreation master plans or master plan updates are now underway or kicking off shortly. Management is committed to better considering and incorporating future financial impacts of adopted goals and strategies during the planning process to ensure plans align with available and future resources.

During 2020, the city continued to implement the financial policy of using one-time revenue only for one-time expenditures, which has served the city well during economic downturns.

MAJOR INITIATIVES

In late 2018, The Colorado Department of Local Affairs (DOLA) awarded the City of Boulder a \$140,000 disaster recovery planning grant to help build greater resilience, with more robust and flexible systems for budget decision making, service delivery model optimization, and to create a framework for the continuous measurement and evaluation of services/programs over time through key performance indicators with an emphasis on resilience. The city hopes that this new, innovative approach to budgeting will replace former tools and allow for better performance metrics, higher level of collaboration, and a more transparent approach to the budget as it aligns with community goals.

The 2021 Capital Improvements Program (CIP) includes proposed funding of \$73 million. The entire six-year (2021-26) CIP includes proposed funding of \$668 million for discrete projects as well as categories of funding for ongoing needs (e.g., local drainage improvements, major trail maintenance). The city is spending the majority, over 95% of its 2021 capital funds on capital enhancement and maintenance of its existing assets, 2% on land and asset acquisition, 2% on new capital projects and less than 1% on capital planning. 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. Highlights of the six-year plan include \$139.0 million for Water Utility related projects, \$138.2 million for Storm Water and Flood Utility related projects, \$117.4 million for Wastewater Utility related projects, \$70.3 million for Transportation related projects and \$30.0 million for Open Space related projects.

OTHER FINANCIAL INFORMATION

Debt Ratings

During 2020, the city's general obligation credit ratings were reaffirmed as Aa1 by Moody's Investors Service and AAA by Standard & Poor's. The primary reasons cited for these high rating levels were 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 for the fiscal year ended December 31, 2019. This was the thirty-first consecutive year that the city has achieved this prestigious award and the thirty-eighth year in total. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. 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 Comprehensive Annual Financial Report 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 2020 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 for the fiscal year ended December 31, 2019. 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,

Anne Penney

Anne Penney
Controller

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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, 2019

Christopher P. Morill

Executive Director/CEO

CITY OF BOULDER, COLORADO

Principal Elected and Administrative Officials

At December 31, 2020

Mayor and City Council

Mayor:	Sam Weaver
Mayor Pro Tem	Junie Joseph
Council Members:	Bob Yates Rachel Friend Mirabai Kuk Nagle Mark Wallach Mary Young Aaron Brockett Adam Swetlik

Administrative

Interim City Manager:	Chris Meschuk
Deputy City Manager:	Vacant
Chief Financial Officer:	Cheryl Pattelli
Controller:	Anne Penney



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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison statements (budgetary basis) for the General Fund, Open Space and Mountain Parks Fund, Transportation Fund, and Boulder Municipal Property Authority Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension information and other postemployment benefits information on pages 21-33 and 178-189 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2021, on our consideration of the City of Boulder, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Boulder, Colorado's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Boulder, Colorado's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Broomfield, Colorado
June 24, 2021

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City of Boulder, Colorado

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

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, 2020. 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 2020 by \$1,332.3 million (\$778.4 million in governmental activities net position and \$553.9 million in business-type activities net position). Of the governmental activities net position total, \$36.2 million, or 5%, is unrestricted. Similarly, \$103.4 million, or 19%, of business-type activities net position is unrestricted.
- Total net position of the city increased \$67.1 million, or 5%, compared to 2019. Net position of the city's governmental activities increased \$31.7 million, which represents an increase of 4% from 2019. Net position of the city's business-type activities increased \$35.5 million, or 7%, from 2019.
- Total revenues, excluding transfers, decreased \$12.1 million, or 3%, to \$378.4 million compared to 2019. Governmental activities revenues decreased \$15.3 million, or 5%, to \$286.3 million, while revenues of business-type activities increased \$3.2 million, or 4%, to \$92.0 million compared to 2019.
- The total expenses of all the city's programs, excluding transfers, increased \$11.2 million, or 4%, to \$311.2 million compared to 2019. The expenses of governmental activities programs increased \$9.3 million, or 4%, to \$253.9 million, while the expenses of business-type activities increased \$1.9 million, or 3%, from 2019 to \$57.3 million.
- As of December 31, 2020, the city's governmental funds reported a combined ending fund balance of \$205.6 million. Approximately 58%, or \$118.4 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 four 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, interest on long-term debt and the Boulder Municipal Property Authority's acquisition of general property, open space and parks property. The business-type activities of the city include water utility, wastewater utility, storm water and flood management, parking facilities and services and property and facility acquisition.

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, Storm Water 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 and Boulder Junction GID are accounted for as non-major 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 non-major 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 non-major special revenue 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)

	Governmental Activities		Business-type		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 346,057	\$ 355,808	\$ 140,293	\$ 132,645	\$ 486,350	\$ 488,453
Capital assets	754,194	735,794	558,918	543,004	1,313,112	1,278,798
Total assets	<u>1,100,251</u>	<u>1,091,602</u>	<u>699,211</u>	<u>675,649</u>	<u>1,799,462</u>	<u>1,767,251</u>
Deferred outflows of resources	16,088	33,423	3,582	7,408	19,670	40,831
Noncurrent liabilities	225,607	293,025	133,792	156,399	359,399	449,424
Other liabilities	25,597	31,365	6,338	5,479	31,935	36,844
Total liabilities	<u>251,204</u>	<u>324,390</u>	<u>140,130</u>	<u>161,878</u>	<u>391,334</u>	<u>486,268</u>
Deferred inflows of resources	86,771	53,944	8,725	2,695	95,496	56,639
Net position:						
Invested in capital assets	655,214	630,173	450,274	425,576	1,105,488	1,055,749
Restricted	86,950	96,273	313	309	87,263	96,582
Unrestricted	36,200	20,245	103,351	92,599	139,551	112,844
Total net position	<u>\$ 778,364</u>	<u>\$ 746,691</u>	<u>\$ 553,938</u>	<u>\$ 518,484</u>	<u>\$ 1,332,302</u>	<u>\$ 1,265,175</u>

Table 1 presents an analysis of the city's net position as of December 31, 2020. The city's assets exceeded its liabilities by \$1,332.3 million at the close of the current fiscal year. By far the largest portion of the city's net position (83%) reflects its investment of \$1,105.5 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, \$87.3 million (7%), represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position, \$139.6 million (10%), may be used to meet the city's on-going obligations to the public and creditors.

Net investment in capital assets increased \$49.7 million, or 5%, compared to 2019. This increase is due to capital project costs related to broadband fiber backbone, western city campus redevelopment, land acquisitions and other large utility construction projects. Restricted net position decreased \$9.3 million, or 10%, compared to 2019 mainly due to a decrease in restricted fund balance in the Transportation and Open Space funds. The \$26.7 million, or 24%, increase in unrestricted net position during 2020 was due in large part to the effects of GASB 68 and GASB 75. See notes U and W for further discussion of Pension and Retirement Plans and Other Post Employment Benefit Plans, respectively.

It is important to note that approximately \$55.3 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 \$67.1 million during 2020. This increase is explained in the governmental and business-type activities discussion below.

Governmental Activities

Net position of governmental activities increased by \$31.7 million during 2020, accounting for 47% of the total increase in the city's net position. This increase was \$24.2 million less than the \$55.9 million increase in net position in 2019.

Revenues during 2020 decreased by \$15.3 million compared to 2019. The decrease in revenue was expected due to the many economic impacts of the COVID-19 pandemic. Businesses were required to greatly reduce capacity, the number of commuters into the city decreased drastically and the students at the University of Colorado were sent home. As such sales and use taxes decreased \$6.7 million during 2020. Miscellaneous revenues increased \$4.0 million. Operating grant revenue increased \$8.7 million compared to 2019, primarily due to the Coronavirus Aid, Relief and Economic Security Act (CARES Act) and Airport Improvement Program (AIP) grant funding received in 2020. Capital grant revenue increased by \$450 thousand compared to 2019, primarily due to consistent spending on capital grant funded projects in 2020. Interest and investment earnings decreased \$381 thousand compared to 2019, primarily due to the decreased yields on investments as interest rates were falling. An increase of \$1.1 million related to the sale of capital assets was due to the sale of land at 30th and Pearl.

Expenses increased \$9.3 million in 2020 compared to 2019. Culture and Recreation expenses increased \$4.3 million and Public Safety expenses increased \$10.5 million. This was primarily due to a decrease in capital expenditures transferred out of expenses in 2020 compared to 2019. Open Space expenses increased \$2.3 million due to the change in capital expenditures primarily driven by the sale of land in 2020 compared to 2019.

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

	Governmental Activities		Business-type		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Program revenues:						
Charges for services	\$ 35,249	\$ 50,317	\$ 73,377	\$ 71,622	\$ 108,626	\$ 121,939
Operating grants and contributions	19,828	11,146	-	-	19,828	11,146
Capital grants and contributions	2,895	2,445	12,676	11,479	15,571	13,924
General revenue:						
Sales and use taxes	137,340	144,025	-	-	137,340	144,025
Property taxes	47,804	43,156	1,665	1,590	49,469	44,746
Other taxes	24,423	36,463	81	87	24,504	36,550
Interest and investment earnings	7,592	7,973	4,017	3,843	11,609	11,816
Miscellaneous revenue	5,147	1,110	233	256	5,380	1,366
Gain on sale of capital assets	6,023	4,965	-	-	6,023	4,965
Total Revenues	286,301	301,600	92,049	88,877	378,350	390,477
Program expenses (includes indirect expenses allocation):						
Governmental activities:						
General Government	21,302	34,882	-	-	21,302	34,882
Administrative Services	8,649	6,757	-	-	8,649	6,757
Public Safety	60,699	50,216	-	-	60,699	50,216
Public Works	53,167	49,277	-	-	53,167	49,277
Planning and Development Services	17,477	16,417	-	-	17,477	16,417
Culture and Recreation	29,004	24,657	-	-	29,004	24,657
Open Space and Mountain Parks	25,702	23,440	-	-	25,702	23,440
Housing and Human Services	34,321	35,506	-	-	34,321	35,506
Interest on long-term debt	3,618	3,480	-	-	3,618	3,480
Business-type activities:						
Water Utility	-	-	24,809	23,575	24,809	23,575
Wastewater Utility	-	-	15,644	15,030	15,644	15,030
Stormwater and Flood Management	-	-	8,879	8,721	8,879	8,721
Parking Facilities and Services	-	-	7,346	7,353	7,346	7,353
Property and Facility Acquisition	-	-	606	671	606	671
Total expenses	253,939	244,632	57,284	55,350	311,223	299,982
Excess before transfers	32,362	56,968	34,765	33,527	67,127	90,495
Transfers	(689)	(1,097)	689	1,097	-	-
Increase in net position	31,673	55,871	35,454	34,624	67,127	90,495
Net position, beginning of year	746,691	690,820	518,484	483,860	1,265,175	1,174,680
Net position, end of year	\$ 778,364	\$ 746,691	\$ 553,938	\$ 518,484	\$ 1,332,302	\$ 1,265,175

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 (24%), followed by Public Works (21%) and Housing and Human Services (14%). 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 (48%), followed by property taxes (17%) and charges for services (12%).

Chart 1: 2020 Expenses and Program Revenues - Governmental Activities

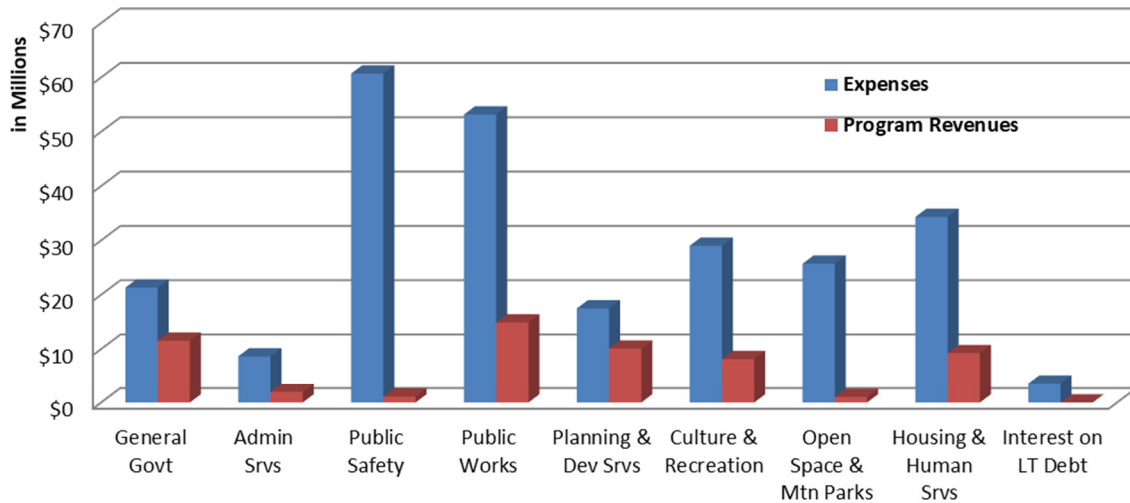
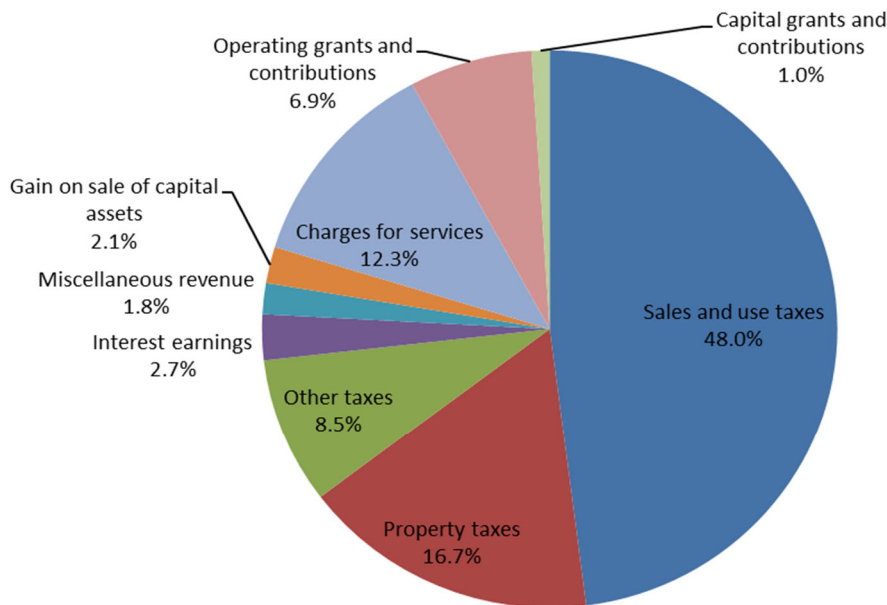


Chart 2: 2020 Revenues by Source - Governmental Activities



Business-type Activities

Net position in business-type activities increased \$35.5 million in 2020. This increase was \$900 thousand more than the \$34.6 million increase in net position in 2019.

Total business-type revenues increased \$3.2 million, or 4%, compared to 2019. Operating and capital grants and contributions increased by \$1.2 million in 2020 mainly due to an increase in plant investment fees in 2020.

Expenses of business-type activities increased by \$1.9 million, or 3% compared to 2019, mainly because of an increase of personnel expenses in the water, wastewater and storm water utilities that was due in large part to the effects of GASB 68 and GASB 75. See notes U and W for further discussion of Pension and Retirement Plans and Other Post Employment Benefit Plans, respectively.
due to changes in the

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 71% of total business-type activity expenses. Charges for services provide the largest share of revenues (80%), followed by capital grants and contributions (14%).

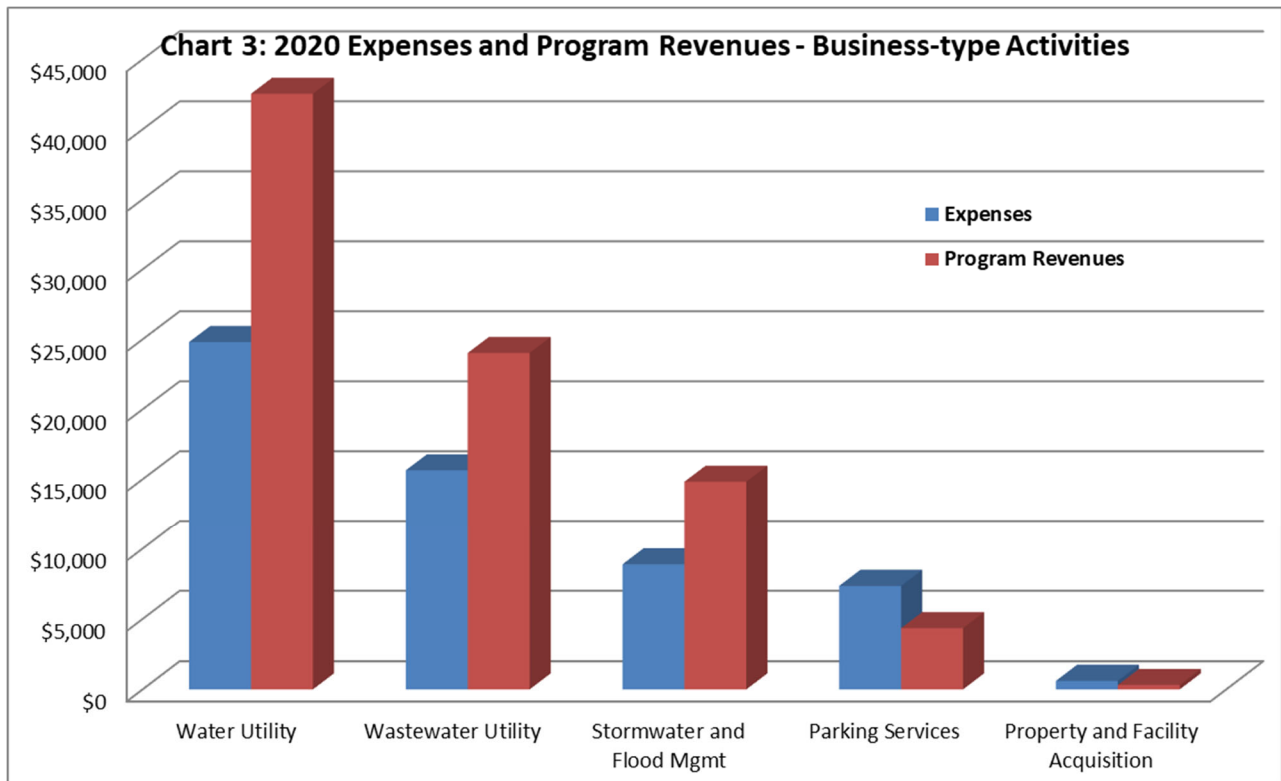
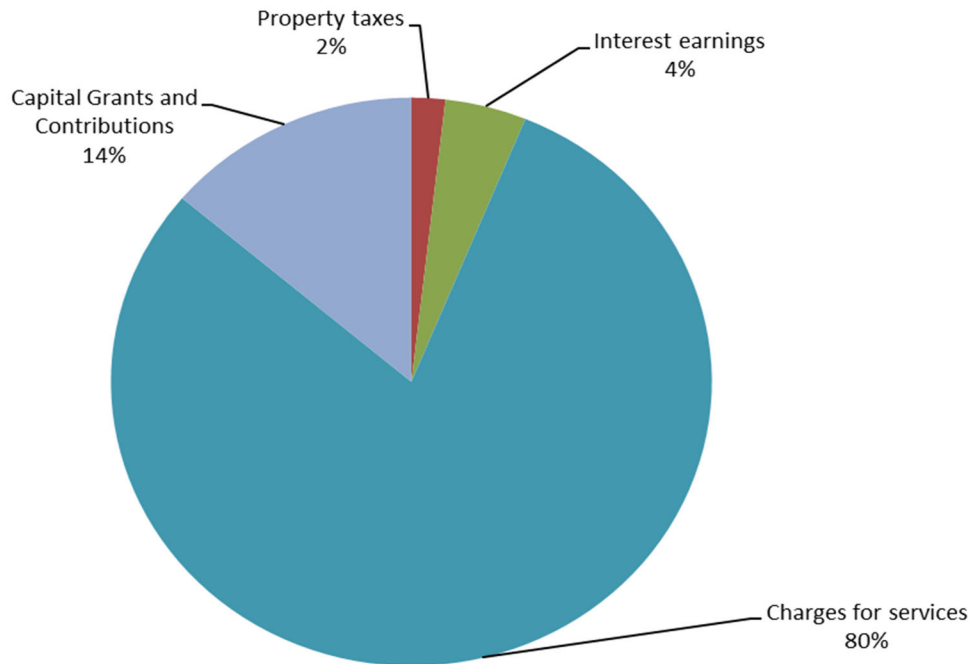


Chart 4: 2020 Revenue by Source - Business-type Activities



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, 2020, the city's governmental funds reported combined ending fund balances of \$205.6 million, a decrease of \$10.1 million, or 5%, from the prior year. The fund balance of the General Fund decreased \$7.9 million to \$77.5 million at December 31, 2020. General Fund revenues fell by \$11.4 million as compared to 2019. As noted, the economic impacts of the COVID-19 pandemic led to a \$2.4 million fall in sales and use taxes and a \$6.9 million decrease in accommodation taxes. General Fund expenditures increased by \$3.6 million due to the western city campus redevelopment and the broadband fiber backbone project. Administrative Services increased \$2.2 million primarily due to the construction of the broadband fiber backbone. Public Works increased \$1.6 million mainly due to the continued work on the western city campus redevelopment project.

The Open Space Fund's fund balance decreased \$2.9 million in 2020. Revenues fell by \$15 thousand due to a decrease in sales and use tax revenue which was offset by proceeds from the sale of land in early 2020. Expenditures increased by \$1.4 million largely due to the purchase of Shanahan Ranch in early 2020.

The fund balance of the Transportation Fund fell by \$1.6 million in 2020. Revenues decreased by \$2.7 million while expenditures increased by \$3.3 million. The revenue decrease is attributable to the decrease in sales tax revenue. Expenditures increased primarily due to the construction of the Foothills and Colorado underpass which received funding from CDOT.

Other governmental fund balances increased by \$2.2 million. This is primarily due to a decrease in capital outlays from the non-major capital project funds.

Approximately \$118.4 million or 58% 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 non-spendable or restricted to indicate that it is not available for new spending because it has already been committed for specific purposes. This non-spendable or restricted fund balance is comprised of: (1) fund balance not in spendable form such as prepaid expenses, inventory for consumption, and permanent endowments - \$0.2 million; (2) limitations imposed on use of funds by external laws and regulations - \$36.3 million; (3) restrictions for capital projects - \$19.7 million; (4) restrictions for future development - \$27.2 million; (5) restricted for expenditure on lottery authorized parks and recreation projects - \$3.3 million and (6) restrictions placed on the funds by donors - \$.5 million.

The General Fund is the primary operating fund of the city. At the end of 2020, the unrestricted fund balance of the General Fund was \$74.9 million, while total fund balance was \$77.5 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. In 2020, unassigned fund balance of \$67.2 million represents 42% of total general fund expenditures and transfers out of \$159.8 million. General Fund unassigned fund balance as a percentage of total expenditures and transfers out was 42% in 2019.

The Open Space Fund and the Transportation Fund are special revenue funds, with 100% of their fund balance either restricted or assigned. With the exception of negative fund balances which must be reported as unassigned, 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 Fund revenues are derived from sales taxes approved by the voters and other restricted revenue sources. 100% of the fund balance for Open Space 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 \$21.3 million at December 31, 2020, a decrease of \$2.9 million from 2019. The Transportation Fund's revenue sources are generally restricted except for investment income. As of December 31, 2020, the Transportation Fund's restricted fund balance was \$22.8 million and was assigned for capital projects. The total Transportation fund balance was \$24.1 million at December 31, 2020, a \$1.6 million decrease from 2019.

In the 2020 budget year, the City Council maintained a minimum target for unassigned General Fund balance of 19.5% of expenditures and transfers out, excluding expenditures funded by grants. 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 amount of 19.5% was met in 2020.

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, 2020, the unrestricted net position of the Water Utility Fund was \$34.9 million, the Wastewater Utility Fund was \$13.6 million, the Storm Water and Flood Management Fund was \$37.4 million, the Downtown Commercial District Fund was \$12.5 million and the non-major enterprise funds was \$0.8 million. The total decrease in net position for the proprietary funds was \$1.3 million. Factors concerning the changes in 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 2020 was \$51.9 million greater than the original budget. The primary reasons for this difference are related to the following increases:

- \$10.9 million for encumbrance carryovers
- \$5.5 million for operating carryover
- \$3.7 million for BCH Hospital Deconstruction
- \$2.2 million for Fire Station #3
- \$18.7 million for Broadband Fiber Backbone project
- \$4.7 million for Coronavirus Relief Funds received

On a basis consistent with the adopted budget, actual revenues and transfers in were \$16.2 million, or 9.7%, less than the final budget. Actual expenditures and transfers out were \$41.7 million, or 19.3%, less than the final budget. The net effect of these differences was a favorable variance in actual revenues and expenditures to the fiscal year-end budgeted fund balance of \$25.5 million. The primary factors contributing to this favorable variance include the following:

- \$6.4 million less in expenditures related to General Government
- \$12.8 million less in expenditures related to Administrative Services
- \$4.5 million less in expenditures related to Public Safety
- \$8.4 million less in expenditures related to Public Works
- \$3.4 million less in expenditures related to Culture and Recreation
- \$4.3 million less in expenditures related to Housing and Human Services

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, 2020 amounts to \$1,313.1 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, software, underground drainage facilities, machinery, equipment and vehicles. The net increase in the city's investment in capital assets was \$34.3 million (3%) from 2019. Net capital assets of governmental activities increased \$18.4 million (3%) and those of business-type activities increased \$15.9 million (3%).

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land and easements	\$ 385,754	\$ 371,759	\$ 44,473	\$ 44,473	\$ 430,227	\$ 416,232
Intangibles	-	-	1,650	1,750	1,650	1,750
Buildings	89,926	74,523	24,737	25,894	114,663	100,417
Improvements other than buildings	69,347	60,608	1,547	1,944	70,894	62,552
Infrastructure	152,650	149,482	-	-	152,650	149,482
Utility plant in service and undergrounds	-	-	429,494	355,287	429,494	355,287
Machinery, equipment and vehicles	26,050	26,590	2,767	3,294	28,817	29,884
Software and licenses	7,234	6,637	-	-	7,234	6,637
Construction in progress	23,233	46,195	54,250	110,362	77,483	156,557
Total	<u>\$ 754,194</u>	<u>\$ 735,794</u>	<u>\$ 558,918</u>	<u>\$ 543,004</u>	<u>\$ 1,313,112</u>	<u>\$ 1,278,798</u>

Some of the major capital asset activities during 2020 included the following:

Governmental activities:

- New vehicle purchases - \$3.4 million
- Shanahan Ranch Acquisition – \$7.9 million
- Construction in progress for Western City Campus Redevelopment - \$1.7 million
- Completion of Boulder Reservoir Visitor Center Enhancements - \$1.7 million
- Construction in progress for Ponderosa Mobile Home Park Infrastructure – \$3.3 million
- Completion of Scott Carpenter Pool redevelopment - \$7.2 million
- Completion of Citywide Radio Infrastructure project - \$1.7 million
- Construction in progress for Broadband Fiber Backbone - \$2.9 million
- Recognition of \$24.6 million in depreciation expense

Business-type activities:

- Construction in progress for Barker Gravity Pipeline - \$4.9 million
- Construction in progress for Sanitary Sewer Rehabilitation – \$3.8 million
- Completion of WWRF Biogas – \$3.1 million
- Construction in progress for Lower Goose Creek Trunk Sewer replacement - \$2.7 million
- Recognition of \$14.3 million in depreciation expense

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

Debt Administration

Table 4 summarizes the city's bonded debt as of the end of 2020 and 2019. At December 31, 2020, the city had total bonded debt (including certificates of participation) of \$202.0 million. Of this amount, \$9.9 million consisted of general obligation debt backed by the full faith and credit of the city. Another \$192.1 million represents bonds secured solely by specified revenue sources (revenue bonds, certificates of participation and capital improvement bonds).

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
General obligation bonds	\$ 7,501	\$ 11,406	\$ 2,426	\$ 3,202	\$ 9,927	\$ 14,608
Revenue bonds	-	-	107,457	123,123	107,457	123,123
Pension obligation bonds	-	5,854	-	-	-	5,854
Capital improvement bonds	31,242	33,674	-	-	31,242	33,674
Certificates of Participation	53,371	55,738	-	-	53,371	55,738
Total bonded debt	<u>\$ 92,114</u>	<u>\$ 106,672</u>	<u>\$ 109,883</u>	<u>\$ 126,325</u>	<u>\$ 201,997</u>	<u>\$ 232,997</u>

The city's general obligation credit rating is Aaa by Moody's Investors Services, Inc. and AAA by Standard & Poor's Global Ratings. Under the City Charter, the city's general obligation debt issuances are subject to a legal limitation based on 3% of the 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.

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 Controller of the City of Boulder Finance Department at 1136 Alpine, Boulder, CO 80304.

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BASIC FINANCIAL STATEMENTS

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CITY OF BOULDER, COLORADO

Statement of Net Position

December 31, 2020

(Amounts in 000's)

	Governmental <u>Activities</u>	Business-type <u>Activities</u>	<u>Total</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 38,701	\$ 8,285	\$ 46,986
Investments	226,525	116,705	343,230
General property tax receivable	48,475	1,757	50,232
Sales and use tax receivable	16,612	-	16,612
Other receivables (See Note G)	14,353	8,946	23,299
Restricted investments	578	4,334	4,912
Inventory of materials and supplies	84	5	89
Other assets	729	261	990
Capital assets (net of accumulated depreciation):			
Land and easements	385,754	44,473	430,227
Intangibles	-	1,650	1,650
Buildings	89,926	24,737	114,663
Improvements other than buildings	69,347	1,547	70,894
Infrastructure	152,650	-	152,650
Utility plant in service and undergrounds	-	429,494	429,494
Machinery, equipment and vehicles	26,050	2,767	28,817
Software and licenses	7,234	-	7,234
Construction in progress	23,233	54,250	77,483
Total assets	<u>1,100,251</u>	<u>699,211</u>	<u>1,799,462</u>
Deferred outflows of resources	<u>16,088</u>	<u>3,582</u>	<u>19,670</u>
Liabilities:			
Accounts and accrued liabilities:			
Vouchers and accounts payable	9,990	5,337	15,327
Contracts and retainage payable	2,885	902	3,787
Accrued liabilities	6,173	3,529	9,702
Internal balances	4,149	(4,149)	-
Other liabilities	2,145	719	2,864
Unearned revenue	255	-	255
Noncurrent liabilities:			
Due within one year	12,562	10,403	22,965
Due in more than one year	122,225	105,774	227,999
Net pension liability	77,237	15,492	92,729
Net OPEB liability	13,583	2,123	15,706
Total liabilities	<u>251,204</u>	<u>140,130</u>	<u>391,334</u>
Deferred inflows of resources	<u>86,771</u>	<u>8,725</u>	<u>95,496</u>
Net position:			
Net investment in capital assets	655,214	450,274	1,105,488
Restricted for:			
Legally restricted	36,260	213	36,473
Capital projects	19,683	100	19,783
Development	27,236	-	27,236
Lottery funds	3,256	-	3,256
Donor restrictions	515	-	515
Unrestricted	36,200	103,351	139,551
Total net position	<u>\$ 778,364</u>	<u>\$ 553,938</u>	<u>\$ 1,332,302</u>

The accompanying notes are an integral part of this statement.

CITY OF BOULDER, COLORADO

Statement of Activities

Year ended December 31, 2020

(Amounts in 000's)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General Government	\$ 21,302	\$ 7,429	\$ 4,107	\$ -
Administrative Services	8,649	1,975	-	-
Public Safety	60,699	382	701	-
Public Works	53,167	3,129	8,866	2,895
Planning & Development Services	17,477	10,079	5	-
Culture and Recreation	29,004	6,244	1,910	-
Open Space and Mountain Parks	25,702	964	41	-
Housing and Human Services	34,321	5,047	4,198	-
Interest on long-term debt	3,618	-	-	-
Total governmental activities	<u>253,939</u>	<u>35,249</u>	<u>19,828</u>	<u>2,895</u>
Business-type activities:				
Water utility	24,809	33,757	-	8,787
Wastewater utility	15,644	21,741	-	2,285
Stormwater and flood management	8,879	13,223	-	1,604
Parking facilities and services	7,346	4,346	-	-
Property and facility acquisition	606	310	-	-
Total business-type activities	<u>57,284</u>	<u>73,377</u>	<u>-</u>	<u>12,676</u>
Total government	<u>\$ 311,223</u>	<u>\$ 108,626</u>	<u>\$ 19,828</u>	<u>\$ 15,571</u>

General revenues:

Taxes:

- Sales, use and other taxes
- General property taxes
- Accommodations taxes
- Occupation taxes
- Specific Ownership & Tobacco taxes
- Excise taxes

Interest and investment earnings

Miscellaneous

Gain on Sale of Capital Assets

Transfers

Total general revenues,
transfers

Change in net position

Net position, beginning of year,

Net position, end of year

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (9,766)	\$ -	\$ (9,766)
(6,674)	-	(6,674)
(59,616)	-	(59,616)
(38,277)	-	(38,277)
(7,393)	-	(7,393)
(20,850)	-	(20,850)
(24,697)	-	(24,697)
(25,076)	-	(25,076)
(3,618)	-	(3,618)
<u>(195,967)</u>	<u>-</u>	<u>(195,967)</u>
-	17,735	17,735
-	8,382	8,382
-	5,948	5,948
-	(3,000)	(3,000)
-	(296)	(296)
<u>-</u>	<u>28,769</u>	<u>28,769</u>
<u>(195,967)</u>	<u>28,769</u>	<u>(167,198)</u>
137,340	-	137,340
47,804	1,665	49,469
4,007	-	4,007
11,597	-	11,597
2,618	81	2,699
6,201	-	6,201
7,592	4,017	11,609
5,147	233	5,380
6,023	-	6,023
<u>(689)</u>	<u>689</u>	<u>-</u>
<u>227,640</u>	<u>6,685</u>	<u>234,325</u>
<u>31,673</u>	<u>35,454</u>	<u>67,127</u>
<u>746,691</u>	<u>518,484</u>	<u>1,265,175</u>
<u>\$ 778,364</u>	<u>\$ 553,938</u>	<u>\$ 1,332,302</u>

CITY OF BOULDER, COLORADO

Balance Sheet

Governmental Funds

December 31, 2020

(Amounts in 000's)

<u>Assets</u>	<u>General Fund</u>	<u>Open Space Fund</u>	<u>Transportation Fund</u>	<u>Boulder Municipal Property Authority</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Equity in pooled cash and cash equivalents	\$ 28,453	\$ 125	\$ 273	\$ 245	\$ 5,551	\$ 34,647
Investments	47,720	18,360	24,003	211	78,030	168,324
Receivables:						
General property taxes	43,176	-	-	-	5,299	48,475
Sales and use taxes	8,278	3,021	2,943	-	2,370	16,612
Accounts	1,156	87	1,804	-	811	3,858
Accrued interest	291	169	104	-	313	877
Intergovernmental	3,454	3,635	1,060	-	1,105	9,254
Total receivables	<u>56,355</u>	<u>6,912</u>	<u>5,911</u>	<u>-</u>	<u>9,898</u>	<u>79,076</u>
Inventory of materials and supplies	48	-	-	-	36	84
Restricted assets:						
Investments for special purposes	92	1	-	-	485	578
Total restricted assets	<u>92</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>485</u>	<u>578</u>
Other assets	102	20	-	-	72	194
Total assets	<u>\$ 132,770</u>	<u>\$ 25,418</u>	<u>\$ 30,187</u>	<u>\$ 456</u>	<u>\$ 94,072</u>	<u>\$ 282,903</u>

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 Fund</u>	<u>Transportation Fund</u>	<u>Boulder Municipal Property Authority</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Liabilities:						
Accounts and accrued liabilities:						
Vouchers and accounts payable	\$ 4,090	\$ 370	\$ 1,924	\$ 5	\$ 2,683	\$ 9,072
Contracts and retainage payable	497	36	493	1	1,803	2,830
Accrued salaries, wages and amounts withheld from employees	3,642	540	291	-	761	5,234
Advances from other funds	381	-	-	-	-	381
Other liabilities	418	-	721	-	768	1,907
Unearned revenue	183	-	1	-	55	239
Total liabilities	<u>9,211</u>	<u>946</u>	<u>3,430</u>	<u>6</u>	<u>6,070</u>	<u>19,663</u>
Deferred inflows of resources	<u>46,030</u>	<u>3,191</u>	<u>2,680</u>	<u>-</u>	<u>5,770</u>	<u>57,671</u>
Fund balances:						
Nonspendable:						
Prepaid	102	-	-	-	72	174
Inventory	48	-	-	-	36	84
Restricted for:						
Legally restricted	2,291	-	22,757	450	10,782	36,280
Capital projects	139	-	-	-	19,544	19,683
Development	-	20,937	-	-	6,279	27,216
Lottery funds	-	-	-	-	3,256	3,256
Donor restrictions	55	22	-	-	438	515
Committed to:						
Affordable housing	-	-	-	-	6,508	6,508
Transportation projects	-	-	-	-	4,375	4,375
Assigned to:						
Special purposes	5,074	322	1,320	-	30,942	37,658
Contractual obligations	2,670	-	-	-	-	2,670
Unassigned	67,150	-	-	-	-	67,150
Total fund balances	<u>77,529</u>	<u>21,281</u>	<u>24,077</u>	<u>450</u>	<u>82,232</u>	<u>205,569</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 132,770</u>	<u>\$ 25,418</u>	<u>\$ 30,187</u>	<u>\$ 456</u>	<u>\$ 94,072</u>	<u>\$ 282,903</u>

CITY OF BOULDER, COLORADO

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

December 31, 2020

(Amounts in 000's)

Total governmental fund balances \$ 205,569

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	1,127,992	
Accumulated depreciation - governmental funds	(424,693)	
Net book value of capital assets in governmental funds	703,299	703,299

Deferred inflows and deferred outflows of resources related to pensions and OPEB are applicable to future periods and therefore, are not reported in the funds. Also, some liabilities including net pension obligations and OPEB, are not due and payable in the current period and therefore, are not reported in the funds.

PERA net pension liability	(72,777)	
Police net pension liability	(2,517)	
Fire net pension liability	(208)	
City net OPEB liability	(4,577)	
PERA net OPEB liability	(8,734)	
Deferred inflows related to pensions: PERA, Police and Fire	(33,263)	
Deferred inflows related to OPEB: City and PERA	(3,948)	
Deferred outflows related to pensions: PERA, Police and Fire	14,159	
Deferred outflows related to OPEB: City and PERA	1,616	
Net deferred inflows, outflows, pension and OPEB liabilities	(110,249)	(110,249)

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. 96,630

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. (126,288)

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 deferred inflows of resources in the governmental funds and thus are not included in fund balance.

Intergovernmental revenues	9,403	
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Net position of governmental activities	\$ 778,364
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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, 2020

(Amounts in 000's)

	General Fund	Open Space Fund	Trans- portation Fund	Boulder Municipal Property Authority	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes:						
Sales, use and other taxes	\$ 65,098	\$ 26,762	\$ 25,942	\$ -	\$ 19,538	\$ 137,340
General property taxes	42,573	-	-	-	5,231	47,804
Accommodation taxes	4,007	-	-	-	-	4,007
Occupation taxes	9,833	-	-	-	1,811	11,644
Specific ownership & tobacco taxes	2,603	-	-	-	15	2,618
Excise taxes	1,024	-	-	-	5,177	6,201
Charges for services	3,879	193	-	-	12,549	16,621
Sale of goods	153	1,662	9	-	7,326	9,150
Licenses, permits and fines	4,748	144	-	-	7,770	12,662
Intergovernmental	2,545	273	5,908	-	10,160	18,886
Leases, rents and royalties	157	489	66	5,283	1,639	7,634
Interest and investment earnings	1,341	668	889	8	2,526	5,432
Other	2,330	129	365	-	1,284	4,108
Total revenues	140,291	30,320	33,179	5,291	75,026	284,107
Expenditures:						
Current:						
General Government	22,661	-	-	5	195	22,861
Administrative Services	12,140	-	-	-	69	12,209
Public Safety	61,225	20	-	-	-	61,245
Public Works	12,410	-	34,296	-	9,562	56,268
Planning & Development Services	2,899	-	-	-	14,866	17,765
Culture and Recreation	12,975	-	-	-	23,224	36,199
Open Space and Mountain Parks	299	31,382	-	-	723	32,404
Housing and Human Services	12,205	-	-	-	24,805	37,010
Capital outlay	-	-	-	-	3,377	3,377
Debt service payments:						
Principal	3,657	445	-	3,159	1,993	9,254
Interest	1,731	207	-	2,125	190	4,253
Base rentals to Boulder Municipal Property Authority	-	1,154	-	-	-	1,154
Total expenditures	142,202	33,208	34,296	5,289	79,004	293,999
Excess (deficiency) of revenues over (under) expenditures	(1,911)	(2,888)	(1,117)	2	(3,978)	(9,892)
Other financing sources (uses):						
Long term bonds issued	8,960	-	-	-	-	8,960
Transfers in	11,170	-	40	-	6,641	17,851
Transfers out	(17,581)	-	(504)	-	(455)	(18,540)
Payment to refunding bond escrow agent	(8,520)	-	-	-	-	(8,520)
Total other financing sources (uses)	(5,971)	-	(464)	-	6,186	(249)
Net change in fund balances	(7,882)	(2,888)	(1,581)	2	2,208	(10,141)
Fund balances, beginning of year	85,411	24,169	25,658	448	80,024	215,710
Fund balances, end of year	\$ 77,529	\$ 21,281	\$ 24,077	\$ 450	\$ 82,232	\$ 205,569

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, 2020

(Amounts in 000's)

Net change in fund balances - total governmental funds		\$	(10,141)
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	46,617		
Governmental Activities capital asset deletions	(4,964)		
Internal Service Funds capital asset additions	(3,428)		
Internal Service Funds capital asset deletions	1,562		
Governmental Activities capital asset depreciation expense	(24,619)		
Internal Service Funds capital asset depreciation expense	<u>6,594</u>		21,762
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, net pension liabilities and pension related items.			
			16,499
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.			
Intergovernmental revenue			4,105
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			(552)
Change in net position of governmental activities		\$	<u><u>31,673</u></u>

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, 2020
(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Sales and use taxes	\$ 66,076	\$ 66,076	\$ 65,098	\$ (978)
General property taxes	42,629	42,629	42,573	(56)
Accommodations taxes	10,659	10,659	4,007	(6,652)
Occupation taxes	9,947	9,947	9,833	(114)
Specific ownership & tobacco taxes	2,409	2,409	2,603	194
Excise taxes	950	950	1,024	74
Charges for services	6,001	6,010	3,879	(2,131)
Sale of goods	75	75	153	78
Licenses, permits and fines	6,680	6,780	4,748	(2,032)
Intergovernmental	1,629	7,233	2,545	(4,688)
Leases, rents and royalties	295	295	157	(138)
Interest and investment earnings	750	750	951	201
Other	1,020	2,140	2,330	190
Total revenues	<u>149,120</u>	<u>155,953</u>	<u>139,901</u>	<u>(16,052)</u>
Expenditures:				
Current:				
General Government	17,121	24,081	17,649	6,432
Administrative Services	22,081	41,819	29,061	12,758
Public Safety	60,628	66,039	61,541	4,498
Public Works	12,378	22,766	14,406	8,360
Planning & Development Services	2,837	3,894	3,228	666
Culture and Recreation	14,431	16,565	13,131	3,434
Open Space and Mountain Parks	185	185	242	(57)
Housing and Human Services	12,909	16,876	12,591	4,285
Debt service payments:				
Principal	2,795	2,795	3,657	(862)
Interest	1,647	1,647	1,710	(63)
Total expenditures	<u>147,012</u>	<u>196,667</u>	<u>157,216</u>	<u>39,451</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,108</u>	<u>(40,714)</u>	<u>(17,315)</u>	<u>23,399</u>

(continued)

The accompanying notes are an integral part of this statement

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Other financing sources (uses):				
Transfers in	11,170	11,767	11,170	(597)
Transfers out	<u>(17,819)</u>	<u>(20,103)</u>	<u>(17,819)</u>	<u>2,284</u>
Total other financing sources (uses)	(6,649)	(8,336)	(6,649)	1,687
Net change in fund balance	<u>\$ (4,541)</u>	<u>\$ (49,050)</u>	(23,964)	<u>\$ 25,086</u>
Encumbrances, end of year			14,754	
Fund balance, beginning of year, basis of budgeting			<u>89,524</u>	
Fund balance, end of year, basis of budgeting			80,314	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			957	
Accrued salaries, wages and amounts withheld from employees			(3,797)	
Long-Term Notes Issued			8,960	
Payment to refunding bond escrow agent			(8,520)	
Due from other funds			(4)	
Advances from other funds			<u>(381)</u>	
Fund balance, end of year, GAAP basis			<u>\$ 77,529</u>	

CITY OF BOULDER, COLORADO

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

Open Space Fund

Year ended December 31, 2020

(Amounts in 000's)

	Budgeted amounts		Actual amounts	Variance with final budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Sales and use taxes	\$ 21,829	\$ 27,129	\$ 26,762	\$ (367)
Charges for services			193	193
Sale of goods and capital assets	-	1,725	1,662	(63)
Licenses, permits and fines			144	144
Intergovernmental	500	580	273	(307)
Leases, rents and royalties	-	84	489	405
Interest and investment earnings	607	607	449	(158)
Other	1,368	1,630	129	(1,501)
Total revenues	24,304	31,755	30,101	(1,654)
Expenditures:				
Current:				
Public Safety	-	-	26	(26)
Open Space and Mountain Parks	25,856	40,960	33,444	7,516
Debt service payments:				
Principal	445	445	445	-
Interest	207	207	207	-
Base rentals to Boulder Municipal Property Authority	1,154	1,154	1,154	-
Total expenditures	27,662	42,766	35,276	7,490
Excess (deficiency) of revenues over (under) expenditures	(3,358)	(11,011)	(5,175)	5,836
Other financing sources (uses):				
Transfers in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ (3,358)	\$ (11,011)	(5,175)	\$ 5,836
Encumbrances, end of year			1,998	
Fund balance, beginning of year, basis of budgeting			26,510	
Fund balance, end of year, basis of budgeting			23,333	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			379	
Accrued salaries, wages and amounts withheld from employees			(540)	
Unearned revenue			(1,891)	
Fund balance, end of year, GAAP basis			\$ 21,281	

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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Sales and use taxes	\$ 26,414	\$ 26,414	\$ 25,942	\$ (472)
Sale of goods	-	-	9	9
Intergovernmental	6,170	6,308	5,908	(400)
Leases, rents and royalties	55	55	66	11
Interest and investment earnings	459	459	541	82
Other	325	525	365	(160)
Total revenues	<u>33,423</u>	<u>33,761</u>	<u>32,831</u>	<u>(930)</u>
Expenditures:				
Current:				
Public Works	<u>33,543</u>	<u>64,756</u>	<u>39,394</u>	<u>25,362</u>
Total expenditures	<u>33,543</u>	<u>64,756</u>	<u>39,394</u>	<u>25,362</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(120)</u>	<u>(30,995)</u>	<u>(6,563)</u>	<u>24,432</u>
Other financing sources (uses):				
Transfers in	40	40	40	-
Transfers out	<u>(504)</u>	<u>(504)</u>	<u>(504)</u>	<u>-</u>
Total other financing sources (uses)	<u>(464)</u>	<u>(464)</u>	<u>(464)</u>	<u>-</u>
Net change in fund balance	\$ <u>(584)</u>	\$ <u>(31,459)</u>	(7,027)	\$ <u>24,432</u>
Encumbrances, end of year			5,063	
Fund balance, beginning of year, basis of budgeting			<u>26,004</u>	
Fund balance, end of year, basis of budgeting			24,040	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			502	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes			(174)	
Accrued salaries, wages and amounts withheld from employees			<u>(291)</u>	
Fund balance, end of year, GAAP basis			\$ <u>24,077</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)

Boulder Municipal Property Authority

Year ended December 31, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Leases, rents and royalties	\$ 5,381	\$ 5,381	\$ 5,283	\$ (98)
Interest and investment earnings	6	6	5	(1)
Total revenues	<u>5,387</u>	<u>5,387</u>	<u>5,288</u>	<u>(99)</u>
Expenditures:				
Current:				
General Government	6	6	5	1
Debt service payments:				
Principal	3,074	3,074	3,159	(85)
Interest	<u>2,307</u>	<u>2,307</u>	<u>2,125</u>	<u>182</u>
Total expenditures	<u>5,387</u>	<u>5,387</u>	<u>5,289</u>	<u>98</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	(1)	(1)
Other financing uses:				
Long-term bonds issued	-	-	-	-
Transfers out	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	(1)	\$ <u>(1)</u>
Encumbrances, end of year			-	
Fund balance, beginning of year, basis of budgeting			<u>445</u>	
Fund balance, end of year, basis of budgeting			444	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			<u>6</u>	
Fund balance, end of year, GAAP basis			\$ <u><u>450</u></u>	

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CITY OF BOULDER, COLORADO

Statement of Net Position

Proprietary Funds

December 31, 2020

(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	\$ 3,203	\$ 1,107	\$ 2,779
Investments	42,925	24,045	34,885
Receivables:			
General property taxes	-	-	-
Accounts	111	17	-
Charges for services	2,267	2,395	1,625
Accrued interest	238	74	58
Intergovernmental	59	58	1,987
Total receivables	<u>2,675</u>	<u>2,544</u>	<u>3,670</u>
Advances to other funds	83	-	-
Inventory of materials and supplies	-	4	1
Other assets - prepaid expenses	-	20	-
Total current assets	<u><u>48,886</u></u>	<u><u>27,720</u></u>	<u><u>41,335</u></u>
Noncurrent assets:			
Advances to other funds	156	-	-
Restricted assets:			
Investments for bond reserves	2,330	754	363
Investments for capital projects	112	-	430
Total restricted assets	<u>2,442</u>	<u>754</u>	<u>793</u>
Capital assets:			
Land and easements	21,318	2,009	18,369
Intangibles	-	-	-
Buildings	5,046	2,547	775
Improvements other than buildings	179	417	1,210
Infrastructure	841	26	967
Undergrounds - drainage facilities	382,738	166,561	110,161
Vehicles	1,810	1,257	825
Machinery and equipment	2,704	2,224	423
	414,636	175,041	132,730
Less accumulated depreciation	<u>(139,195)</u>	<u>(75,006)</u>	<u>(29,071)</u>
	275,441	100,035	103,659
Construction in progress	29,954	20,974	1,980
Total capital assets, net of accumulated depreciation	<u>305,395</u>	<u>121,009</u>	<u>105,639</u>
Total noncurrent assets	<u><u>307,993</u></u>	<u><u>121,763</u></u>	<u><u>106,432</u></u>
Total assets	<u><u>356,879</u></u>	<u><u>149,483</u></u>	<u><u>147,767</u></u>
	<u>1,322</u>	<u>1,509</u>	<u>388</u>
Total assets and deferred outflows of resources	<u><u>\$ 358,201</u></u>	<u><u>\$ 150,992</u></u>	<u><u>\$ 148,155</u></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
\$ 880	\$ 316	\$ 8,285	\$ 4,054
13,962	888	116,705	58,201
1,357	400	1,757	-
10	-	138	41
-	-	6,287	-
42	5	417	293
-	-	2,104	30
<u>1,409</u>	<u>405</u>	<u>10,703</u>	<u>364</u>
2	-	85	143
-	-	5	-
-	-	20	535
<u>16,253</u>	<u>1,609</u>	<u>135,803</u>	<u>63,297</u>
-	-	156	-
345	-	3,792	-
-	-	542	-
<u>345</u>	<u>-</u>	<u>4,334</u>	<u>-</u>
2,333	444	44,473	117
-	2,000	2,000	-
45,467	176	54,011	91,921
6,009	58	7,873	9,110
6	-	1,840	763
-	-	659,460	-
73	86	4,051	42,347
<u>1,596</u>	<u>270</u>	<u>7,217</u>	<u>15,299</u>
55,484	3,034	780,925	159,557
<u>(32,266)</u>	<u>(719)</u>	<u>(276,257)</u>	<u>(108,663)</u>
23,218	2,315	504,668	50,894
<u>1,342</u>	<u>-</u>	<u>54,250</u>	<u>-</u>
<u>24,560</u>	<u>2,315</u>	<u>558,918</u>	<u>50,894</u>
<u>24,905</u>	<u>2,315</u>	<u>563,408</u>	<u>50,894</u>
<u>41,158</u>	<u>3,924</u>	<u>699,211</u>	<u>114,191</u>
<u>291</u>	<u>72</u>	<u>3,582</u>	<u>316</u>
<u>\$ 41,449</u>	<u>\$ 3,996</u>	<u>\$ 702,793</u>	<u>\$ 114,507</u>

(continued)

CITY OF BOULDER, COLORADO

Statement of Net Position,
continued

Proprietary Funds

December 31, 2020

(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	\$ 2,794	\$ 1,794	\$ 533
Contracts and retainage payable	299	506	37
Accrued salaries, wages and amounts withheld from employees	325	201	126
Accrued interest	149	105	46
Accrued environmental cleanup liability	-	-	-
Accrued claims liability	-	-	-
Advances from other funds	-	-	-
Other liabilities	475	26	203
Unearned revenue - Other	-	-	-
General obligation bonds payable	-	-	-
Revenue bonds payable	4,968	3,022	1,040
Capitalized lease obligations	-	-	-
Compensated absences payable	57	45	11
Direct purchase notes	-	465	-
Total current liabilities	<u>9,067</u>	<u>6,164</u>	<u>1,996</u>
Noncurrent liabilities:			
Accounts and accrued liabilities:			
Accrued landfill cleanup liability	-	2,474	-
Accrued claims liability	-	-	-
General obligation bonds payable (net of premium)	-	-	-
Revenue bonds payable (net of premium)	58,322	23,117	16,988
Capitalized lease obligations	-	-	-
Compensated absences payable	522	268	144
Direct purchase notes	-	4,635	-
Net pension liability	6,839	4,675	2,176
OPEB liability	929	597	321
Rebatable arbitrage payable	-	-	-
Total noncurrent liabilities	<u>66,612</u>	<u>35,766</u>	<u>19,629</u>
Total liabilities	<u>75,679</u>	<u>41,930</u>	<u>21,625</u>
Deferred inflows of resources:			
Deferred inflows of resources	<u>3,001</u>	<u>2,001</u>	<u>1,230</u>
Net position:			
Net investment in capital assets	244,500	93,444	87,942
Restricted for:			
Legally restricted - emergency reserve	-	-	-
Capital projects	100	-	-
Unrestricted	<u>34,921</u>	<u>13,617</u>	<u>37,358</u>
Total net position	<u>\$ 279,521</u>	<u>\$ 107,061</u>	<u>\$ 125,300</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
\$ 214	\$ 2	\$ 5,337	\$ 919
60	-	902	55
67	9	728	97
27	-	327	-
-	-	-	54
-	-	-	1,422
-	2	2	-
11	2	717	-
-	-	-	16
765	-	765	-
-	-	9,030	-
-	-	-	860
30	-	143	16
-	-	465	-
<u>1,174</u>	<u>15</u>	<u>18,416</u>	<u>3,439</u>
-	-	2,474	-
-	-	-	2,333
1,661	-	1,661	-
-	-	98,427	-
-	-	-	4,530
117	-	1,051	127
-	-	4,635	-
1,462	340	15,492	1,735
240	36	2,123	272
-	-	-	-
<u>3,480</u>	<u>376</u>	<u>125,863</u>	<u>8,997</u>
<u>4,654</u>	<u>391</u>	<u>144,279</u>	<u>12,436</u>
<u>2,018</u>	<u>475</u>	<u>8,725</u>	<u>1,292</u>
22,073	2,315	450,274	45,448
206	7	213	-
-	-	100	-
<u>12,498</u>	<u>808</u>	<u>99,202</u>	<u>55,331</u>
\$ <u>34,777</u>	\$ <u>3,130</u>	549,789	\$ <u>100,779</u>

Adjustment to reflect the consolidation
of internal service fund activities
related to enterprise funds 4,149
Net position of
business-type activities \$ 553,938

CITY OF BOULDER, COLORADO

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

Year ended December 31, 2020

(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	\$ 33,740	\$ 21,741	\$ 13,223
Sale of goods	17	-	-
Sale of capital assets	-	-	-
Total operating revenues	<u>33,757</u>	<u>21,741</u>	<u>13,223</u>
Operating expenses:			
Personnel	7,109	4,562	2,768
Non-personnel	8,909	6,073	3,957
Depreciation	6,764	3,817	1,655
Total operating expenses	<u>22,782</u>	<u>14,452</u>	<u>8,380</u>
Operating income (loss)	<u>10,975</u>	<u>7,289</u>	<u>4,843</u>
Nonoperating revenues (expenses):			
Interest and investment earnings	1,423	997	1,173
Leases, rents and royalties	117	13	12
Intergovernmental	-	-	-
Private sector grants and contributions	-	-	-
Sales and use tax	-	-	-
General property taxes	-	-	-
Accommodations taxes	-	-	-
Franchise taxes	-	-	-
Specific ownership & tobacco taxes	-	-	-
Principal payment on long term debt	-	-	-
Interest expense	(1,798)	(985)	(544)
Contribution expense - future water rights	-	-	-
Gain (loss) on disposition of capital assets	(13)	(17)	-
Other, net	1	7	-
Total nonoperating revenues (expenses)	<u>(270)</u>	<u>15</u>	<u>641</u>
Income before capital contributions and transfers	10,705	7,304	5,484
Capital contributions	8,787	2,285	1,604
Transfers in	-	-	-
Transfers out	<u>(370)</u>	<u>(367)</u>	<u>(218)</u>
Changes in net position	<u>19,122</u>	<u>9,222</u>	<u>6,870</u>
Total net position, beginning of year	<u>260,399</u>	<u>97,839</u>	<u>118,430</u>
Total net position, end of year	<u>\$ 279,521</u>	<u>\$ 107,061</u>	<u>\$ 125,300</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
\$ 4,346	\$ 310	\$ 73,360	\$ 20,102
-	-	17	268
-	-	-	-
<u>4,346</u>	<u>310</u>	<u>73,377</u>	<u>20,370</u>
1,492	181	16,112	3,419
3,497	305	22,741	14,075
1,900	114	14,250	6,594
<u>6,889</u>	<u>600</u>	<u>53,103</u>	<u>24,088</u>
<u>(2,543)</u>	<u>(290)</u>	<u>20,274</u>	<u>(3,718)</u>
394	30	4,017	2,160
-	-	142	149
-	-	-	-
-	-	-	-
-	-	-	-
1,294	371	1,665	-
-	-	-	-
-	-	-	-
64	17	81	-
-	-	-	-
(78)	-	(3,405)	(198)
-	-	-	-
-	-	(30)	294
83	-	91	15
<u>1,757</u>	<u>418</u>	<u>2,561</u>	<u>2,420</u>
(786)	128	22,835	(1,298)
-	-	12,676	-
1,144	500	1,644	-
-	-	(955)	-
<u>358</u>	<u>628</u>	<u>36,200</u>	<u>(1,298)</u>
<u>34,419</u>	<u>2,502</u>		<u>102,077</u>
\$ <u>34,777</u>	\$ <u>3,130</u>		\$ <u>100,779</u>

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

(746)

Change in net position of
business-type activities

\$ 35,454

CITY OF BOULDER, COLORADO

Statement of Cash Flows

Proprietary Funds

Year ended December 31, 2020

(Amounts in 000's)

	<u>Water Utility Fund</u>	<u>Wastewater Utility Fund</u>	<u>Stormwater and Flood Management Fund</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 33,224	21,280	12,784
Other receipts	12	7	187
Payments to suppliers	(8,862)	(5,200)	(4,974)
Payments to employees	(7,775)	(4,948)	(2,992)
Sale of Goods	17	-	-
Net cash provided (used) by operating activities	<u>16,616</u>	<u>11,139</u>	<u>5,005</u>
Cash flows from noncapital financing activities:			
Payments from other funds			
on due from (due to) balances	77	-	-
Leases, rents and royalties	117	13	12
Intergovernmental revenue	-	-	-
General property taxes	-	-	-
Specific ownership & tobacco taxes	-	-	-
Transfers in	-	-	-
Transfers out	(370)	(367)	(218)
Net cash provided (used) by noncapital financing activities	<u>(176)</u>	<u>(354)</u>	<u>(206)</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(15,174)	(12,376)	(869)
Proceeds from sale or transfer of property and equipment	(130)	3	16
Promissory note payment			
Payment to refunded bond escrow agent			(1,010)
Cost of issuance paid	-	-	-
Principal paid on notes payable, bonds payable and capitalized lease obligations	(4,814)	(3,978)	-
Interest paid on notes payable, bonds payable, and capitalized lease obligations	(1,939)	(1,341)	(580)
Capital contributions	8,787	2,285	1,604
Net cash (used) for capital related financing activities	<u>(13,270)</u>	<u>(15,407)</u>	<u>(839)</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
4,364	\$ 310	\$ 71,962	\$ 20,133
83	-	289	15
(3,367)	(350)	(22,753)	(12,271)
(1,601)	(200)	(17,516)	(5,889)
<u>-</u>	<u>-</u>	<u>17</u>	<u>268</u>
(521)	(240)	31,999	2,256
2	(2)	77	137
-	-	142	149
-	-	-	-
1,295	371	1,666	-
64	17	81	-
1,144	500	1,644	-
<u>-</u>	<u>-</u>	<u>(955)</u>	<u>-</u>
2,505	886	2,655	286
(1,464)	(199)	(30,082)	(3,429)
-	-	(111)	490
-	(402)	(402)	-
-	-	(1,010)	-
19	-	19	-
-	-	(8,792)	(798)
(852)	(14)	(4,726)	(198)
<u>-</u>	<u>-</u>	<u>12,676</u>	<u>-</u>
(2,297)	(615)	(32,428)	(3,935)

(continued)

CITY OF BOULDER, COLORADO

Statement of Cash Flows,
continued

Proprietary Funds

Year ended December 31, 2020

(Amounts in 000's)

	<u>Water Utility Fund</u>	<u>Wastewater Utility Fund</u>	<u>Stormwater and Flood Management Fund</u>
Cash flows from investing activities:			
Purchase of investment securities	\$ (16,370)	\$ (262)	\$ (7,819)
Proceeds from sale and maturities of investment securities	14,188	5,421	2,244
Interest on investments	<u>499</u>	<u>434</u>	<u>496</u>
Net cash provided (used) in investing activities	<u>(1,683)</u>	<u>5,593</u>	<u>(5,079)</u>
Net increase (decrease) in cash and cash equivalents	1,487	971	(1,119)
Cash and cash equivalents, January 1	<u>1,716</u>	<u>136</u>	<u>3,898</u>
Cash and cash equivalents, December 31	<u>\$ 3,203</u>	<u>\$ 1,107</u>	<u>\$ 2,779</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
\$ (4,699)	\$ (36)	\$ (29,186)	\$ (4,129)
1,835	58	23,746	5,766
<u>155</u>	<u>11</u>	<u>1,595</u>	<u>890</u>
<u>(2,709)</u>	<u>33</u>	<u>(3,845)</u>	<u>2,527</u>
(3,022)	64	(1,619)	1,134
<u>3,902</u>	<u>252</u>	<u>9,904</u>	<u>2,920</u>
\$ <u><u>880</u></u>	\$ <u><u>316</u></u>	\$ <u><u>8,285</u></u>	\$ <u><u>4,054</u></u>

(continued)

CITY OF BOULDER, COLORADO

Statement of Cash Flows,
continued

Proprietary Funds

Year ended December 31, 2020

(Amounts in 000's)

	Water Utility <u>Fund</u>	Wastewater Utility <u>Fund</u>	Stormwater and Flood Management <u>Fund</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ <u>10,975</u>	\$ <u>7,289</u>	\$ <u>4,843</u>
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	6,764	3,817	1,655
Other nonoperating revenues (expenses)	-	7	-
Change in assets and liabilities:			
(Increase) decrease in assets:			
Accounts receivable	(35)	5	6
Charges for services receivable	(481)	(466)	(445)
Other receivables	-	-	-
Other assets - prepaid expenses	-	(20)	
Deferred Outflows - PERA Pension	1,625	1,000	599
Deferred Outflows - PERA/Retiree OPEB	(8)	(6)	(3)
Increase (decrease) in liabilities:			
Vouchers and accounts payable	154	734	102
Accrued salaries, wages and amounts withheld from employees	(17)	(23)	(7)
Accrued claims liability			187
Other liabilities	12		
Deferred Inflows - Property tax	-	-	
Deferred Inflows - PERA Pension	2,503	1,621	972
Deferred Inflows - PERA/Retiree OPEB	152	98	58
Deferred Inflows - City OPEB	(21)	(14)	(7)
Pension Liability	(4,792)	(3,044)	(1,824)
Contracts and retainage payable	(107)	159	(1,119)
Compensated absences	28	67	41
OPEB liability	(136)	(85)	(53)
Total adjustments	<u>5,641</u>	<u>3,850</u>	<u>162</u>
Net cash provided by operating activities	\$ <u><u>16,616</u></u>	\$ <u><u>11,139</u></u>	\$ <u><u>5,005</u></u>
Noncash investing, capital and financing activities:			
Assets acquired through:			
Capital contributions:			
Other	1,462	1,055	240
Increase (decrease) in fair value of investments	<u>921</u>	<u>562</u>	<u>676</u>
	\$ <u><u>2,383</u></u>	\$ <u><u>1,617</u></u>	\$ <u><u>916</u></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
\$ <u>(2,543)</u>	\$ <u>(290)</u>	\$ <u>20,274</u>	\$ <u>(3,718)</u>
1,900	114	14,250	6,594
83	-	90	15
(22)	-	(46)	31
-	-	(1,392)	-
-	(26)	(26)	-
-	-	(20)	(93)
322	31	3,577	568
(4)	-	(21)	1
75	(45)	1,020	(284)
(10)	(3)	(60)	21
-	-	-	(83)
-	-	199	(749)
41	-	41	-
522	76	5,694	1,055
32	3	343	56
(6)	-	(48)	(6)
(981)	(95)	(10,736)	(1,149)
54	-	(1,013)	5
39	(2)	173	50
<u>(23)</u>	<u>(3)</u>	<u>(300)</u>	<u>(58)</u>
<u>2,022</u>	<u>50</u>	<u>11,725</u>	<u>5,974</u>
\$ <u><u>(521)</u></u>	\$ <u><u>(240)</u></u>	\$ <u><u>31,999</u></u>	\$ <u><u>2,256</u></u>
-	-	2,757	-
<u>239</u>	<u>19</u>	<u>2,417</u>	<u>1,267</u>
\$ <u><u>239</u></u>	\$ <u><u>19</u></u>	\$ <u><u>5,174</u></u>	\$ <u><u>1,267</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 Changes in Fiduciary Net Position

Pension Trust Funds

Year ended December 31, 2020

(Amounts in 000's)

Additions:	
Pension contributions:	
City of Boulder	\$ <u>415</u>
Total contributions	<u>415</u>
Investment earnings	2,043
Less investment expense	<u>(85)</u>
Net investment earnings	<u>1,958</u>
Total additions	<u>2,373</u>
Deductions:	
Benefits	2,413
Administrative	<u>-</u>
Total deductions	<u>2,413</u>
Net increase (decrease) in net position	(40)
Net position restricted for pensions:	
Beginning of year	<u>21,553</u>
End of year	<u>\$ <u>21,513</u></u>

The accompanying notes are an integral part of this statement.

CITY OF BOULDER, COLORADO

Statement of Fiduciary Net Position

Pension Trust Funds

December 31, 2020

(Amounts in 000's)

Assets:

Equity in pooled cash and cash equivalents	\$	4
Investments:		
U.S. Treasuries		623
U.S. Agencies & Instrumentalities		152
Mutual Funds		16,587
Equity Securities		2,792
Money Market Funds		506
Real Estate Investment Trust		673
Corporate Bonds		245
Other		54
Receivables:		
Accrued interest		6
Total assets		<u>21,642</u>

Liabilities:

Accounts and accrued liabilities:		
Vouchers and accounts payable		-
Accrued pensions payable		129
Due to other funds		-
Deferred revenue		-
Total liabilities		<u>129</u>

Net position restricted for pensions	\$	<u>21,513</u>
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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, 2020

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City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

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 three 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.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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 Special Revenue Fund (a Governmental 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. The two GID's are administered by the City Council of the City of Boulder in an ex-officio capacity as its Board of Directors. These services will be provided entirely to the primary government of the City and City management has operational responsibility for the GIDs. 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, 2020

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 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. Interfund services provided and used are not eliminated in the process of consolidation. *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 are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment, including administrative department allocations of expenses based upon a formal cost allocation plan. *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.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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 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 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.

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.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Boulder Municipal Property Authority Fund – This special revenue fund accounts 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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 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. Pension Trust Fiduciary Funds each have an independent board, which review all expense, refund, disability and investment transactions. All annual appropriations lapse at year ended December 31, 2019.

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.

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. 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.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 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 allows the following types of investments:

- 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 AAAM by Standard and Poor's or Aaa by Moody's).
- Corporate Bonds rated at least A by Standard & Poor's or A2 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, amortized cost, and net asset value in accordance with GASB Statement No. 72 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

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

6. Investments (Continued)

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.

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 regard 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 Wastewater Utility and Stormwater & Flood Fund for material supply, and the Recreation Activity Fund for golf course clubhouse merchandise. Inventories considered supplies are valued at cost. Inventories held for resale are reported 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 non-pooled 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 have been restricted for debt service bond reserves in compliance with bond ordinances.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 acquisition 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.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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
Software and licenses	5-10 years
Intangibles	20- 50 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.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

The City also records in the category of deferred outflows and deferred inflows certain items related to its PERA defined benefit pension plan, its “Old Hire” Police Defined Benefit Plan and “Old Hire” Fire Defined Benefit Plan and its PERA Health Care Trust Fund and City of Boulder Retiree Health Care Benefit Plan. See Note Z, U and W for additional information.

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.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

13. Long-Term Obligations (Continued)

The City reports a net pension liability for its proportionate share of PERA’s unfunded pension liability and the City’s unfunded pension liability of its “Old Hire” Police Defined Benefit Plan and “Old Hire” Fire Defined Benefit Plan. See Note U for additional information.

The City reports a net OPEB liability for its proportionate share of PERA’s Health Care Trust Fund and a net OPEB liability for City of Boulder Retiree Health Care Benefit Plan. See Note W for additional information.

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.

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. The General Fund is the only fund that reports a positive unassigned fund balance amount.

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, considering 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.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

14. Fund Balances and Net Position (Continued)

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, 2020 totaled \$23,996,711 consisting of \$561,678 for the Water Utility Fund, \$4,181,253 for the Wastewater Utility Fund, \$368,183, for the Stormwater and Flood Management Fund, and \$18,885,597 from Certificates of Participation.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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 position.

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):

	<u>Governmental Fund Capital Assets</u>	<u>Internal Service Fund Capital Assets</u>	<u>Total Capital Assets - Governmental Activities</u>
Land and easements	\$ 385,637	\$ 117	\$ 385,754
Buildings	87,671	91,921	179,592
Improvements other than buildings	116,842	9,110	125,952
Infrastructure	492,928	763	493,691
Machinery, equipment and vehicles	7,973	57,646	65,619
Software and Licenses	13,708	-	13,708
Construction-in-progress	23,233	-	23,233
Total capital assets	<u>1,127,992</u>	<u>159,557</u>	<u>1,287,549</u>
Less accumulated depreciation	<u>(424,693)</u>	<u>(108,663)</u>	<u>(533,355)</u>
Capital assets, net	<u>\$ 703,299</u>	<u>\$ 50,894</u>	<u>\$ 754,194</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

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	\$ 7,501
Direct purchase notes	8,630
Certificates of participation - COPs	53,371
Capital improvement bonds	31,242
Lease Purchase revenue notes	8,144
Notes payable	5,651
Compensated absences, excluding internal service funds	10,961
Interest payable, excluding internal service funds	788
Governmental fund long-term liabilities	<u>\$ 126,288</u>

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.”

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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 details of the \$16,499 increase from changes in the treatment of long-term debt and related items are as follows (amounts in 000's):

Debt issued or incurred:	
Net increase in compensated absences	\$ (374)
Increase in net OPEB liability:	
PERA	141
City of Boulder	(9)
Increase in net pension liability:	
PERA	7,536
"Old Hire" Police Defined Benefit Plan	(149)
"Old Hire" Fire Defined Benefit Plan	<u>(95)</u>
Total debt issued or incurred	7,050
Principal repayments or reductions:	
Repayments	8,814
Amortization of debt premium	<u>483</u>
Total principal repayments or reductions	9,297
Other long term liabilities	
Change in accrued interest payable	152
Amortization of deferred loss on refunding	<u>-</u>
Total other related items	152
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>\$ 16,499</u></u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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 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).

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).

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

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

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.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE D – LEGAL COMPLIANCE – TABOR (CONTINUED)

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 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.

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, 2020, the City believes it was in compliance with TABOR (see Note K).

NOTE E – DEPOSITS AND INVESTMENTS

At December 31, 2020, the City had the following in cash and investments (in 000’s):

Cash and deposits	\$ 46,990
Investments	<u>369,774</u>
Total	<u><u>\$ 416,764</u></u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)

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	\$ 46,986
Investments	343,230
Restricted investments	4,912
	<u>395,128</u>
<i>Fiduciary Fund Investments</i>	
Equity in pooled cash and cash equivalents	4
Investments	21,632
	<u>21,636</u>
 Total	 <u><u>\$ 416,764</u></u>

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, 2019, 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, 2020, the City had cash on hand of \$22,156. In addition, at December 31, 2020, the carrying amount of the City's deposits at JPMorgan Chase was \$14,903,585 while the bank statement balance was \$15,760,516, leaving \$250,000 of the City's operating accounts under FDIC coverage and \$15,510,516 properly collateralized under the Public Deposit Protection Act.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments – Citywide (excludes Fiduciary Funds)

As of December 31, 2020, the City had the following investments:

Investment Type	Fair Value (000's)
U.S. Corporate	\$ 105,192
U.S. Treasuries	75,129
U.S. Instrumentalities	130,973
Municipal / Provincial Bonds	26,532
Short Term Bills and Notes	300
Time Deposits	9,986
Money Markets	30
Total	<u>\$ 348,142</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 (2017) limits the City’s investment activity to specific types of investments as disclosed in Note A6. Rating requirements for 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 A by Standard & Poor’s or A2 by Moody’s.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments – Citywide (excludes Fiduciary Funds)

As of December 31, 2020, the City held investments with the following credit ratings:

Issuer	Fair Value (000's)	Ratings	
		Standard & Poors	Moody's
U.S. Instrumentalities:			
FHLB	\$ 31,909	AA+	Aaa
FNMA	46,162	AA+	Aaa
FFCB	24,136	AA+	Aaa
FHLMC	28,766	AA+	Aaa
U.S. Corporate:			
Walmart Inc Note	7,289	AA	Aa2
Toyota Motor Credit Corp Note	6,129	A+	A1
American Honda Finance Note	5,703	A-	A3
Apple Inc Note	5,557	AA+	Aa1
Cisco Systems Note	5,235	AA-	A1
American Honda Finance Note	5,170	A-	A3
Microsoft Corp Note	5,007	AAA	Aaa
Caterpillar Financial Service Note	4,880	A	A3
State Street Corp Note	4,712	A	A1
State Street Corp Note	4,462	A	A1
Johnson & Johnson Note	4,344	AAA	Aaa
Toyota Motor Note	4,334	A+	A1
Microsoft Corp Note	4,181	AAA	Aaa
Wal-Mart Stores Note	3,041	AA	Aa2
Oracle Corp Note	3,030	A	A3
Cisco Systems Note	3,030	AA-	A1
Microsoft Note	3,021	AAA	Aaa
Bank of NY Mellon Corp Note	3,013	A	A1
Caterpillar Financial Service Note	2,984	A	A3
Intel Corp Note	2,617	A+	A1
Pepsico Inc Note	2,580	A+	A1
Linde Corp Note	2,546	A	A2
Pepsico Inc Note	2,509	A+	A1
United Parcel Service Note	2,502	A	A2
IBM Credit Corp Note	2,502	A	A2
Apple Inc Note	2,152	AA+	Aa1
Apple Inc Note	1,512	AA+	Aa1
Intel Corp Note	1,150	A+	A1
Municipal / Provincial Bonds:			
City of New York, NY	8,707	AA	Aa1
State of Maryland	5,027	AAA	Aaa
State of Florida	5,002	AAA	Aaa
Metro, OR	5,371	AAA	Aaa
Metro, OR	2,425	AAA	Aaa
Short Term Bills and Notes:			
USA Treasury Bill	300	A-1+	P-1
Total	<u>\$ 262,997</u>		

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments – Citywide (excludes Fiduciary Funds) (Continued)

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 (2017) the weighted average maturity of the City’s portfolio shall at no time exceed five years. As of December 31, 2020, the weighted average maturity of the City’s pooled investment portfolio was 1.50 years as detailed in the following chart:

Investment Type	Fair Value (000's)	Weighted Average Maturity (years)
U.S. Corporate	\$ 105,192	1.81
U.S. Treasuries	75,129	1.59
U.S. Instrumentalities	130,973	8.99
Municipal / Provincial Bonds	26,532	2.97
Short Term Bills and Notes	300	0.13
Time Deposits	9,986	1.70
Total fair value	\$ 348,112	
Portfolio weighted average maturity		2.01

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.

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, 2020:

Issuer	Fair Value (in 000's)	Percentage of Total Portfolio
Federal Home Loan Bank	\$ 31,909	9%
Federal Farm Credit Bureau	24,136	7%
Federal National Mortgage Association	46,161	13%
Federal Home Loan Mortgage Corporation	28,766	8%

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments – Fiduciary Funds

As of December 31, 2020, 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	6-10	>10
U.S. Treasuries	\$ 623	-	-	-	623	-
U.S. Instrumentalities and Agencies	152	-	-	-	152	-
Corporate Bonds	245	-	26	107	112	-
Subtotal	<u>1,020</u>	<u>\$ -</u>	<u>\$ 26</u>	<u>\$ 107</u>	<u>\$ 887</u>	<u>\$ -</u>
Money Market Funds	506					
Mutual Funds	16,587					
Equities	2,792					
Real Estate Investment Trust	673					
Other	-					
Total	<u>\$ 21,578</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 in January of 2020 and adopted in January 2020. The “Old Hire” Fire Pension Fund investment policy was revised in January 2020, and formally adopted in January of 2020. The “Old Hire” Police Pension Fund has a risk tolerance of no more than a 17.5% annual loss, with a statistical confidence level of 95%. The “Old Hire” Fire Pension Fund has a risk tolerance of no more than a 18.5% annual loss, with a statistical confidence level of 95%.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments – Fiduciary Funds (Continued)

At December 31, 2020 the pension funds held investments with credit ratings as follows:

Issuer	Fair Value (000's)	Ratings	
		Standard & Poors	Moody's
U.S. Treasurys	\$ 623	AA+	Aaa
U.S. Instrumentalities and Agencies	152	AA+	Aaa
Corporate Bonds:			
United Parcel	26	A-	A2
Emerson Electric	26	A	A2
3M Corporation	27	A+	A1
Union Pacific Corporation	28	A-	Baa1
Johnson & Johnson	26	AAA	Aaa
Apple Inc	28	AA+	Aa1
Hubbell Inc	28	BBB+	Baa1
Mastercard Inc	28	A+	A1
Nike Inc	28	AA-	A1

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, 2020, no single issuer held more than 10% of either pension fund’s portfolio.

In the revised investment policy, which was effective January of 2020, the “Old Hire” Police Pension Fund, Long-Term Account, has a specified risk tolerance not to exceed a 17.5% 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:

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments – Fiduciary Funds (Continued)

Asset Allocation	Lower Limit	Strategic Allocation	Upper Limit
Domestic Large Cap Equity	18%	21%	24%
Domestic Small Cap Equity	5%	8%	11%
International Equity	14%	17%	20%
Emerging Markets	3%	6%	9%
Domestic Fixed Income	21%	24%	27%
Direct Real Estate	2%	5%	8%
Master Limited Partnerships	2%	5%	8%
Liquid Low Correlated Hedge	4%	7%	10%
Floating Rate Corporate Loans	4%	7%	10%

In the revised investment policy, which was adopted in September of 2019, the “Old Hire” Fire Pension Fund, Long-Term Account, has a specified risk tolerance not to exceed a 18.5% 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 Core	19%	22%	25%
Domestic Small/Mid Cap	6%	9%	12%
International Equity	16%	19%	22%
Emerging Markets	3%	6%	9%
Domestic Fixed Income	22%	25%	28%
Floating Rate Corporate Loans	4%	7%	10%
Liquid Low Correlated Hedge	4%	7%	10%
Master Limited Partnerships	2%	5%	8%

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments – Fiduciary Funds (Continued)

At December 31, 2020 the asset class allocations were within the maximum limits.

Investment concentrations in one organization that represent over 5% of each “Old Hire” pension plan’s fiduciary net position are as follows:

"Old Hire" Police Pension Fund		
Issuer	Fair Value (in 000's)	Percentage of Total Portfolio
Fidelity Total Bond Fund	\$ 1,480	12%
Artisan International Fund	1,043	8%
Brandes International Equity Fund	1,035	8%
T Rowe Price Small Cap Fund	1,023	8%
Eaton Vance Floating Mutual Fund	860	7%
Wells Fargo Emerging Markets Fund	755	6%
Principal US Property	673	5%

"Old Hire" Fire Pension Fund		
Issuer	Fair Value (in 000's)	Percentage of Total Portfolio
Metropolitan West Mutual Fund	\$ 1,107	12%
Fidelity Total Bond Fund	1,107	12%
Brandes International Equity Fund	863	9%
Artisan International Fund	862	9%
Vanguard 500 Index Fund	722	8%
Harbor Cap Appreciation Fund	641	7%
Dodge & Cox Stock Fund	627	7%
Eaton Vance Floating Mutual Fund	624	7%
Wells Fargo Emerging Market Equity Fund	561	6%

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

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments – Fiduciary Funds (Continued)

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 the pension securities, except for 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 2.75% to 3.75% over CPI, for its long-term account. The “Old Hire” Fire Pension Fund investment policy specifies a targeted rate of return of 2.50% to 3.50% for its long-term account.

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.

Fair Value of Investments

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. For investments measured at Net Asset Value (NAV), there are no commitments, the redemption frequency is daily, and there is no redemption notice period. For Level 2 inputs the pricing methodology utilizes the services of firms that provide market standard pricing. These pricing service providers synthesize multiple market inputs to determine a fair value price. As such, the prices are derived from altered or indirectly observable prices to result in a fair value measure.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value of Investments (Continued)

City Investments Measured at Fair Value at 12/31/2020:

	12/31/2020	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Debt securities				
U.S. Treasury securities	\$ 75,129	\$ -	\$ 75,129	\$ -
U.S. Instrumentalities and agencies	130,973	-	130,973	-
U.S. Corporate	105,192	-	105,192	-
Municipal / Provincial bonds	26,532	-	26,532	-
Short Term Bills and Notes	300	-	300	-
Total debt securities	<u>338,126</u>	<u>-</u>	<u>338,126</u>	<u>-</u>
Total investments measured at fair value level	<u>\$ 338,126</u>	<u>\$ -</u>	<u>\$ 338,126</u>	<u>\$ -</u>
Investments measured at the net asset value (NAV)				
Time deposits	\$ 9,986			
Money Markets	30			
Total investments measured at the NAV	<u>10,016</u>			
Investments measured at amortized cost:				
Total investments measured at amortized cost	<u>-</u>			
Total investments	<u>\$ 348,142</u>			

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE E – DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value of Investments (Continued)

Fiduciary Investments Measured at Fair Value at 12/31/20:

	12/31/2020	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Debt securities				
U.S. Treasury securities	\$ 623	\$ -	\$ 623	\$ -
U.S. Instrumentalities and agencies	152	-	152	-
Corporate bonds	5,423	-	5,423	-
Other	-	-	-	-
Total debt securities	<u>6,198</u>	<u>-</u>	<u>6,198</u>	<u>-</u>
Equity securities	<u>14,201</u>	<u>14,201</u>		
Real estate investment trust	<u>673</u>			<u>670</u>
Total investments measured at fair value level	<u>21,072</u>	<u>\$ 14,201</u>	<u>\$ 6,198</u>	<u>\$ 670</u>
Investments measured at the net asset value (NAV)				
Money market funds	<u>506</u>			
Total investments measured at the NAV	<u>506</u>			
Total investments	<u>\$ 21,578</u>			

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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 2020 for collection in 2021 of \$43,176,000 in the General Fund, \$1,701,000 in the Special Revenue Funds, \$3,598,000 in the Capital Projects Funds and \$1,757,000 in the Enterprise Funds, are included in receivables and deferred inflows at December 31, 2020. These taxes are classified as deferred inflows since they are not normally available to the City until mid-2021 and are budgeted for in 2021.

NOTE G – 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 and are expected to be fully collectible. As of December 31, 2020, no allowance for doubtful accounts was recognized.

The December 31, 2020, balance in “other receivables” contains the following detail (amounts in 000’s):

<u>Type of Note Receivable</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Accounts	\$ 3,899	\$ 138	\$ 4,037
Charges for services	-	6,287	6,287
Accrued interest	1,170	417	1,587
Intergovernmental	9,284	2,104	11,388
	<u>\$ 14,353</u>	<u>\$ 8,946</u>	<u>\$ 23,299</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE H – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020, was as follows (amounts in 000's):

Governmental Activities:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets not being depreciated:					
Land and easements	\$ 371,759	\$ 7,941	\$ (3,101)	\$ 9,155	\$ 385,754
Construction in progress	46,195	14,005	(9)	(36,958)	23,233
Total capital assets, not being depreciated	<u>417,954</u>	<u>21,946</u>	<u>(3,110)</u>	<u>(27,803)</u>	<u>408,987</u>
Capital assets being depreciated:					
Buildings	159,195	6,691	(293)	13,999	179,592
Improvements other than buildings	112,007	4,961	-	8,984	125,952
Infrastructure	482,030	8,174	-	3,487	493,691
Machinery and equipment	62,825	3,916	(1,562)	440	65,619
Software and Licenses	11,885	930	-	893	13,708
Total capital assets, being depreciated	<u>827,942</u>	<u>24,672</u>	<u>(1,855)</u>	<u>27,803</u>	<u>878,562</u>
Less accumulated depreciation for:					
Buildings	84,672	5,005	(11)	-	89,666
Improvements other than buildings	51,399	5,206	-	-	56,605
Infrastructure	332,548	8,493	-	-	341,041
Machinery and equipment	36,235	4,701	(1,367)	-	39,569
Software and Licenses	5,248	1,226	-	-	6,474
Total accumulated depreciation	<u>510,102</u>	<u>24,631</u>	<u>(1,378)</u>	<u>-</u>	<u>533,355</u>
Total capital assets, being depreciated, net	<u>317,840</u>	<u>41</u>	<u>(477)</u>	<u>27,803</u>	<u>345,207</u>
Governmental activities capital assets, net	<u>\$ 735,794</u>	<u>\$ 21,987</u>	<u>\$ (3,587)</u>	<u>\$ -</u>	<u>\$ 754,194</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE H – CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets not being depreciated:					
Land and easements	\$ 44,473	\$ -	\$ -	\$ -	\$ 44,473
Construction in progress	110,362	20,337	(20)	(76,429)	54,250
Total capital assets, not being depreciated	<u>154,835</u>	<u>20,337</u>	<u>(20)</u>	<u>(76,429)</u>	<u>98,723</u>
Capital assets being depreciated:					
Buildings	53,349	470	-	192	54,011
Improvements other than buildings	7,873	-	-	-	7,873
Intangibles	2,000	-	-	-	2,000
Utility plant in service and undergrounds	575,746	9,317	-	76,237	661,300
Machinery and equipment	11,475	88	(295)	-	11,268
Total capital assets, being depreciated	<u>650,443</u>	<u>9,875</u>	<u>(295)</u>	<u>76,429</u>	<u>736,452</u>
Less accumulated depreciation for:					
Buildings	27,455	1,819	-	-	29,274
Improvements other than buildings	5,929	397	-	-	6,326
Intangibles	250	100	-	-	350
Utility plant in service and undergrounds	220,459	11,347	-	-	231,806
Machinery and equipment	8,181	587	(267)	-	8,501
Total accumulated depreciation	<u>262,274</u>	<u>14,250</u>	<u>(267)</u>	<u>-</u>	<u>276,257</u>
Total capital assets, being depreciated, net	<u>388,169</u>	<u>(4,375)</u>	<u>(28)</u>	<u>76,429</u>	<u>460,195</u>
Business-type activities capital assets, net	<u>\$ 543,004</u>	<u>\$ 15,962</u>	<u>\$ (48)</u>	<u>\$ -</u>	<u>\$ 558,918</u>

During 2020, the City had intangible assets of \$17.1 million that are included in land and easements in governmental activities and business-type activities.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE H – CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:	
General Government	\$ 30
Administrative Services	864
Public Safety	528
Public Works	16,596
Culture and Recreation	4,928
Open Space and Mountain Parks	1,067
Housing & Human Services	3
Planning & Development Services	615
Total depreciation expense – Governmental Activities	<u>\$ 24,631</u>
Business-type Activities:	
Water Utility	\$ 6,764
Wastewater Utility	3,818
Stormwater and Flood Management	1,655
Parking Facilities and Services	2,013
Total depreciation expense – Business-type Activities	<u>\$ 14,250</u>

NOTE I – RISK MANAGEMENT

Property and Casualty Insurance – The City has structured its property and casualty insurance as a self-insurance program since April 15, 1986. 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, and any windstorm or hail losses which have a 2% 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 \$387,000 per person, \$1,093,000 per occurrence. Excess insurance coverage has been purchased through a private insurance carrier in the amount of \$25,000,000 per liability claim with an annual aggregate policy limit of \$25,000,000, 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 is completed every two years in order to determine the appropriate reserve levels.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE I – RISK MANAGEMENT (CONTINUED)

The current actuarial study was performed in February of 2019 and addressed claims as of December 31, 2018.

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, 2019 and 2020, were as follows (amounts in 000's):

	<u>2019</u>	<u>2020</u>
Estimated claims payable January 1	\$ 1,171	\$ 1,197
Current year claims and changes in estimates	527	472
Claim payments	<u>(501)</u>	<u>(754)</u>
Estimated claims payable December 31	<u>\$ 1,197</u>	<u>\$ 915</u>
Claims payable due within one year	<u>\$ 254</u>	<u>\$ 290</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 hires a third-party administrator to handle claims and estimate reserves. Under the current structure, the City pays the first \$500,000 of each workers' compensation claim. The estimated reserves at December 31, 2020, 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 is completed every two years in order to determine the appropriate reserve levels. The latest actuarial study was performed in February of 2019 and addressed claims as of December 31, 2018.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE I – RISK MANAGEMENT (CONTINUED)

Changes in the estimated claims payable for the Workers' Compensation Insurance Fund during the years ended December 31, 2019 and 2020, were as follows (amounts in 000's):

	<u>2019</u>	<u>2020</u>
Estimated claims payable January 1	\$ 2,590	\$ 2,641
Current year claims and changes in estimates	1,274	2,422
Claim payments	<u>(1,223)</u>	<u>(2,267)</u>
Estimated claims payable December 31	<u>\$ 2,641</u>	<u>\$ 2,796</u>
Claims payable due within one year	<u>\$ 1,036</u>	<u>\$ 1,088</u>

Dental Self Insurance – The City established a dental plan effective January 1, 2020. The purpose of this plan is to pay the dental claims of eligible City employees and their covered dependents. The City has an Administrative Service Only plan with Delta Dental, whereby the City pays Delta Dental a separate amount for administrative costs and claim servicing fees. The City agrees to provide funding for the payment of claims. At the end of the year, the City retains any money not spent on claims. The City has recorded a liability in this fund totaling \$44,000 for open and estimated claims not yet reported at December 31, 2020.

	<u>2020</u>
Estimated claims payable January 1	\$ -
Current year claims and changes in estimates	1,008
Claim payments	<u>(964)</u>
Estimated claims payable December 31	<u>\$ 44</u>
Claims payable due within one year	<u>\$ 44</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE J – ACCRUED LIABILITIES

The December 31, 2020, 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	\$ 5,331	\$ 728	\$ 6,059
Accrued interest	788	327	1,115
Accrued liability – landfill cleanup	-	2,474	2,474
Accrued liability – cleanup costs	54	-	54
	<u>\$ 6,173</u>	<u>\$ 3,529</u>	<u>\$ 9,702</u>

NOTE K – PROPERTY TAX OVERCOLLECTION LIABILITY

The 2019 mill levy for the City of Boulder for taxes collected in 2020 did not result in an excess of the TABOR (see Note D) allowable property tax revenues. The 2020 mill levy for taxes collected in 2021 did not have to be voluntarily reduced to compensate for this overcollection.

NOTE L – 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.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE L – ACCRUED LIABILITY – LANDFILL CLEANUP (CONTINUED)

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.

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 were 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, 2020, balance in the "accrued landfill cleanup liability" is \$2,474,000.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE M – ACCRUED LIABILITY – 13th STREET VOLUNTARY CLEANUP

The City of Boulder is conducting a voluntary cleanup at 13th Street Plaza to remove the remaining infrastructure, soil, fluids, and debris from the former Federal Gas Company manufactured gas plant site. The Federal Gas Company generated gas at the site from about 1902 until the plant was demolished in 1953. The City of Boulder purchased the property in 1975 and installed the Dushanbe Teahouse and the 13th Street Plaza in 1997.

On July 13, 2016, the City of Boulder submitted a Voluntary Cleanup Plan Second Interim Remediation Report to the Colorado Department of Public Health and Environment (CDPHE). This report summarized results of a pilot study and ongoing groundwater monitoring performed at the site. The report contains information that includes the possible cost of the remediation. The estimated liability per the report is \$659,000. This is based on a specific treatment plan for the site using Sodium Persulfate. The cost is dependent on the mass of oxidant required to address the extent of the treatment area. Costs could also change due to the urban setting, schedule conflicts and community requirements. In 2020, the City incurred \$61,593 in related costs and the 2020 liability amounted to \$54,294.

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. Water rights liability 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, 2020 balance was \$0.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE O – LONG-TERM DEBT

The following balances and changes in long-term debt are for the year ended December 31, 2020 (amounts in 000's):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 11,406	\$ -	\$ (3,905)	\$ 7,501	\$ 455
Taxable pension obligation bonds	5,854	-	(5,854)	-	-
Total bonds payable	17,260	-	(9,759)	7,501	455
Certificates of participation	55,738	-	(2,367)	53,371	2,435
Capital improvement project bonds	33,674	-	(2,432)	31,242	2,165
Notes payable	8,176	-	(2,525)	5,651	2,620
Capital lease purchase agreements	6,188	-	(799)	5,389	860
Lease purchase revenue notes	8,988	-	(844)	8,144	803
Direct purchase notes	-	8,960	(330)	8,630	825
Compensated absences	10,679	9,487	(9,062)	11,104	977
Estimated claims payable (Note I)	3,837	2,938	(3,020)	3,755	1,422
Governmental activities long-term debt	<u>\$ 144,540</u>	<u>\$ 21,385</u>	<u>\$ (31,138)</u>	<u>\$ 134,787</u>	<u>\$ 12,562</u>
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Bonds payable:					
General obligation bonds	\$ 3,202	\$ -	\$ (776)	\$ 2,426	\$ 765
Revenue bonds	123,123	-	(15,666)	107,457	9,030
Total bonds payable	126,325	-	(16,442)	109,883	9,795
Promissory notes	402	-	(402)	-	-
Direct purchase notes	-	5,100	-	5,100	465
Compensated absences	1,021	1,032	(859)	1,194	143
Business-type activities long-term debt	<u>\$ 127,748</u>	<u>\$ 6,132</u>	<u>\$ (17,703)</u>	<u>\$ 116,177</u>	<u>\$ 10,403</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE O – LONG-TERM DEBT (CONTINUED)

General Obligation Bonds and Notes

The City issues general obligation bonds and notes 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, 2020, are as follows (amounts in 000's):

Purpose	Interest Rates Outstanding	Amount Outstanding	Original Amount
Governmental activities	2.00% - 4.00%	\$ 7,435	\$ 10,000
Business-type activities – refunding	2.00% - 3.00%	2,375	7,275
		\$ 9,810	\$ 17,275

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	
2021	\$ 455	\$ 199	\$ 765	\$ 71	\$ 1,490
2022	460	189	790	48	1,487
2023	470	179	820	25	1,494
2024	480	168	-	-	648
2025	495	158	-	-	653
2026-2030	2,660	597	-	-	3,257
2031-2034	2,415	184	-	-	2,599
Total liability	7,435	1,674	2,375	144	11,628
Plus bond premium	66	-	51	-	117
Net liability	\$ 7,501	\$ 1,674	\$ 2,426	\$ 144	\$ 11,745

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE O – LONG-TERM DEBT (CONTINUED)

General obligation notes (also referred to as direct purchase notes) outstanding at December 31, 2020, are as follows (amounts in 000's):

Purpose	Interest Rate Outstanding	Amount Outstanding	Original Amount
Governmental activities	2.01%	\$ 3,185	\$ 3,515

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

Year Ending December 31	Governmental Activities		Debt Requirements to Maturity
	Principal	Interest	
2021	\$ 325	\$ 64	\$ 389
2022	335	57	392
2023	340	51	391
2024	345	44	389
2025	355	37	392
2026-2030	1,485	75	1,560
Total liability	\$ 3,185	\$ 328	\$ 3,513

Taxable Pension Obligation Refunding Note, Series 2020

The City also issues notes 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. This note is issued for the purpose of refunding ongoing required pension obligations.

Taxable pension obligation notes (also referred to as direct purchase notes) outstanding at December 31, 2020, are as follows (amounts in 000's):

Purpose	Interest Rate Outstanding	Amount Outstanding	Original Amount
Governmental activities	1.66%	\$ 5,445	\$ 5,445

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE O – LONG-TERM DEBT (CONTINUED)

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

Year Ending December 31	Governmental Activities		Debt Requirements to Maturity
	Principal	Interest	
2021	\$ 500	\$ 94	\$ 594
2022	515	82	597
2023	525	74	599
2024	535	65	600
2025	540	56	596
2026-2030	2,830	141	2,971
Total liability	<u>\$ 5,445</u>	<u>\$ 512</u>	<u>\$ 5,957</u>

Capital Improvement Bonds

The City also issued 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 for the purpose of funding various capital improvement projects. The 2012 Series Bonds were authorized in the 2011 election question.

Capital improvement bonds outstanding at December 31, 2020, are as follows (amounts in 000's):

Purpose	Interest Rates Outstanding	Amount Outstanding	Original Amount
Governmental activities	2.00% - 4.00%	<u>\$ 29,190</u>	<u>\$ 49,000</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE O – LONG-TERM DEBT (CONTINUED)

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

Year Ending December 31	Governmental Activities		Debt Requirements to Maturity
	Principal	Interest	
2021	\$ 2,165	\$ 1,168	\$ 3,333
2022	2,250	1,081	3,331
2023	2,340	991	3,331
2024	2,435	897	3,332
2025	2,530	800	3,330
2026-2030	14,265	2,397	16,662
2031	3,205	128	3,333
Total liability	29,190	7,462	36,652
Plus bond premium	2,052	-	2,052
Net liability	\$ 31,242	\$ 7,462	\$ 38,704

Revenue Bonds and Notes

The City also issues bonds and notes 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.

Revenue bonds outstanding at December 31, 2020, are as follows (amounts in 000's):

Purpose	Interest Rates Outstanding	Amount Outstanding	Original Amount
Business-type activities	2.00% - 5.00%	\$ 89,145	\$ 105,325
Business-type activities – refunding	2.00% - 4.125%	15,510	42,660
		\$ 104,655	\$ 147,985

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE O – LONG-TERM DEBT (CONTINUED)

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

<u>Year ending December 31</u>	<u>Business-type Activities</u>		<u>Debt Requirements to Maturity</u>
	<u>Principal</u>	<u>Interest</u>	
2021	\$ 9,030	\$ 3,362	\$ 12,392
2022	7,260	3,042	10,302
2023	7,510	2,789	10,299
2024	7,755	2,526	10,281
2025	8,010	2,253	10,263
2026-2030	27,485	8,369	35,854
2031-2035	30,175	4,089	34,264
2036-2038	7,430	507	7,937
Total liability	104,655	26,937	131,592
Plus bond premium	2,802	-	2,802
Total liability	<u>\$ 107,457</u>	<u>\$ 26,937</u>	<u>\$ 134,394</u>

Revenue notes outstanding at December 31, 2020, are as follows (amounts in 000's):

<u>Purpose</u>	<u>Interest Rates Outstanding</u>	<u>Amount Outstanding</u>	<u>Original Amount</u>
Business-type activities – refunding	1.40%	\$ 5,100	\$ 5,100
		<u>\$ 5,100</u>	<u>\$ 5,100</u>

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

<u>Year ending December 31</u>	<u>Business-type Activities</u>		<u>Debt Requirements to Maturity</u>
	<u>Principal</u>	<u>Interest</u>	
2021	\$ 465	\$ 86	\$ 551
2022	485	65	550
2023	495	58	553
2024	500	51	551
2025	510	44	554
2026-2030	2,645	113	2,758
Total liability	<u>\$ 5,100</u>	<u>\$ 417</u>	<u>\$ 5,517</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE O – LONG-TERM DEBT (CONTINUED)

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 and other 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, 2020, are as follows (amounts in 000's):

Purpose	Interest Rates Outstanding	Amount Outstanding	Original Amount
Government-type activity	3.25 - 3.50%	<u>\$ 8,144</u>	<u>\$ 11,975</u>

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

Year Ending December 31	Government-type Activities		Debt Requirements to Maturity
	Principal	Interest	
2021	\$ 803	\$ 281	\$ 1,084
2022	830	254	1,084
2023	858	227	1,085
2024	293	198	491
2025	303	188	491
2026-2030	1,683	771	2,454
2031-2035	1,999	455	2,454
2036-2038	1,375	97	1,472
Total Liability	<u>\$ 8,144</u>	<u>\$ 2,471</u>	<u>\$ 10,615</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE O – LONG-TERM DEBT (CONTINUED)

Certificates of Participation

The Boulder Municipal Property Authority (BMPA) has issued Certificates of Participation where BMPA pledges income, received from the City of Boulder and derived from base rentals of leased properties by the City. 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). Certificates of Participation outstanding at December 31, 2020, are as follows (amounts in 000's):

<u>Purpose</u>	<u>Interest Rates Outstanding</u>	<u>Amount Outstanding</u>	<u>Original Amount</u>
Government-type activity	2.00 - 3.80%	<u>\$ 52,885</u>	<u>\$ 61,000</u>

Annual debt service requirements to maturity for Certificates of Participation are as follows (amounts in 000's):

<u>Year Ending December 31</u>	<u>Government-type Activities</u>		<u>Debt Requirements to Maturity</u>
	<u>Principal</u>	<u>Interest</u>	
2021	\$ 2,435	\$ 1,700	\$ 4,135
2022	2,495	1,633	4,128
2023	2,570	1,561	4,131
2024	2,645	1,486	4,131
2025	2,725	1,408	4,133
2026-2030	14,910	5,750	20,660
2031-2035	17,515	3,150	20,665
2036-2039	7,590	467	8,057
	<u>52,885</u>	<u>17,155</u>	<u>70,040</u>
Total Liability	52,885	17,155	70,040
Plus bond premium	486	-	486
Total liability	<u>\$ 53,371</u>	<u>\$ 17,155</u>	<u>\$ 70,526</u>

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.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE O – LONG-TERM DEBT (CONTINUED)

Capital Lease Purchase Agreements (Continued)

Capital lease purchase agreement obligations outstanding as of December 31, 2020 are as follows (amounts in 000's):

Purpose	Interest Rates Outstanding	Amount Outstanding	Original Amount
Governmental activities	2.65 - 4.93%	\$ 5,389	\$ 10,750

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	
2021	\$ 860	\$ 169	\$ 1,029
2022	926	139	1,065
2023	996	106	1,102
2024	910	73	983
2025	970	43	1,013
2026-2028	727	19	746
Total liability	\$ 5,389	\$ 549	\$ 5,938

Notes Payable

General Fund – On April 20, 2018 the City of Boulder closed on the purchase of the Hogan-Pancost Property. The Hogan-Pancost Property is a parcel of land located in the City of Boulder. The purchase price was \$5,000,000 and paid with \$2,250,000 cash at closing and financed with a five year, 6% Note Payable for \$2,750,000. The first principal and interest payment were made on July 20, 2018.

Community, Culture and Safety Fund – On January 10, 2019 the City of Boulder closed on the issuance of \$8,100,000 Par Community, Culture and Safety Sales Tax Revenue Notes. The proceeds were used to purchase property at 2751 and 2875 30th Street to relocate Fire Station #3, currently located at 1585 30th Street, to a location that is well-suited for fire and rescue response and meets all spatial and access needs. Proceeds may also be used for any other City capital improvement program projects identified in the 2017 Ballot Issue 2N.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE O – LONG-TERM DEBT (CONTINUED)

Notes Payable (Continued)

Notes Payable outstanding as of December 31, 2020 are as follows (amounts in 000's):

<u>Purpose</u>	<u>Interest Rates Outstanding</u>	<u>Amount Outstanding</u>	<u>Original Amount</u>
Governmental Activities	2.7 - 6.0%	<u>\$ 5,651</u>	<u>\$ 10,850</u>

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

<u>Year Ending December 31</u>	<u>Governmental Activities</u>		<u>Debt Requirements to Maturity</u>
	<u>Principal</u>	<u>Interest</u>	
2021	2,620	204	2,824
2022	2,718	107	2,825
2023	313	7	320
Total liability	<u>\$ 5,651</u>	<u>\$ 318</u>	<u>\$ 5,969</u>

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, 2020 (amounts in 000's):

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Accrued vacation	\$ 9,351	\$ 1,073
Accrued sick pay	573	5
Accrued appreciation bonus	874	116
Accrued compensation time	306	-
	<u>\$ 11,104</u>	<u>\$ 1,194</u>

The liability attributable to the governmental funds is recorded as governmental activities noncurrent liability. It is estimated that \$977,000 of governmental activities' and \$143,000 of business-type activities' liabilities will be paid in 2021. 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.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE O – LONG-TERM DEBT (CONTINUED)

Arbitrage Liability

Kutak Rock Arbitrage Consulting LLC made calculations for the City to determine if any of the bond issues dated since January 1, 2009, had a liability for rebatable arbitrage at December 31, 2020. 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, 2020, 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, 2020, there is \$14,930,000 of principal outstanding on defeased bonds.

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, 2020

NOTE P – INTERFUND RECEIVABLES/PAYABLES, AND TRANSACTIONS

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

Advances To / From Other Funds

The composition of interfund advances receivable and payable balances as of December 31, 2020, is as follows (amounts in 000's):

Receivable Fund	Payable Fund	Amount
Water Utility Fund (proprietary fund)	General Fund	\$ 238
Fleet Fund (internal service fund)	General Fund	143
Downtown Commercial District (proprietary fund)	Boulder Junction Access GID - Parking (non-major proprietary)	2
		<u>\$ 383</u>

The General Fund owes the Water Utility Fund \$238,000 at December 31, 2020, 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.

The General Fund owes the Fleet Fund \$143,000 for the Valmont Butte Remediation at December 31, 2020. 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 Access GID - Parking owes the Downtown Commercial District \$2,000 at December 31, 2020. This advance will be repaid over 10 years with 10 equal annual payments beginning 2012. The interest rate is 2.50%.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

Interfund Transactions

There are various types of interfund transactions which occur between funds. The principal purpose for the interfund transfers is to move unrestricted General Fund revenues to finance various programs that the City must account for in other funds in accordance with budgetary authorizations.

The following information describes the City’s 2020 transfers (amounts in 000’s).

TRANSFERS IN	TRANSFERS OUT						TOTAL
	General Fund	Transportation	Nonmajor Governmental	Water Utility	Wastewater Utility	Stormwater & Flood Management	
General Fund	\$ -	\$ 28	\$ -	\$ -	\$ -	\$ -	\$ 28
Open Space	-	-	-	-	-	-	-
Transportation	-	-	-	16	16	8	40
Nonmajor Governmental	4,970	476	280	354	351	210	6,641
Downtown Commercial District	1,144	-	-	-	-	-	1,144
Nonmajor Business-type	325	-	-	-	-	-	325
Internal Service Funds	-	-	175	-	-	-	175
Total transfers	\$ 6,439	\$ 504	\$ 455	\$ 370	\$ 367	\$ 218	\$ 8,353

The General Fund transferred a total of \$6.4 million to various funds, including \$2.3 million to the Planning and Development Services fund, \$1.1 million to the Affordable Housing fund and \$1.5 million to the Recreation Activity fund to subsidize various programs. An additional \$1.1 million was a transfer of parking revenue to the Downtown Commercial District.

The Core General Fund had a transfer out of \$11,142 to the Governmental Capital Fund. As these two funds are combined into the General Fund for reporting purposes the amount was eliminated and is not reflected in the table above.

NOTE Q – RELATED PARTY TRANSACTIONS

Boulder Housing Partners is a separate related organization as explained in Note A1. During 2020, Boulder Housing Partners received grant funding of \$8,509,775 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 2020 totaling \$40,482.

Downtown Boulder Business Improvement District is a separate related organization as explained in Note A1. During 2020, Downtown Boulder Business Improvement District received sponsorship funding of \$127,800 from the City.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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, 2020, net position for Business-type Activities of \$206,023 and \$6,982 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 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.

Valmont Butte Allied Piles Site Voluntary Cleanup Agreement (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. The City will have ongoing monitoring responsibilities for a few more years but no expected cleanup costs.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE T – COMMITMENTS AND CONTINGENCIES (CONTINUED)

2. Single Audit

The City follows the single audit concept under the provisions of the 2 CFR Part 200, Uniform Guidance. 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.

3. Construction Commitments

At December 31, 2020, City funds were obligated under contractual commitments for various operational, construction or equipment acquisition projects as follows (000’s):

Fund	Contractual Commitments
General	\$ 14,765
Open Space	1,998
Transportation	5,063
Total Major Funds	<u>21,826</u>
Total Non- Major Governmental Funds	<u>7,962</u>
Total Governmental Funds	<u>\$ 29,788</u>
Water Utility	\$ 4,149
Wastewater Utility	4,691
Stormwater & Flood Management	3,093
Downtown Commercial District	406
Total Major Enterprise Funds	<u>12,339</u>
Non-Major Enterprise Funds	<u>5</u>
Total Enterprise Funds	<u>\$ 12,344</u>
Total Internal Service Funds	<u>\$ 3,889</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS

The City’s employees are covered under five separate retirement plans and one deferred compensation plan (Note V). For the year ended December 31, 2020, the total pension expense for all retirement plans was a negative \$8,629,337. 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
2,394	PERA	\$ 6,544	8.250%	\$ 11,101	14.200%
0	Old Hire Police	-	0.000%	321	
0	Old Hire Fire	-	0.000%	94	
191	Police and Fire Money Purchase – Police employees	1,015	6.200%	2,258	13.800%
202	Police and Fire Money Purchase – Fire employees – International Association of Firefighters	894	8.000%	1,452	13.000%
9	ICMA 401(a)	55	8.250%	87	14.200%
	Totals	<u>\$ 8,508</u>		<u>\$ 15,313</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, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

Membership of each plan consisted of the following at December 31, 2020, the date of the latest actuarial valuation:

	"Old Hire" Police Defined Benefit Plan	"Old Hire" Fire Defined Benefit Plan
Retirees & Beneficiaries receiving benefits	38	38
Terminated plan members entitled but not yet receiving benefits	-	-
Active plan members	-	-
Total	<u>38</u>	<u>38</u>

The "Old Hire" Police Defined Benefit Plan and the "Old Hire" Fire Defined Benefit Plan financial statements as of December 31, 2020, 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.

Plan net position as of December 31, 2020, is 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	\$ 4	\$ 1
Investments		
U.S. Treasuries	623	-
U.S. Instrumentalities	152	-
Mutual Funds	7,540	9,046
Equity Securities	2,791	-
Money Market Funds	253	253
Real Estate Investment Trust	673	-
Corporate Bonds	245	-
Other	51	4
Accrued Interest	6	-
Total assets	<u>12,338</u>	<u>9,304</u>
Liabilities:		
Due to other funds	-	-
Accrued pensions payable	66	44
Total liabilities	<u>66</u>	<u>44</u>
Net position restricted for pensions	<u>\$ 12,272</u>	<u>\$ 9,260</u>

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

The changes in plan net position for December 31, 2020, 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	\$ 321	\$ 94
Total contributions	321	94
Investment earnings (loss)	892	1,151
Less investment expense	(42)	(42)
Net investment income	850	1,109
Total additions	1,171	1,203
Deductions:		
Benefits	1,256	1,138
Administrative	-	1
Total deductions	1,256	1,139
Net increase (decrease) in net position	(85)	64
Net position restricted for pensions:		
Beginning of year	12,357	9,196
End of year	\$ 12,272	\$ 9,260

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 is closed to any new participants. 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.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

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

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.

Board of Trustees - Management of the plan is vested in the five-member Board, which consists of one citizen at large, the Mayor and the Chief Financial Officer of the City, and two retired beneficiaries of the plan (retired police officers).

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 benefits for *Former Members* are: \$875.50 for those receiving a disability retirement and \$515.00 for those receiving a beneficiary retirement per pay period.

The Board of Trustees can make benefit change recommendations to the City Manager who must then present the changes to the City Council for ultimate approval. City policy dictates that no pension benefit increase can be given if there is an unfunded liability in the plan.

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, 2020, there are no current police employees who have elected the DROP and all DROP balances have been disbursed.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

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

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 pay period. Benefits for disability retirees who retired prior to January 1, 1987, are eligible for a minimum benefit of \$875.50 per pay period.

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 2020, the City contributed \$321,000 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, 2020. 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.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

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

The significant actuarial assumptions used in the valuation as of January 1, 2020, included the following:

- Actuarial Cost Method – entry age normal actuarial cost method.
- Amortization Method and Remaining Period – Level dollar, Open – Based on Expected Lifetime (not to exceed 20 years), Amortization period at 1/1/2020 – 13 years.
- Asset Valuation Method – Market value of assets.
- Investment Rate of Return– 6.5%
- Inflation Rate – 2.50%
- Salary Increases – Not applicable
- Retirement Age – Not applicable
- 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 2020, this is \$3,457.32 per pay period.
- Actual marital status is used for retirees
- Form of Payment – All active participants are assumed to elect the normal form of payment.
- Mortality – Sex-distinct Pub-2010 Safety Retiree, disabled retiree, or contingent survivor mortality, projected generationally with MP-2019 Improvement Scale.

The significant changes in actuarial assumptions and methods as of January 1, 2020 included the following:

- The 1st Class Firefighter salary used for death benefits was updated to reflect the highest negotiated rate
- The retiree mortality assumption was updated to Pub-2010 Safety Mortality Tables, projected generationally with the MP-2019 Improvement Scale to better reflect anticipated plan experience.

Funded Status and Funding Progress – As of December 31, 2020, the most recent actuarial valuation date, the plan was 82.98% funded. The total pension liability was \$14,789,163, the fiduciary net position was \$12,272,000, resulting in a net pension liability of \$2,517,163. The covered payroll (annual payroll of active employees covered by the plan) was \$0 and the ratio of the covered payroll was not applicable since all participants were retired as of January 1, 2014. 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.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

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

Pension Plan Investments – The investment policies and fair value determination policies are disclosed above in Notes A and E. For the year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was a gain of 7.25%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The plan’s investment policies, including fair value determination, concentration of credit risk information, and asset allocation is included in Note E – Deposits and Investments.

Long Term Expected Rate of Return – The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per the actuary’s investment consulting practice as of December 31, 2020.

Asset Class	Long-Term Expected Geometric Real Rate Of Return
Domestic Large Cap	2.7%
Domestic Small Cap	3.1%
International Equity	4.2%
Emerging Markets	4.7%
Domestic Fixed Income	0.8%
Direct Real Estate	3.2%
Master Limited Partnerships	3.2%
Liquid Low Correlated Hedge Funds	2.2%
Floating Rate Corporate Loans	2.5%

Discount Rate – The discount rate used to measure the total pension liability was 6.5%. The plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

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

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

Net Pension Liability – The components of the net pension liability of the City at December 31, 2020 were as follows:

Total Pension Liability	\$	14,789,163
Fiduciary Net Position		<u>12,272,000</u>
Net Pension Liability	\$	<u><u>2,517,163</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		82.98%

For the year ended December 31, 2020, the “Old Hire” Police Defined Benefit Plan recognized pension expense of \$468,758 within governmental activities. The City of Boulder reported deferred outflows of resources and deferred inflows of resources related to this plan from the following sources:

“Old Hire” Police Defined Benefit Plan:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$493,234	\$1,016,604
Total	\$493,234	\$1,016,604

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

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

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

<u>Year ended December 31:</u>	<u>Expense amount</u>
2021	\$ (196,941)
2022	(32,235)
2023	(278,854)
2024	(15,340)
2025	-
Thereafter	-
Total	<u>\$ (523,370)</u>

Sensitivity Analysis – The following presents the net pension liability of the City of Boulder, calculated using the discount rate of 6.5%, as well as what the City of Boulder’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.5%) or 1 percentage point higher (7.5%) than the current rate.

	<u>1% Decrease (5.5%)</u>	<u>Current Discount Rate (6.5%)</u>	<u>1% Increase (7.5%)</u>
Net Pension Liability	<u>\$ 3,775,859</u>	<u>\$ 2,517,163</u>	<u>\$ 1,424,733</u>

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 is closed to any new participants. The Plan covers two groups: “Employees” and “Former Members”.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

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

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.

Board of Trustees - Management of the plan is vested in the six-member Board, which consists of one citizen at large, the Mayor and the Chief Financial Officer of the City, and three retired beneficiaries of the plan (retired firefighters).

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 pay period for those receiving a normal or disability retirement and \$515.00 per pay period for those receiving a beneficiary retirement.

The Board of Trustees can make benefit change recommendations to the City Manager who must then present the changes to the City Council for ultimate approval. City policy dictates that no pension benefit increase can be given if there is an unfunded liability in the plan.

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, 2020, there are no current Fire employees who have elected the DROP and all DROP balances have been disbursed.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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 retirement or the Board established minimum widow benefit which is currently \$515.00 per pay period. Benefits for normal or disability retirees who retired prior to January 1, 2000, are eligible for a minimum benefit of \$875.50 per pay period.

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 employee’s 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. 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 2020 the City contributed \$94,000 to meet the actuarially calculated contribution requirement which exceeded the state-mandated requirement. In 2020, Administrative expenditures are recorded when incurred and are financed by the Plan.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

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

Actuarial Present Value of Accumulated Plan Benefits - An actuarial study was prepared at January 1, 2020. 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, 2020 included the following:

- Actuarial Cost Method – entry age normal.
- Amortization Method and Remaining Period – Level dollar, Open – Based on Expected Lifetime (not to exceed 20 years), Amortization period at 1/1/2020 – 10 years.
- Asset Valuation Method – Market Value of Assets
- Investment Rate of Return– 6.5%
- Inflation Rate – 2.50%
- Salary Increases – Not applicable
- Retirement Age – Not applicable
- 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 2020, this is \$3,457.32 per pay period.
- Actual marital status is used for retirees
- Form of Payment – All active participants are assumed to elect the normal form of payment.
- Mortality – MP-2019 Improvement Scale

The significant changes in actuarial assumptions and methods as of January 1, 2020 included the following:

- The 1st Class Firefighter salary used for death benefits was updated to reflect the highest negotiated rate
- The retiree mortality assumption was updated to Pub-2010 Safety Mortality Tables, projected generationally with the MP-2019 Improvement Scale to better reflect anticipated plan experience.

Funded Status and Funding Progress – As of December 31, 2020, the most recent actuarial valuation date, the plan was 97.80% funded. The total pension liability was \$9,467,836, the fiduciary net position was \$9,260,000, resulting in a net pension liability of \$207,836. The covered payroll (annual payroll of active employees covered by the plan) was \$0 and the ratio of the covered payroll was not applicable since all participants were retired as of January 1, 2014. 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

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

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

about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Pension Plan Investments – The investment policies and fair value determination policies are disclosed above in Notes A and E. For the year ended December 31, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was a gain of 12.74%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The plan’s investment policies, including fair value determination, concentration of credit risk information, and asset allocation is included in Note E – Deposits and Investments.

Long Term Expected Rate of Return – The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per the actuary’s investment consulting practice as of December 31, 2020.

Asset Class	Long-Term Expected Geometric Real Rate Of Return
Domestic Large Cap	2.7%
Small/Mid Cap	3.0%
International Equity	4.2%
Emerging Markets	4.7%
Domestic Fixed Income	0.8%
Floating Rate Corporate Loans	2.5%
Liquid Low Correlated Hedge Funds	2.2%
Master Limited Partnerships	3.2%

Discount Rate – The discount rate used to measure the total pension liability was 6.5%. The plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

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

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

Net Pension Liability – The components of the net pension liability of the City at December 31, 2020 were as follows:

Total Pension Liability	\$	9,467,836
Fiduciary Net Position		<u>9,260,000</u>
Net Pension Liability	\$	<u><u>207,836</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		97.80%

For the year ended December 31, 2020, the “Old Hire” Fire Defined Benefit Plan recognized pension expense of \$189,447 within governmental activities. The City of Boulder reported deferred outflows of resources and deferred inflows of resources related to this plan from the following sources:

“Old Hire” Fire Defined Benefit Plan:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$427,943	\$1,108,099
Total	\$427,943	\$1,108,099

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

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

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

<u>Year ended December 31:</u>	<u>Expense amount</u>
2021	\$ (199,518)
2022	(78,866)
2023	(292,836)
2024	(108,936)
2025	
Thereafter	-
Total	<u>\$ (680,156)</u>

Sensitivity Analysis – The following present the net pension liability of the City of Boulder, calculated using the discount rate of 6.5%, as well as what the City of Boulder’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.5%) or 1 percentage point higher (7.5%) than the current rate.

	<u>Decrease (5.5%)</u>	<u>Discount Rate (6.5%)</u>	<u>Increase (7.5%)</u>
Net Pension Liability	<u>\$ 955,873</u>	<u>\$ 207,836</u>	<u>\$ (440,066)</u>

3. Public Employees Retirement Association (PERA)

The City of Boulder participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees’ Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to / from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are recorded at fair value.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications To the Public Employees’ Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

3. Public Employees Retirement Association (PERA) (Continued)

Years. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to certain benefit provisions. Some, but not all, of these changes were in effect as of December 31, 2020

General Information about the Plan

Plan Description – Eligible employees of the City of Boulder are provided with pensions through the Local Government Division Trust Fund (LGDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided as of December 31, 2019 - PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee’s member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

It is possible for employees participating in the LGDTF to be earning service credit under the Denver Public School (DPS) benefit structure. Given this, the lifetime retirement benefit for all eligible retiring employees under the DPS benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.
- \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

3. Public Employees Retirement Association (PERA) (Continued)

In all cases the service retirement benefit is limited to 100 percent of highest average salary and cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

As of December 31, 2019, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S., once certain criteria are met. Pursuant to SB 18-200, the annual increase for 2019 is 0.00 percent for all benefit recipients. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007, and all benefit recipients of the DPS benefit structure will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. § 24-51-413. Benefit recipients under the PERA benefit structure who began eligible employment on or after January 1, 2007 will receive the lessor of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25 percent based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

3. Public Employees Retirement Association (PERA) (Continued)

Contributions provisions as of December 31, 2019: Eligible employees and the City of Boulder are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates except for State Troopers for the period of 1/1/2019 through 12/31/2020 are summarized below:

	January 1, 2019 Through December, 31 2019	January 1, 2020 Through June 30, 2020	July 1, 2020 Through December 31, 2020
Employee contribution	8.00%	8.00%	8.50%

The employer contribution requirements for all employees except State Troopers are summarized in the table below:

	January 1, 2019 Through June 30, 2020	July 1, 2020 Through December 31, 2020
Employer contribution rate	10.00%	10.50%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%	(1.02)%
Amount apportioned to the LGDTF	8.98%	9.48%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%	1.50%
Total employer contribution rate to the LGDTF	12.68%	13.18%

Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the City of Boulder is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the City of Boulder were \$10,274,134 for the year ended December 31, 2020.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

3. Public Employees Retirement Association (PERA) (Continued)

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

At December 31, 2020, the City of Boulder reported a liability of \$90,003,730 for its proportionate share of the net pension liability. Of this amount, \$74,511,653 represented Governmental-type activities and \$15,492,077 represented Business-type activities. The net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll forward the total pension liability to December 31, 2019. The City of Boulder’s proportion of the net pension liability was based on City of Boulder contributions to the LGDTF for the calendar year 2019 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2019, the City of Boulder’s proportion was 12.305829538 percent, which was a decrease of 0.174892185 percent from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the City of Boulder recognized pension expense of (9,287,542). Of this amount, (\$7,798,527) is related to governmental activities and (1,489,015) is related to business-type activities. The City of Boulder reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Governmental Activities:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$4,910,377	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	30,841,392
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	1,486,936
Contributions subsequent to the measurement date	8,565,790	-
Total	\$13,476,167	32,328,328

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

3. Public Employees Retirement Association (PERA) (Continued)

Business-type Activities:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$979,316	\$ -
Changes of assumptions or other inputs		-
Net difference between projected and actual earnings on pension plan investments	-	5,980,356
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	288,327
Contributions subsequent to the measurement date	1,708,344	-
Total	\$2,687,660	\$6,268,683

\$10,274,134 reported outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended 12/31:	Governmental Activities	Business-type Activities
2021	\$(6,545,155)	\$(1,262,666)
2022	9,028,455)	(1,741,735)
2023	(1,312,473)	(253,198)
2024	(10,531,868)	(2,031,768)
2025	-0-	-0-
Total	\$(27,417,951)	\$(5,289,367)

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

3. Public Employees Retirement Association (PERA) (Continued)

Actuarial assumptions – The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry Age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 10.45 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount Rate	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07; and DPS benefit structure (automatic) ¹	1.25 percent compounded annually
1 - For 2019, the annual increase was 0.00 percent	
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

3. Public Employees Retirement Association (PERA) (Continued)

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2018, valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting.

The LGDTF's long-term expected rate of return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the current long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non-U.S. Equity – Developed	18.55%	5.20%
Non-U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non-U.S. Fixed Income - Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

3. Public Employees Retirement Association (PERA) (Continued)

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members, assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the additional 0.50 percent resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the additional 0.50 percent, resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- The AIR balance was excluded from the initial fiduciary net position, as per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- The projected benefit payments reflect the lowered annual increase cap, from 1.50 percent to 1.25 percent resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above actuarial cost method and assumptions, the LGDTF fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE U – PENSION AND RETIREMENT PLANS (CONTINUED)

3. Public Employees Retirement Association (PERA) (Continued)

of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

Sensitivity of the City of Boulder’s proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$165,330,173	\$90,003,730	\$26,654,919

Pension plan fiduciary net position: Detailed information about the LGDTF’s fiduciary net position is available in PERA’s comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports

Changes between the measurement date of the net position liability and December 31, 2019.

During the 2019 legislative session, the Colorado General Assembly passed HB 19-1217: *PERA Public Employees’ Retirement Association Local Government Division Member Contribution Rate*. The bill was signed into law by Governor Polis on May 20, 2019, and eliminates the 2 percent increase in the contribution rate for members in the Local Government Division mandated by SB 18-200

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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, 2021. The City's contribution requirement for the year ended December 31, 2020, was 13.8 percent of covered payroll. The dollar amount of the City's contributions was \$2,258,000 in 2020. The employee contributions were 6.2 percent, or \$1,015,000, of covered payroll.

The International Association of Firefighters, Local #900, negotiated an economic agreement with the City, which was in effect through December 31, 2021. The City's contribution requirement for the year ended December 31, 2020, was 13 percent of covered payroll, or \$1,452,000. The employee contributions were 8 percent of covered payroll, or \$894,000.

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 33rd Street, Boulder, Colorado, 80301.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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.

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.

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

The City’s employees are covered under two separate OPEB plans. For the year ended December 31, 2020, the total net OPEB expense for the two plans was \$63,202.

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

The City of Boulder participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by PERA. The net OPEB liability, deferred outflow of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

Plan description – Eligible employees of the City of Boulder are provided with OPEB through the HCTF – a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

Benefits Provided – The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plans(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the DPS Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the member contribution account balance from which the retirement benefit is paid.

C.R.S. 24-51-1202 et seq. specifies for eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll in the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure – The maximum service-based premium is \$230 (actual dollars) per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 (actual dollars) for benefit recipients who are 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services. C.R.S. 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

It is possible for employees participating in the HCTF to be earning service credit under the DPS benefit structure. Under the DPS benefit structure, the maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions – Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S, as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the City of Boulder is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the City of Boulder were \$826,468 for the year ended December 31, 2020.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2020, the City of Boulder reported a liability of \$10,571,423 for its proportionate share of the net OPEB liability. The Governmental Activities portion of the net OPEB liability was \$8,947,177 at December 31, 2020 while the Proprietary Funds proportionate share was \$1,624,246. The net OPEB liability for the HCTF was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2019. The City of Boulder proportion of the net OPEB liability was based on City of Boulder contributions to the HCTF for the calendar year 2019 relative to the total contributions of participating employers to the HCTF.

At December 31, 2019, the City of Boulder's proportion was 0.9405197119%, which was a decrease of 0.02540076343% from its proportion measured as of December 31, 2018.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

For the year ended December 31, 2020, the City of Boulder recognized OPEB expense of \$(173,704). At December 31, 2020, the City of Boulder reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Governmental Activities:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$29,687	\$1,493,634
Changes of assumptions or other inputs	74,217	-
Net difference between projected and actual earnings on OPEB plan investments	-	148,365
Changes in proportion and differences between contributions recognized and proportionate share of contributions	320,215	485,706
Contributions subsequent to the measurement date	699,385	
Total	\$1,123,504	\$2,127,705

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

Business-type Activities:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$5,394	\$282,755
Changes of assumptions or other inputs	13,486	-
Net difference between projected and actual earnings on OPEB plan investments	-	28,086
Changes in proportion and differences between contributions recognized and proportionate share of contributions	58,185	91,947
Contributions subsequent to the measurement date	127,082	-
Total	\$204,147	\$402,788

\$826,467 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended 12/31:	Governmental Activities	Business-type Activities
2021	\$ (320,171)	\$ (61,216)
2022	(320,154)	(61,214)
2023	(277,266)	(53,013)
2024	(427,136)	(81,668)
2025	(338,670)	(64,753)
Thereafter	(20,189)	(3,859)
Total	\$(1,703,586)	\$(325,723)

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

Actuarial assumptions – The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry Age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 percent in aggregate
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount Rate	7.25 percent
Health care cost trend rates:	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	5.60 percent in 2019
Medicare Part A premiums	3.50 percent in 2019, gradually rising to 4.50% percent in 2029

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

The actuarial assumptions used in the December 31, 2018, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA’s actuary, as discussed below.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

In determining the additional liability for PERACare enrollees who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed for 2019 for the PERA Benefit Structure:

Medicare Plan	Cost for Members Without Medicare Part A	Premiums for Members Without Medicare Part A
Medicare Advantage/Self-Insured Prescription	\$601	\$240
Kaiser Permanente Medicare Advantage HMO	605	237

The 2019 Medicare Part A premium is \$437 per month.

In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

Medicare Plan	Cost for Members Without Medicare Part A
Medicare Advantage/Self-Insured Prescription	\$562
Kaiser Permanente Medicare Advantage HMO	571

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2018, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2019	5.60%	3.50%
2020	8.60%	3.50%
2021	7.30%	3.50%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	3.75%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The following health care costs assumptions were updated and used in the measurement of the obligations for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2019 plan year.
- The morbidity assumptions were updated to reflect the assumed standard aging factors.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non-U.S. Equity – Developed	18.55%	5.20%
Non-U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non-U.S. Fixed Income - Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Sensitivity of the City of Boulder’s proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. – The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trends rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	4.60%	5.60%	6.60%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$10,320,304	10,571,423	10,861,611

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

Discount Rate – The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2019 measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the HCTF’s fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate of determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

Sensitivity of the City of Boulder’s proportionate share of the net OPEB liability to changes in the discount rate – The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$11,953,121	\$10,571,423	\$9,389,782

OPEB plan fiduciary net position – Detailed information about the HCTF’s fiduciary net position is available in PERA’s comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

2. Fire and Police Pension Association (FPPA) Death and Disability Plan

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 2.7% for all affected police officers and firefighters. In 2020, the City paid \$586,826 equal to their required contributions for the year. This FPPA death and disability plan qualifies as a cost sharing multiple-employer defined benefit OPEB plan under this standard. As it pertains to the requirements in Statement No. 75, FPPA concluded that because all contributions to the plan are considered member contributions (and not employer), the employers' proportionate share of any net OPEB liability (asset) is \$0. As such, GASB Statement No. 75 had no impact on the City of Boulder for the year ended December 31, 2020 for this plan.

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 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.

3. 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 health care 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.

Member Data – The following table is a summary of the member data used in the January 1, 2019 actuarial valuation:

	BMEA	Management	Fire	Police	Total
Participants					
Active	402	707	100	164	1,373
Retiree & Beneficiary	10	25	3	6	44
Spouse	6	8	2	3	19
Total	418	740	105	173	1,436

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

3. City of Boulder Retiree Health Care Benefit Plan

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.

Total OPEB Liability – The portion of actuarial present value of projected benefit payments that is attributable to past periods of member service using the Entry Age Normal cost method based on the requirements of GASB 74 and 75.

Net OPEB Liability – The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the Net OPEB Liability, an amount actuarially determined in accordance with the parameters of GASB Statement 75. The Net OPEB Liability represents the difference between the Total OPEB Liability and the Plan's Fiduciary Net Position of the Retiree Health Care Benefit Plan. In other words, it is the portion of the OPEB liability that is unfunded (unfunded liability). Previously this was referred to as the unfunded actuarial accrued liability or UAAL.

As of December 31, 2020, the City of Boulder's City Retiree Health Care Benefit Plan had a total OPEB liability of \$5,132,370. Of this amount, \$4,634,495 was related to governmental activities and \$497,875 was related to business-type activities.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

3. City of Boulder Retiree Health Care Benefit Plan

The following table shows changes in the City’s Total OPEB Liability for the measurement period ending on December 31, 2020:

Governmental-Type Activities:	
Increase / (Decrease) in Total OPEB Liability	2020
Balance at Beginning of Year	\$3,971,873
Changes for the Year:	
Service Cost	260,122
Interest on total OPEB liability	159,645
Effect of plan changes	-
Effect of economic/demographic gains or losses	-
Effect of assumption changes or inputs	436,567
Benefit payments	(193,712)
Balance at end of year	\$4,634,495

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

Business-Type Activities:

Increase / (Decrease) in Total OPEB Liability	2020
Balance at Beginning of Year	\$386,206
Changes for the Year:	
Service Cost	43,837
Interest on total OPEB liability	26,904
Effect of plan changes	-
Effect of economic/demographic gains or losses	-
Effect of assumption changes or inputs	73,573
Benefit payments	(32,645)
Balance at end of year	\$497,875

Sensitivity Analysis – The following presents the Total OPEB Liability of the City, calculated using the discount rate of 2.74%, as well as what the City’s Total OPEB Liability would be if were calculated using a discount rate that is 1 percentage point lower (1.74%) or 1 percentage point higher (3.74%) than the current rate:

	1% Decrease (1.74%)	Discount Rate (2.74%)	1% Increase (3.74%)
Total OPEB liability	\$5,530,430	\$5,132,370	\$4,753,167

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

The following presents the Total OPEB Liability of the City, calculated using the current healthcare cost trend rates as well as what the City’s Total OPEB Liability would be if were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$4,530,212	\$5,132,370	\$5,847,537

In 2020, the City of Boulder’s City Retiree Health Care Benefit Plan had a total OPEB expense of \$236,906 consisting of \$202,748 for Governmental activities and \$34,158 for Business-type activities. The following table shows the individual components of the expense amount for 2020:

	Governmental Activities	Business-type Activities
Service cost	\$260,133	\$43,826
Interest on total OPEB liability	159,652	26,897
Effect of Plan changes	-	-
Recognition of economic/demographic gains or losses	(62,441)	(10,520)
Recognition of assumption changes or inputs	(154,596)	(26,045)
Administration expense	-	-
OPEB expense	\$202,748	\$34,158

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

As of December 31, 2020, the City’s Retiree Health Care Benefit Plan had \$586,641 in deferred outflows and \$2,225,341 in Deferred Inflows of resources as follows:

Governmental Activities:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	-	\$415,859
Changes of assumptions or other inputs	\$524,639	1,505,954
Net difference between projected and actual earnings on OPEB plan investments	-	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	-	-
Total	\$524,639	\$1,921,813

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

Business-type Activities:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	-	\$ 65,680
Changes of assumptions or other inputs	\$62,002	237,848
Net difference between projected and actual earnings on OPEB plan investments	-	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	-	-
Total	\$62,002	\$303,528

Amounts currently reported as deferred outflows of resources and deferred (inflows) of resources related to OPEB benefits will be recognized in OPEB expense as follows:

Year	Amount
2021	(\$253,602)
2022	(253,602)
2023	(253,602)
2024	(253,602)
2025	(253,602)
Thereafter	(370,690)
Total	(\$1,638,700)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

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.

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, 2019. 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, 2019, included the following:

- Actuarial Cost Method – Entry Age Normal Level Percent of Pay Cost.
- Amortization Method – Open, level percent of pay over 30 years
- Discount Rate – 2.74% per annum.
- Inflation – 2.5% per annum.
- Wage Growth – 3.0% per annum.
- Administrative Expense – Claims expenses are loaded into claim costs for all health benefits.
- Retirement – Age and service eligibility requirements for PERA (Management and BMEA employees) and City provided pensions (Fire and Police).
- Mortality –
 - Healthy Lives – Pub-2010 Healthy Employee and Retiree Mortality Tables for General Employees projected generationally using Scale MP2019.
 - Disabled Lives – Pub-2010 Disabled Retiree Mortality Tables projected generationally using Scale MP2019.
- Election of Retirement Coverage – 25% of future eligible retired participants are assumed to participate upon retirement if they retire prior to age 65. Future eligible retired participants who retire after age 65 are assumed to decline coverage. Because of this low percentage, an adverse selection load which varies with age was applied to the retiree claim costs.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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

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

- Probability of Spouse Coverage – 55% of future retirees who elect coverage are assumed to elect spousal coverage upon retirement. Actual marital status is used for retirees. All males are assumed to be 3 years older than females. It is assumed no dependent children are covered.
- Lapse Assumption – it is assumed that 100% of all current and future retirees will cease participation in the plan upon the attainment of age 65. Current retirees that are over age 65 at the valuation date are assumed to continue coverage for the remainder of their lifetime. Current spouses are that are over 65 at the valuation date are assumed to continue coverage until the retiree attains age 65.
- Health Care Cost Trend – Using the Milliman Adjusted Getzen Model, the trend rate starts at 4.40% for 2019 and varies to a rate of 4.70% in 2028.
- 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, 2019 included the following:

- The healthy mortality assumption was updated to the Pub-2010 Healthy Employee and Mortality Tables for General Employees projected generationally using scale MP2019 to better reflect anticipated plan experience.
- The disabled mortality assumption was updated to the Pub-2010 Disabled Retiree Mortality Tables for General Retirees projected generationally using scale MP2019 to better reflect anticipated plan experience.
- The probability of spouse coverage for future retirees was increased from 50% to 55% to better reflect anticipated plan experience.
- Updated claims and premiums to experience and plan changes.
- The trend assumption was updated using the Milliman Adjusted Getzen Trend Model.

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 \$91,995,000 in outstanding water and sewer system revenue bonds and notes. 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 net revenues and are payable through 2038. 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, 2020 is \$114,853,000. Principal and interest paid for the current year and total customer net revenues were \$11,485,000 and \$37,713,000, respectively.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE X – PLEDGED REVENUES (CONTINUED)

Stormwater and Flood Management Revenues Pledged

The City has pledged future stormwater and flood management fund revenues, net of specified operating expenses, to repay \$17,760,000 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 2034. 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, 2020 is \$22,256,000. Principal and interest paid for the current year and total customer net revenues were \$1,592,000 and \$8,061,000 respectively.

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 \$7,435,000 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 \$7,435,000 of bonds are payable from the Open Space Fund sales tax revenues and are also backed with a pledge of the full faith and credit of the City. These bonds mature through 2034. In 2019, .48% of the total .88% sales tax levy will expired, which will materially decrease pledged revenues. 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, 2020 is \$9,109,000. Principal and interest paid for the current year and total pledged sales tax revenues were \$652,000 and \$26,762,000, respectively.

Downtown Commercial District Revenues Pledged

The City has pledged a portion of future sales tax revenues to repay \$2,375,000 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 9th 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.

The TIF 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 interest remaining to be paid on the bonds at December 31, 2020 is \$2,519,000. Principal and interest paid for the current year and total pledged revenues were \$833,000 and \$2,337,000 respectively.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE X – PLEDGED REVENUES (CONTINUED)

Community, Culture, and Safety Sales Tax Revenues

The City has pledged a portion of future Community, Culture, and Safety sales tax revenues to repay \$4,174,000 in outstanding notes issued by the City of Boulder to finance the purchase of land for the relocation of fire station #3. The notes will mature in December of 2022. The total principal and interest remaining to be paid on the notes at December 31, 2020 is \$4,367,535. Principal and interest paid for the current year and total pledged revenues were \$2,182,879 and \$2,182,879, 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, 2020, BMPA currently has \$61,515,000 in outstanding debt used primarily to provide funding for acquisition of property, 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 \$80,655,000 with annual requirements ranging from \$5,283,386 in 2020 to \$1,306,830 in 2039. The base rental revenues received each year equal the debt service requirements on BMPA's debt. For the current year, principal and interest incurred by BMPA and the total base rental revenues pledged were \$5,283,387 and \$5,283,387, 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. On January 16, 2020 these bonds were refunded and replaced with \$3,515,000 of GO Waste Reduction Notes, Series 2020. As of December 31, 2019, there are currently \$3,185,000 in outstanding Waste Reduction Notes. Total principal and interest remaining as of December 31, 2020 is \$3,513,434. 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 \$391,820 and \$391,820, respectively.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

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, 2020, \$31,242,000 in bonds remain outstanding. The principal and interest remaining to be paid on the bonds at December 31, 2020 is \$36,652,20. Principal and interest paid for the current year and total General Fund pledged revenues were \$3,330,800 and \$3,330,800, respectively.

NOTE Y – SECURITY FOR CERTIFICATES OF PARTICIPATION

The Boulder Municipal Property Authority (BMPA) Taxable Certificates of Participation, Series 2015 evidence a proportionate interest in the base rentals and other revenues under a Lease Purchase Agreement dated November 1st, 2015 (the “lease”), entered between BMPA, as lessor (the “Corporation”), and the City of Boulder, Colorado as lessee between the Corporation. In accordance with State law, the City has determined to sell the Leased property to the Corporation and lease the Leased Property back from the Corporation pursuant to the terms of the lease. The Leased Property consists of the following City facilities:

Public Safety Building - The Public Safety Building is a 71,000 square foot building constructed in 1968 and renovated in 1989 located on a 4.09 acre site with 228 surface parking spaces. It serves as the primary facility for the Boulder Police Department as well as the administrative offices of the Fire Department. The property is presently zoned for public use and is located within a 500 year flood plain. The internal City appraised value for the Public Safety Building is \$18,177,000.

East Boulder Community Center – The East Boulder Community Center is a 52,960 square-foot building constructed in 1991 located on an approximately 7.25 acre site. The East Boulder Community Center is a recreation and senior citizen center containing an indoor leisure pool, lap pool, locker rooms, fitness center and a gymnasium. In addition, the land upon which the East Boulder Community Center is located is adjacent to the existing East Boulder Community Park. Neither the East Boulder Community Park nor its facilities are part of the leased property. The property is presently zoned for public use and is located within a 100 year flood plain. The internal City appraised value for the East Boulder Community Center is \$17,746,000.

Park Central Building – The Park Central Building is a 20,910 square-foot building constructed in 1973 located on an approximately 0.35 acre site. The Park Central Building consists primarily of City offices, including the City’s building permit office. The building presently holds 93 employees and the property includes 17 covered parking spaces. In addition, 1,307 square feet of the building is presently leased to the operator of a small restaurant. The property is presently zoned for public use and is located within a 100 year flood plain. The internal City appraised value for the Park Central Building is \$5,030,000. After November 1, 2019, the Park Central Building was released as being a Leased Property.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE Y – SECURITY FOR CERTIFICATES OF PARTICIPATION

In the event of termination of the City’s obligations under the Lease upon the occurrence of an Event of Nonappropriation or an Event of Default, the City is required to vacate and surrender the leased property. Whenever any Event of Default has happened and is continuing, the Trustee, acting for the Corporation, may take one or any combination of remedial steps as outlined in the 2015 Certificate of Participation Official Statement dated October 27, 2015.

The Boulder Municipal Property Authority (BMPA) Taxable Certificates of Participation, Series 2019 evidence a proportionate interest in the base rentals and other revenues under a Lease Purchase Agreement dated September 1st, 2019 (the “lease”), entered between BMPA, as lessor (the “Corporation”), and the City of Boulder, Colorado as lessee between the Corporation. In accordance with State law, the City has determined to sell the Leased property to the Corporation and lease the Leased Property back from the Corporation pursuant to the terms of the lease. The Leased Property consists of the following City facilities:

Municipal Building – The Municipal Building is a 23,657 square-foot building constructed in 1951 located on an approximately 2.01-acre site. The property is located one-half block from the central downtown business district and two blocks from the Pearl Street Mall shopping district. The Municipal Building is a two-story building which includes offices, reception areas, conference rooms kitchen areas and restrooms. The center portion of the building is the Council Chambers where the Boulder City Council meetings are held. The property is presently zoned for public use and is located within a 100-year flood plain. The internal City appraised value for the Municipal Building is \$12,840,000.

Atrium Building – The Atrium Building is a 11,384 square-foot office building constructed in 1969 located on a 22,500 square foot site. The property is located one-half block from the central downtown business district and two blocks from the Pearl Street Mall shopping district. The Atrium Building is also located a half block from the Municipal Building. The Atrium Building is a two-story building that contains office space, reception areas, conference rooms and a modest kitchen and restrooms. The property is presently zoned for public use and is located within a 100-year flood plain. The internal City appraised value for the Atrium Building is \$5,465,000.

In the event of termination of the City’s obligations under the Lease upon the occurrence of an Event of Non-appropriation or an Event of Default, the City is required to vacate and surrender the leased property. Whenever any Event of Default has happened and is continuing, the Trustee, acting for the Corporation, may take one or any combination of remedial steps as outlined in the 2019 Certificate of Participation Official Statement dated September 10, 2019.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE Z – DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES

Deferred inflows and outflows of resources are discussed in Note A 12. As of December 31, 2020, deferred inflows and outflows of resources consisted of the following (in 000's):

Government Wide	Governmental Activities	Business-type Activities	Total
Deferred Outflows - Related to PERA	\$ 13,476	\$ 2,688	\$ 16,164
Deferred Outflows - Old Hire Police Pension	493	-	493
Deferred Outflows - Old Hire Fire Pension	428	-	428
Deferred Outflows - Related to PERA OPEB	1,123	204	1,327
Deferred Outflows - Related to City OPEB	524	62	586
Deferred Outflows - Other	44	628	672
Total Deferred Outflows	\$ 16,088	\$ 3,582	\$ 19,670

	Governmental Activities	Business-type Activities	Total
Deferred Inflows - Related to PERA	\$ 32,328	\$ 6,268	\$ 38,596
Deferred Inflows - Old Hire Police Pension	1,017	-	1,017
Deferred Inflows - Old Hire Fire Pension	1,108	-	1,108
Deferred Inflows - Property Taxes	48,268	1,750	50,018
Deferred Inflows - Related to PERA OPEB	2,128	403	2,531
Deferred Inflows - Related to City OPEB	1,922	304	2,226
Total Deferred Inflows	\$ 86,771	\$ 8,725	\$ 95,496

Governmental Funds	General Fund	Open Space Fund	Trans- portation Fund
Deferred Inflows - Property Taxes	\$ 42,971	\$ -	\$ -
Deferred Inflows - Grants and Other	3,059	3,191	2,680
Total Deferred Inflows	\$ 46,030	\$ 3,191	\$ 2,680

	Other Governmental Funds	Total
Deferred Inflows - Property Taxes	\$ 5,297	\$ 48,268
Deferred Inflows - Grants and Other	473	9,403
Total Deferred Inflows	\$ 5,770	\$ 57,671

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE Z – DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES (CONTINUED)

Proprietary Funds	Water Utility Fund	Wastewater Utility Fund	Stormwater and Flood Management Fund
Deferred Outflows - Related to PERA Pension	\$ 1,192	\$ 844	\$ 345
Deferred Outflows - Related to PERA OPEB	93	56	34
Deferred Outflows - Related to City OPEB	25	18	9
Deferred Outflows - Other	12	591	-
Total Deferred Outflows	\$ 1,322	\$ 1,509	\$ 388

Deferred Inflows - Property Taxes	\$ -	\$ -	\$ -
Deferred Inflows - Related to PERA	2,698	1,799	1,113
Deferred Inflows - Related to PERA OPEB	179	114	68
Deferred Inflows - Related to City OPEB	124	88	49
Total Deferred Inflows	\$ 3,001	\$ 2,001	\$ 1,230

Proprietary Funds	Downtown Commercial District	Nonmajor Enterprise Funds	Total Enterprise Funds	Total Internal Service Funds
Deferred Outflows - Related to PERA Pension	\$ 239	\$ 68	\$ 2,688	\$ 238
Deferred Outflows - Related to PERA OPEB	18	3	204	27
Deferred Outflows - Other	25	-	628	44
Total Deferred Outflows	\$ 291	\$ 72	\$ 3,582	\$ 316
Deferred Inflows - Property Taxes	\$ 1,352	\$ 398	\$ 1,750	\$ -
Deferred Inflows - Related to PERA	592	66	6,268	1,190
Deferred Inflows - Related to PERA OPEB	37	5	403	68
Deferred Inflows - Related to City OPEB	37	6	304	34
Total Deferred Inflows	\$ 2,018	\$ 475	\$ 8,725	\$ 1,292

NOTE AA – TAX ABATEMENTS

The City of Boulder has a Flexible Rebate Program which encourages the growth and retention of primary employers in Boulder by offering rebates for primary employers who are looking to grow and expand within Boulder, provided they meet eligibility requirements and sustainability guidelines. Primary employers are defined as companies that receive at least 50% of their revenue from outside Boulder County.

City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2020

NOTE AA – TAX ABATEMENTS (CONTINUED)

Rebates can be approved for building permit taxes and fees paid to the city, as well as city sales and use taxes paid on fixed asset purchases. Companies only receive the rebate after submitting receipts for taxes and fees.

For the fiscal year ended December 31, 2020, the City abated taxes and fees totaling \$142,513 under this program, including the following rebate payments that each exceeded 10 percent of the total amount abated:

- A \$100,000 rebate payment for a manufacturing company that that invests in the community, is expanding their facilities and increasing employment.
- A \$17,752 rebate payment for a consumer robotics company that promotes community involvement, use of public transit, is expanding their facilities and increasing employment.

NOTE AB – SUBSEQUENT EVENTS

On January 19, 2021, the City issued City of Boulder, Colorado General Fund Refunding Notes (Capital Improvement Projects), Series 2021 in the principal amount of \$26,795,000. The purpose of the note was to advance refund the City's General Fund Capital Improvement Project Bonds, Series 2012. The refunding will result in \$2,655,469 present value savings over the life of the outstanding debt.

NOTE AC – CHANGE IN ACCOUNTING PRINCIPLES

For the year ended December 31, 2020, the City adopted GASB Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The City reviewed necessary agreements and determined that the City currently does not have an ARO and therefore does not have a related liability to recognize.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BOULDER, COLORADO

Required Supplementary InformationSchedule of Changes in Net Pension Liability
and Related Ratios

Old Hire Police Pension Fund

Fiscal Year Ending December 31,

Last Ten Fiscal Years*

	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Interest on total pension liability	\$ 908,652	\$ 930,434	\$ 971,375	\$ 998,989	\$ 1,042,311	\$ 1,068,529	\$ 1,097,208
Effect of economic/demographic (gains) or losses	213,898	94,564	(189,498)	(57,785)	1,820,754	9,185	7,180
Effect of assumption changes or inputs	325,248	-	-	-	-	-	-
Benefit payments	(1,256,000)	(1,461,000)	(1,364,000)	(1,368,000)	(1,411,000)	(1,443,000)	(1,529,000)
Net change in total pension liability	191,798	(436,002)	(582,123)	(426,796)	1,452,065	(365,286)	(424,612)
Total pension liability, beginning	14,597,365	15,033,367	15,615,490	16,042,286	14,590,221	14,955,507	15,380,119
Total pension liability, ending (a)	<u>\$ 14,789,163</u>	<u>\$ 14,597,365</u>	<u>\$ 15,033,367</u>	<u>\$ 15,615,490</u>	<u>\$ 16,042,286</u>	<u>\$ 14,590,221</u>	<u>\$ 14,955,507</u>
Fiduciary Net Position							
Employer contributions	\$ 321,000	\$ 411,000	\$ 377,000	\$ 314,000	\$ 314,000	\$ 304,000	\$ 305,000
Member contributions	-	-	-	-	-	-	1,000
Investment income net of investment expenses	850,000	2,024,000	(432,000)	1,588,000	937,000	(228,000)	635,000
Benefit payments	(1,256,000)	(1,461,000)	(1,364,000)	(1,368,000)	(1,411,000)	(1,443,000)	(1,529,000)
Administrative expenses	-	(4,000)	(8,000)	-	(10,000)	(13,000)	(14,000)
Net change in plan fiduciary net position	(85,000)	970,000	(1,427,000)	534,000	(170,000)	(1,380,000)	(602,000)
Fiduciary net position, beginning	12,357,000	11,387,000	12,814,000	12,280,000	12,450,000	13,830,000	14,432,000
Fiduciary net position, ending (b)	<u>\$ 12,272,000</u>	<u>\$ 12,357,000</u>	<u>\$ 11,387,000</u>	<u>\$ 12,814,000</u>	<u>\$ 12,280,000</u>	<u>\$ 12,450,000</u>	<u>\$ 13,830,000</u>
Net pension liability, ending (a) - (b)	<u>\$ 2,517,163</u>	<u>\$ 2,240,365</u>	<u>\$ 3,646,367</u>	<u>\$ 2,801,490</u>	<u>\$ 3,762,286</u>	<u>\$ 2,140,221</u>	<u>\$ 1,125,507</u>
Fiduciary net position as a % of total pension liability	82.98%	84.65%	75.74%	82.06%	76.55%	85.33%	92.47%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a % of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note to Schedule:

No active members are covered by this plan; therefore, payroll information is not applicable.

* Additional years' information will be displayed as it becomes available.

CITY OF BOULDER, COLORADO

Required Supplementary Information

Schedule of Employer Contributions

Old Hire Police Pension Fund

Fiscal Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2011	\$ 188,544	152,000	36,544	129,818	117.09%
2012	219,204	222,000	(2,796)	130,326	170.34%
2013	237,055	222,000	15,055	35,965	617.27%
2014	181,916	305,000	(123,084)	N/A	N/A
2015	181,916	304,000	(122,084)	N/A	N/A
2016	314,204	314,000	204	N/A	N/A
2017	314,204	314,000	204	N/A	N/A
2018	282,778	377,000	(94,222)	N/A	N/A
2019	282,778	411,000	(128,222)	N/A	N/A
2020	320,591	321,000	(409)	N/A	N/A

Note to Schedule:

Full actuarial valuations are performed biannually on even years.

See Notes to Required Supplementary Information for other significant methods and assumptions.

CITY OF BOULDER, COLORADO

Required Supplementary Information

Schedule of Investment Returns

Old Hire Police Pension Fund

Last Ten Fiscal Years*

<u>Fiscal Year Ending December 31,</u>	<u>Net Annual Money-Weighted Rate of Return</u>
2014	4.59%
2015	-1.72%
2016	7.86%
2017	13.52%
2018	-3.50%
2019	18.54%
2020	7.25%

Note to Schedule:

* Additional years' information will be displayed as it becomes available.

CITY OF BOULDER, COLORADO

Required Supplementary Information

Schedule of Changes in Net Pension Liability
and Related Ratios

Old Hire Fire Pension Fund

Fiscal Year Ending December 31,

Last Ten Fiscal Years*

	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Interest on total pension liability	\$ 592,912	\$ 624,178	\$ 648,210	\$ 673,854	\$ 761,693	\$ 789,618	\$ 831,605
Effect of economic/demographic (gains) or losses	140,809	(41,328)	(13,251)	(37,670)	510,898	(69,656)	(48,180)
Effect of assumptions changes or inputs	190,347						
Benefit payments	(1,138,000)	(992,000)	(1,017,000)	(1,044,000)	(1,076,000)	(1,108,000)	(1,542,000)
Net change in total pension liability	(213,932)	(409,150)	(382,041)	(407,816)	196,591	(388,038)	(758,575)
Total pension liability, beginning	9,681,768	10,090,918	10,472,959	10,880,775	10,684,184	11,072,222	11,831,797
Total pension liability, ending (a)	\$ 9,467,836	\$ 9,681,768	\$ 10,090,918	\$ 10,472,959	\$ 10,880,775	\$ 10,684,184	\$ 11,073,222
Fiduciary Net Position							
Employer contributions	\$ 94,000	\$ 210,000	\$ 222,000	\$ 173,000	\$ 173,000	\$ 64,000	\$ 64,000
Member contributions	-	-	-	-	-	-	1,000
Investment income net of investment expenses	1,109,000	1,449,000	(459,000)	1,191,000	562,000	(183,000)	334,000
Benefit payments	(1,138,000)	(992,000)	(1,017,000)	(1,044,000)	(1,076,000)	(1,108,000)	(1,542,000)
Administrative expenses	(1,000)	(4,000)	(4,000)	-	(10,000)	(15,000)	(11,000)
Net change in plan fiduciary net position	64,000	663,000	(1,258,000)	320,000	(351,000)	(1,242,000)	(1,154,000)
Fiduciary net position, beginning	9,196,000	8,533,000	9,791,000	9,471,000	9,822,000	11,064,000	12,218,000
Fiduciary net position, ending (b)	\$ 9,260,000	\$ 9,196,000	\$ 8,533,000	\$ 9,791,000	\$ 9,471,000	\$ 9,822,000	\$ 11,064,000
Net pension liability, ending (a) - (b)	\$ 207,836	\$ 485,768	\$ 1,557,918	\$ 681,959	\$ 1,409,775	\$ 862,184	\$ 9,222
Fiduciary net position as a % of total pension liability	97.80%	94.98%	84.56%	93.49%	87.04%	91.93%	99.92%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a % of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note to Schedule:

No active members are covered by this plan; therefore, payroll information is not applicable.
Information prior to 2014 was not available.

* Additional years' information will be displayed as it becomes available.

CITY OF BOULDER, COLORADO

Required Supplementary Information

Schedule of Employer Contributions

Old Hire Fire Pension Fund

Fiscal Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2011	\$ 60,510	104,000	(43,490)	N/A	N/A
2012	156,888	162,000	(5,112)	N/A	N/A
2013	97,999	159,000	(61,001)	N/A	N/A
2014	-	64,000	(64,000)	N/A	N/A
2015	-	64,000	(64,000)	N/A	N/A
2016	172,790	173,000	(210)	N/A	N/A
2017	172,790	173,000	(210)	N/A	N/A
2018	87,766	222,000	(134,234)	N/A	N/A
2019	87,766	210,000	(122,234)	N/A	N/A
2020	93,692	94,000	(308)	N/A	N/A

Note to Schedule:

Full actuarial valuations are performed biannually on even years. Covered payroll data shown for 2009 is based on the prior year's amount.

See Notes to Required Supplementary Information for other significant methods and assumptions.

CITY OF BOULDER, COLORADO

Required Supplementary Information

Schedule of Investment Returns

Old Hire Fire Pension Fund

Last Ten Fiscal Years*

<u>Fiscal Year Ending December 31,</u>	<u>Net Annual Money-Weighted Rate of Return</u>
2014	2.90%
2015	-1.74%
2016	6.01%
2017	13.18%
2018	-4.88%
2019	17.73%
2020	12.74%

Note to Schedule:

* Additional years' information will be displayed as it becomes available.

CITY OF BOULDER, COLORADO

Required Supplementary Information

Notes to Required Supplementary Information

Actuarial Assumptions

	"Old Hire" Police Defined Benefit Plan (See Note U)	"Old Hire" Fire Defined Benefit Plan (See Note U)	City of Boulder Retiree Health Care Benefit Plan (See Note W)
Actuarial valuation date	1/1/2020	1/1/2020	1/1/2019
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Amortization method	Open - Based on Expected Lifetime	Open - Based on Expected Lifetime	Open level percent of pay
Remaining amortization period	14 years	11 years	30 years
Asset valuation method	3-year smoothing	market value of assets	NA - nonfunded plan
Investment rate of return	6.5%	6.5%	NA - nonfunded plan
Inflation rate	2.50%	2.50%	2.5%
Salary increases	Not applicable	Not applicable	3.0%
Administrative Expense	NA	NA	Claims expenses are loaded into claims costs for all health benefits. Age and service eligibility requirements for PERA (Management and BMEA employees) and city provided pensions (Fire and Police)
Retirement age	NA - no actives	NA - no actives	Healthy lives use the Pub-2010 Healthy Annuitant Mortality Tables. Disabled Lives use the Pub-2010 Disabled Mortality Table. 25% of future eligible retired participants are assumed to participate upon retirement if they retire before age 65. After 65, they are assumed to decline coverage. 55% of future retirees who elect coverage are assumed to elect spousal coverage upon retirement
Retiree mortality	MP-2019 Improvement Scale	MP-2019 Improvement Scale	
Election of retirement coverage	NA	NA	Using the Getzen Model, the trend rate starts at 2.74% for 2019 and trends upward to a rate of 4.7% in 2098.
Probability of spouse coverage	NA	NA	NA
Minimum death benefit	\$515 per payperiod	\$515 per payperiod	NA
First class firefighter salary	\$3,457 per payperiod	\$3,457 per pay period	NA
Marriage rates	Actual for retirees	Actual for retirees	NA
Health care cost trend	NA	NA	NA
Form of payment	Normal payment method	Normal payment method	NA

Changes in Assumptions: There were no changes to actuarial assumptions of methods in the valuation reports referenced above during the year or as a result of implementation of Governmental Accounting Standards Board Statement 67 except as disclosed below. This includes changes of benefit terms, changes in the size or composition of the population covered by the benefit terms or the use of different assumptions. The few significant changes include:

First class firefighter salary	Increased from \$3,348 to \$3,457 per pay period	Increased from \$3,348 to \$3,457 per pay period	Updated to reflect highest negotiated rate. Updated to better reflect anticipated plan experience
Investment earnings assumption	NA	NA	Updated tables to Healthy Annuitant and Disabled Annuitant tables to better reflect anticipated plan experience.
Retiree mortality tables	Updated to MP-2019 Improvement Scale	Updated to MP-2019 Improvement Scale	

CITY OF BOULDER, COLORADO
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the
 Colorado Public Employees' Retirement Association Net Pension Liability
 Fiscal Year Ending December 31,

Fiscal Year	Last Ten Fiscal Years*						
	2020*	2019	2018*	2017*	2016*	2015*	2014*
Plan Measurement Date	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
City's proportion (percentage) of the collective net pension liability	12.3058295380%	12.4807217230%	12.8934904132%	12.3021746194%	12.3421455967%	11.9715197388%	11.9276751932%
City's proportionate share of the collective net pension liability	\$ 90,003,730	\$ 156,909,256	\$ 143,559,990	\$ 166,121,308	\$ 135,958,731	\$ 107,299,000	\$ 98,155,000
Covered payroll	\$ 81,026,290	\$ 84,664,026	\$ 78,333,659	\$ 74,487,487	\$ 68,099,369	\$ 65,598,580	\$ 64,077,750
City's proportionate share of the net pension liability as a percentage of its covered payroll	111.08%	185.33%	183.27%	223.02%	199.65%	163.57%	153.18%
Plan fiduciary net position as a percentage of the total pension liability	86.30%	75.96%	79.37%	73.65%	76.90%	80.70%	77.70%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2014 was not available.

CITY OF BOULDER, COLORADO
Required Supplementary Information
Schedule of the Contributions and Ratios
Colorado Public Employees' Retirement Association Net Pension Liability
Fiscal Year Ending December 31,

	Last Ten Fiscal Years*						
	2020	2019	2018	2017	2016	2015	2014
Statutorily required contributions	\$ 10,274,134	\$ 10,735,399	\$ 10,364,132	\$ 9,932,708	\$ 9,445,013	\$ 8,635,000	\$ 8,317,900
Contributions in relation to the statutorily required contributions	<u>10,274,134</u>	<u>10,735,399</u>	<u>10,364,132</u>	<u>9,932,708</u>	<u>9,445,013</u>	<u>8,635,000</u>	<u>8,317,900</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 81,026,290	\$ 84,664,026	\$ 81,736,054	\$ 78,333,659	\$ 74,487,487	\$ 68,099,369	\$ 65,598,580
Contribution as a percentage of covered payroll	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%

* The amounts presented for each fiscal year were determined as of December 31. Information earlier than 2014 was not available.

CITY OF BOULDER, COLORADO
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the
 Colorado Public Employees' Retirement Association Health Care Trust Fund Liability
 Fiscal Year Ending December 31,

Fiscal Year	Last Ten Fiscal Years*			
	2020*	2019	2018	2017
Plan Measurement Date	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016
City's proportion (percentage) of the collective net Health Care Trust Fund liability	0.9405197119%	0.9659273462%	0.9992691192%	0.9417482789%
City's proportionate share of the collective net Health Care Trust Fund liability	\$ 10,571,423	\$ 13,141,847	\$ 12,986,501	\$ 12,210,087
Covered payroll	\$ 81,026,290	\$ 84,664,026	\$ 78,333,659	\$ 74,487,487
City's proportionate share of the net Health Care Trust Fund liability as a percentage of its covered payroll	13.05%	15.52%	16.58%	16.39%
Plan fiduciary net position as a percentage of the total Health Care Trust Fund liability	24.49%	17.03%	17.53%	16.72%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2017 was not available.

CITY OF BOULDER, COLORADO
 Required Supplementary Information
 Schedule of the Contributions and Ratios
 Colorado Public Employees' Retirement Association Health Care Trust Fund Liability
 Fiscal Year Ending December 31,
 Last Ten Fiscal Years*

	2020*	2019	2018	2017
Statutorily required contributions	\$ 826,468	\$ 863,573	\$ 833,708	\$ 799,003
Contributions in relation to the statutorily required contributions	<u>826,468</u>	<u>863,573</u>	<u>833,708</u>	<u>799,003</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 81,026,290	\$ 84,664,026	\$ 81,736,054	\$ 78,333,659
Contribution as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%

* The amounts presented for each fiscal year were determined as of December 31. Information earlier than 2017 was not available.

CITY OF BOULDER, COLORADO

Required Supplementary Information

Schedule of Changes in Total OPEB Liability
and Related Ratios

OPEB Liability - City of Boulder Retiree Health Care Benefit Plan

Fiscal Year Ending December 31,

Last Ten Fiscal Years*

	<u>2020*</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability - City			
Service cost	\$ 303,959	\$ 491,680	\$ 409,308
Interest on total OPEB liability	186,549	246,205	244,903
Effect of plan changes	-	-	-
Effect of economic/demographic gains of losses	510,140	(627,461)	-
Effect of assumption changes or inputs	-	(2,272,228)	208,579
Benefit payments	(226,357)	(288,623)	(245,534)
Net change in total OPEB Liability - City	<u>774,291</u>	<u>(2,450,427)</u>	<u>617,256</u>
Total OPEB liability - City, beginning	<u>4,358,079</u>	<u>6,808,506</u>	<u>6,191,250</u>
Total OPEB liability - City, ending	<u>\$ 5,132,370</u>	<u>\$ 4,358,079</u>	<u>\$ 6,808,506</u>
Covered payroll	N/A	N/A	N/A
Total OPEB liability as a % of covered payroll	N/A	N/A	N/A

* Information before 2017 was not available.

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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. One former Special Revenue Fund did not meet the new requirements and has been combined with other general governmental operations into the General Fund. As a result, 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.

Governmental Capital Fund – to account for citywide capital projects funded from General Fund resources.

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

Combining Balance Sheet

General Fund

December 31, 2020

(Amounts in 000's)

<u>Assets</u>	<u>Core General Fund</u>	<u>Governmental Capital Fund</u>	<u>Community Hsg Asst Prgm Fund</u>	<u>Total General Fund</u>
Equity in pooled cash and cash equivalents	\$ 10,394	\$ 17,373	\$ 686	\$ 28,453
Investments	24,966	21,440	1,314	47,720
Receivables:				
General property taxes	39,978	-	3,198	43,176
Sales and use taxes	8,278	-	-	8,278
Accounts	1,156	-	-	1,156
Accrued interest	266	-	25	291
Intergovernmental	3,454	-	-	3,454
Total receivables	<u>53,132</u>	<u>-</u>	<u>3,223</u>	<u>56,355</u>
Inventory of materials and supplies	48	-	-	48
Restricted assets:				
Investments for special purposes	92	-	-	92
Total restricted assets	<u>92</u>	<u>-</u>	<u>-</u>	<u>92</u>
Other assets	102	-	-	102
Total assets	<u>88,734</u>	<u>38,813</u>	<u>5,223</u>	<u>132,770</u>
Total assets	<u>\$ 88,734</u>	<u>\$ 38,813</u>	<u>\$ 5,223</u>	<u>\$ 132,770</u>

<u>Liabilities, Deferred Inflows of Resources and Fund</u> <u>Balance</u>	Core General <u>Fund</u>	Governmental Capital <u>Fund</u>	Community Hsg Asst Prgm <u>Fund</u>	Total General <u>Fund</u>
Liabilities:				
Accounts and accrued liabilities:				
Vouchers and accounts payable	\$ 3,324	\$ 614	\$ 152	\$ 4,090
Contracts and retainage payable	59	438	-	497
Accrued salaries, wages and amounts withheld from employees	3,628	-	14	3,642
Advances from other funds	381	-	-	381
Other liabilities	418	-	-	418
Unearned revenue	183	-	-	183
Total liabilities	<u>7,993</u>	<u>1,052</u>	<u>166</u>	<u>9,211</u>
Deferred inflows of resources:				
Property tax	39,773	-	3,198	42,971
Grants and other deferrals	3,059	-	-	3,059
Deferred inflows of resources	<u>42,832</u>	<u>-</u>	<u>3,198</u>	<u>46,030</u>
Fund balances:				
Nonspendable:				
Prepaid	102	-	-	102
Inventory	48	-	-	48
Restricted:				
Legally restricted	2,291	-	-	2,291
Capital projects	139	-	-	139
Donor restrictions	55	-	-	55
Assigned:				
Special purposes	3,215	-	1,859	5,074
Contractual obligations	2,670	-	-	2,670
Unassigned	29,389	37,761	-	67,150
Total fund balances	<u>37,909</u>	<u>37,761</u>	<u>1,859</u>	<u>77,529</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 88,734</u>	<u>\$ 38,813</u>	<u>\$ 5,223</u>	<u>\$ 132,770</u>

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CITY OF BOULDER, COLORADO

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

General Fund

Year ended December 31, 2020
(Amounts in 000's)

	Core General Fund	Government Capital Fund	Community Hsg Asst Prgm Fund	Total General Fund
Revenues:				
Taxes:				
Sales and use taxes	\$ 65,098	\$ -	\$ -	\$ 65,098
General property taxes	39,406	-	3,167	42,573
Accommodations taxes	4,007	-	-	4,007
Occupation taxes	9,833	-	-	9,833
Specific ownership & tobacco taxes	2,603	-	-	2,603
Excise taxes	1,024	-	-	1,024
Charges for services	3,872	-	7	3,879
Sale of goods	34	-	119	153
Licenses, permits and fines	4,748	-	-	4,748
Intergovernmental	2,545	-	-	2,545
Leases, rents and royalties	117	40	-	157
Interest and investment earnings	1,214	82	45	1,341
Other	2,086	-	244	2,330
Total revenues	136,587	122	3,582	140,291
Expenditures:				
Current:				
General Government	22,549	112	-	22,661
Administrative Services	7,766	4,374	-	12,140
Public Safety	61,028	197	-	61,225
Public Works	6,691	5,719	-	12,410
Planning & Development Services	2,899	-	-	2,899
Culture and Recreation	12,975	-	-	12,975
Open Space and Mountain Parks	299	-	-	299
Housing and Human Services	9,045	-	3,160	12,205
Debt service payments:				
Principal	3,395	262	-	3,657
Interest	1,661	70	-	1,731
Total expenditures	128,308	10,734	3,160	142,202
Excess (deficiency) of revenues over (under) expenditures	8,279	(10,612)	422	(1,911)
Other financing sources (uses):				
Long-Term Notes Issued	8,960	-	-	8,960
Transfers in	28	11,142	-	11,170
Transfers out	(17,581)	-	-	(17,581)
Payment to refunding bond escrow agent	(8,520)	-	-	(8,520)
Total other financing sources (uses)	(17,113)	11,142	-	(5,971)
Net change in fund balances	(8,834)	530	422	(7,882)
Fund balances, beginning of year	46,743	37,231	1,437	85,411
Fund balances, end of year	\$ 37,909	\$ 37,761	\$ 1,859	\$ 77,529

CITY OF BOULDER, COLORADO

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

Core General Fund

Year ended December 31, 2020

(Amounts in 000's)

	Budgeted amounts		Actual amounts	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Sales and use taxes	\$ 66,076	\$ 66,076	\$ 65,098	\$ (978)
General property taxes	39,456	39,456	39,406	(50)
Accommodations taxes	10,659	10,659	4,007	(6,652)
Occupation taxes	9,947	9,947	9,833	(114)
Specific ownership & tobacco taxes	2,409	2,409	2,603	194
Excise taxes	950	950	1,024	74
Charges for services	5,996	6,005	3,872	(2,133)
Sale of goods	75	75	34	(41)
Licenses, permits and fines	6,680	6,780	4,748	(2,032)
Intergovernmental	1,629	7,233	2,545	(4,688)
Leases, rents and royalties	295	295	117	(178)
Interest and investment earnings	750	750	844	94
Other	1,020	2,140	2,086	(54)
Total revenues	<u>145,942</u>	<u>152,775</u>	<u>136,217</u>	<u>(16,558)</u>
Expenditures:				
Current:				
General Government	15,855	22,815	17,387	5,428
Administrative Services	18,696	19,051	15,013	4,038
Public Safety	60,528	62,944	61,247	1,697
Public Works	6,251	7,080	6,663	417
Planning & Development Services	2,837	3,894	3,228	666
Culture and Recreation	13,731	14,768	13,131	1,637
Open Space and Mountain Parks	185	185	242	(57)
Housing and Human Services	9,732	12,351	9,423	2,928
Debt service payments:				
Principal	2,795	2,795	3,395	(600)
Interest	1,647	1,647	1,640	7
Total expenditures	<u>132,257</u>	<u>147,530</u>	<u>131,369</u>	<u>16,161</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,685</u>	<u>5,245</u>	<u>4,848</u>	<u>(397)</u>

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Other financing sources (uses):				
Transfers in	28	28	28	-
Transfers out	<u>(17,819)</u>	<u>(20,103)</u>	<u>(17,819)</u>	<u>2,284</u>
Total other financing sources (uses)	<u>(17,791)</u>	<u>(20,075)</u>	<u>(17,791)</u>	<u>2,284</u>
Net change in fund balance	\$ <u>(4,106)</u>	\$ <u>(14,830)</u>	(12,943)	\$ <u>1,887</u>
Encumbrances, end of year			2,809	
Fund balance, beginning of year, basis of budgeting			<u>50,843</u>	
Fund balance, end of year, basis of budgeting			40,709	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			928	
Accrued salaries, wages and amounts withheld from employees			(3,783)	
Long-Term Notes Issued			8,960	
Payment to refunding bond escrow agent			(8,520)	
Deferred inflows			(4)	
Advances from other funds			<u>(381)</u>	
Fund balance, end of year, GAAP basis			\$ <u>37,909</u>	

CITY OF BOULDER, COLORADO

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

Governmental Capital Fund

Year ended December 31, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Leases, rents and royalties	\$ -	\$ -	\$ 40	\$ 40
Interest and investment earnings	-	-	82	82
Total revenues	<u>-</u>	<u>-</u>	<u>122</u>	<u>122</u>
Expenditures:				
Current:				
General Government	1,266	1,266	262	1,004
Administrative Services	3,385	22,768	14,048	8,720
Public Safety	100	3,095	294	2,801
Public Works	6,127	15,686	7,743	7,943
Culture and Recreation	<u>700</u>	<u>1,797</u>	<u>-</u>	<u>1,797</u>
Debt service payments:				
Principal	-	-	262	(262)
Interest	<u>-</u>	<u>-</u>	<u>70</u>	<u>(70)</u>
Total expenditures	<u>11,578</u>	<u>44,612</u>	<u>22,679</u>	<u>21,933</u>
Excess (deficiency) of revenues over (under) expenditures	(11,578)	(44,612)	(22,557)	22,055
Other financing sources:				
Transfers in	<u>11,142</u>	<u>11,739</u>	<u>11,142</u>	<u>(597)</u>
Total other financing sources (uses)	<u>11,142</u>	<u>11,739</u>	<u>11,142</u>	<u>(597)</u>
Net change in fund balance	\$ <u>(436)</u>	\$ <u>(32,873)</u>	(11,415)	\$ <u>21,458</u>
Encumbrances, end of year			11,945	
Fund balance, beginning of year, basis of budgeting			<u>37,231</u>	
Fund balance, end of year, basis of budgeting			<u>37,761</u>	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			1	
Accrued salaries, wages and amounts withheld from employees			<u>(1)</u>	
Fund balance, end of year, GAAP basis			\$ <u>37,761</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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
General property taxes	\$ 3,173	\$ 3,173	\$ 3,167	\$ (6)
Charges for services	5	5	7	2
Sale of goods and capital assets	-	-	119	119
Interest and investment earnings	-	-	25	25
Other	-	-	244	244
Total revenues	<u>3,178</u>	<u>3,178</u>	<u>3,562</u>	<u>384</u>
Expenditures:				
Current:				
Housing and Human Services	<u>3,177</u>	<u>4,525</u>	<u>3,168</u>	<u>1,357</u>
Total expenditures	<u>3,177</u>	<u>4,525</u>	<u>3,168</u>	<u>1,357</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1</u>	<u>(1,347)</u>	394	<u>1,741</u>
Net change in fund balance	\$ <u><u>1</u></u>	\$ <u><u>(1,347)</u></u>	394	\$ <u><u>1,741</u></u>
Encumbrances, end of year			-	
Fund balance, beginning of year, basis of budgeting			<u>1,450</u>	
Fund balance, end of year, basis of budgeting			1,844	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			28	
Accrued salaries, wages and amounts withheld from employees			<u>(13)</u>	
Fund balance, end of year, GAAP basis			\$ <u><u>1,859</u></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.

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

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.

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.

Sugar-Sweetened Beverage Tax Fund – to account for earmarked taxes authorized by voters in 2016 to support health and general wellness programs and chronic disease prevention.

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 30th 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.

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.

Capital Improvement CCS Fund – to account for the construction and improvement of capital assets for the Community, Culture and Safety sales and use tax increase. The sales and use tax revenues will be used to improve community spaces, bolster cultural projects and organizations, and enhance safety.

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CITY OF BOULDER, COLORADO

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2020

(Amounts in 000's)

<u>Assets and Deferred Outflows of Resources</u>	<u>Special Revenue</u>	<u>Capital Project</u>	<u>Total</u>
Equity in pooled cash and cash equivalents	\$ 4,555	\$ 996	\$ 5,551
Investments	52,323	25,707	78,030
Receivables:			
General property taxes	1,701	3,598	5,299
Sales and use taxes	1,193	1,177	2,370
Accounts	811	-	811
Accrued interest	265	48	313
Intergovernmental	965	140	1,105
Total receivables	<u>4,935</u>	<u>4,963</u>	<u>9,898</u>
Inventory of materials and supplies	36	-	36
Restricted assets:			
Investments for special purposes	485	-	485
Total restricted assets	<u>485</u>	<u>-</u>	<u>485</u>
Other assets	<u>72</u>	<u>-</u>	<u>72</u>
Total assets and deferred outflows of resources	<u>\$ 62,406</u>	<u>\$ 31,666</u>	<u>\$ 94,072</u>
 <u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>			
Liabilities:			
Accounts and accrued liabilities:			
Vouchers and accounts payable	\$ 1,989	\$ 694	\$ 2,683
Contracts and retainage payable	1,225	578	1,803
Accrued salaries, wages and amounts withheld from employees	716	45	761
Other liabilities	768	-	768
Unearned revenue	55	-	55
Total liabilities	<u>4,753</u>	<u>1,317</u>	<u>6,070</u>
Deferred inflows of resources:			
Total Deferred inflow of resources	<u>2,030</u>	<u>3,740</u>	<u>5,770</u>
Fund balances:			
Nonspendable:			
Prepaid/receivable	72	-	72
Inventory	36	-	36
Restricted:			
Legally restricted	10,782	-	10,782
Capital projects	-	19,544	19,544
Development fees	6,279	-	6,279
Lottery funds	3,256	-	3,256
Donor restrictions	438	-	438
Committed:			
Affordable housing	6,508	-	6,508
Transportation projects	4,375	-	4,375
Assigned:			
Special purposes	23,877	7,065	30,942
Total fund balances	<u>55,623</u>	<u>26,609</u>	<u>82,232</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 62,406</u>	<u>\$ 31,666</u>	<u>\$ 94,072</u>

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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, 2020

(Amounts in 000's)

	<u>Special Revenue</u>	<u>Capital Project</u>	<u>Total</u>
Revenues:			
Taxes:			
Sales and use taxes	\$ 8,647	\$ 10,891	\$ 19,538
General property taxes	1,666	3,565	5,231
Franchise & occupation taxes	1,811	-	1,811
Specific own & tobacco taxes	15	-	15
Excise taxes	5,024	153	5,177
Charges for services	12,473	76	12,549
Sale of goods	7,326	-	7,326
License, permits and fines	7,770	-	7,770
Intergovernmental	10,160	-	10,160
Leases, rents and royalties	1,625	14	1,639
Interest and investment earnings	1,718	808	2,526
Other	1,278	6	1,284
Total revenues	<u>59,513</u>	<u>15,513</u>	<u>75,026</u>
Expenditures:			
Current:			
General Government	195	-	195
Energy Strategy	69	-	69
Public Works	9,561	1	9,562
Planning & Development Services	14,866	-	14,866
Culture and Recreation	20,584	2,640	23,224
Open Space and Mountain Parks	723	-	723
Housing and Human Services	24,805	-	24,805
Capital outlay	-	3,377	3,377
Debt service payments:			
Principal	-	1,993	1,993
Interest	-	190	190
Total expenditures	<u>70,803</u>	<u>8,201</u>	<u>79,004</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,290)</u>	<u>7,312</u>	<u>(3,978)</u>
Other financing sources (uses):			
Proceeds from bonds payable	-	-	-
Transfers in	6,641	-	6,641
Transfers out	(455)	-	(455)
Total other financing sources (uses)	<u>6,186</u>	<u>-</u>	<u>6,186</u>
Net change in fund balances	(5,104)	7,312	2,208
Fund balances, beginning of year	<u>60,727</u>	<u>19,297</u>	<u>80,024</u>
Fund balances, end of year	<u>\$ 55,623</u>	<u>\$ 26,609</u>	<u>\$ 82,232</u>

CITY OF BOULDER, COLORADO

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2020

(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	Library Fund	Recreation Activity Fund
Equity in pooled cash and cash equivalents	\$ 1,275	\$ 798	\$ 589	\$ 66	\$ 275	\$ 203	\$ 162
Investments	12,501	2,614	12,017	6,851	4,511	703	1,252
Receivables:							
General property taxes	-	-	-	-	-	1,332	-
Sales and use taxes	-	-	-	-	981	-	-
Accounts	-	-	46	1	87	-	53
Accrued interest	40	11	55	98	18	2	12
Intergovernmental	-	-	3	-	42	-	1
Total receivables	<u>40</u>	<u>11</u>	<u>104</u>	<u>99</u>	<u>1,128</u>	<u>1,334</u>	<u>66</u>
Inventory of materials and supplies	-	-	-	-	-	-	36
Restricted assets:							
Investments for special purposes	-	-	-	-	4	480	1
Total restricted assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>480</u>	<u>1</u>
Other assets	-	-	72	-	-	-	-
Total assets	<u>13,816</u>	<u>3,423</u>	<u>12,782</u>	<u>7,016</u>	<u>5,918</u>	<u>2,720</u>	<u>1,517</u>
Total assets and deferred outflows of resources	<u>\$ 13,816</u>	<u>\$ 3,423</u>	<u>\$ 12,782</u>	<u>\$ 7,016</u>	<u>\$ 5,918</u>	<u>\$ 2,720</u>	<u>\$ 1,517</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>							
Liabilities:							
Accounts and accrued liabilities:							
Vouchers and accounts payable	\$ 23	\$ 114	\$ 58	\$ 346	\$ 182	\$ 59	\$ 135
Contracts and retainage payable	267	53	1	129	230	-	-
Accrued salaries, wages and amounts withheld from employees	-	-	346	26	120	4	161
Other liabilities	-	-	719	7	32	-	-
Unearned revenue	-	-	-	-	-	-	55
Total liabilities	<u>290</u>	<u>167</u>	<u>1,124</u>	<u>508</u>	<u>564</u>	<u>63</u>	<u>351</u>
Deferred inflows of resources:							
Property tax	-	-	-	-	-	1,331	-
Grants and other deferrals	-	-	46	-	40	-	1
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>46</u>	<u>-</u>	<u>40</u>	<u>1,331</u>	<u>1</u>
Fund balances:							
Nonspendable:							
Prepaid/Receivable	-	-	72	-	-	-	-
Inventory	-	-	-	-	-	-	36
Restricted:							
Legally restricted	-	-	1	-	5,062	-	-
Development fees	6,279	-	-	-	-	-	-
Lottery funds	-	3,256	-	-	-	-	-
Donor restrictions	-	-	-	-	252	124	62
Committed:							
Affordable housing	-	-	-	6,508	-	-	-
Transportation projects	-	-	-	-	-	-	-
Assigned:							
Special purposes	7,247	-	11,539	-	-	1,202	1,067
Total fund balances	<u>13,526</u>	<u>3,256</u>	<u>11,612</u>	<u>6,508</u>	<u>5,314</u>	<u>1,326</u>	<u>1,165</u>
Total liabilities, deferred inflows from resources and fund balances	<u>\$ 13,816</u>	<u>\$ 3,423</u>	<u>\$ 12,782</u>	<u>\$ 7,016</u>	<u>\$ 5,918</u>	<u>\$ 2,720</u>	<u>\$ 1,517</u>

(continued)

Climate Action Plan Tax Fund	Airport Fund	Transportation Development Fund	Transit Pass General Improvement District	Boulder Junction Access GID - TDM	Sugar Tax Fund	Community Development Fund	HOME Fund	Total
\$ 131	\$ 49	\$ 477	\$ 36	\$ 294	\$ 200	\$ -	\$ -	\$ 4,555
2,673	2,179	6,333	-	139	550	-	-	52,323
-	-	-	12	357	-	-	-	1,701
-	-	-	-	-	212	-	-	1,193
307	54	-	-	17	246	-	-	811
8	2	19	-	-	-	-	-	265
2	832	-	-	-	-	56	29	965
<u>317</u>	<u>888</u>	<u>19</u>	<u>12</u>	<u>374</u>	<u>458</u>	<u>56</u>	<u>29</u>	<u>4,935</u>
-	-	-	-	-	-	-	-	36
-	-	-	-	-	-	-	-	485
-	-	-	-	-	-	-	-	485
-	-	-	-	-	-	-	-	72
<u>3,121</u>	<u>3,116</u>	<u>6,829</u>	<u>48</u>	<u>807</u>	<u>1,208</u>	<u>56</u>	<u>29</u>	<u>62,406</u>
<u>\$ 3,121</u>	<u>\$ 3,116</u>	<u>\$ 6,829</u>	<u>\$ 48</u>	<u>\$ 807</u>	<u>\$ 1,208</u>	<u>\$ 56</u>	<u>\$ 29</u>	<u>\$ 62,406</u>
\$ 405	\$ 500	\$ 80	\$ -	\$ -	\$ 9	\$ 50	\$ 28	\$ 1,989
8	505	32	-	-	-	-	-	1,225
34	7	-	-	1	10	6	1	716
-	10	-	-	-	-	-	-	768
-	-	-	-	-	-	-	-	55
<u>447</u>	<u>1,022</u>	<u>112</u>	<u>-</u>	<u>1</u>	<u>19</u>	<u>56</u>	<u>29</u>	<u>4,753</u>
-	-	-	12	356	-	-	-	1,699
121	79	-	-	6	38	-	-	331
<u>121</u>	<u>79</u>	<u>-</u>	<u>12</u>	<u>362</u>	<u>38</u>	<u>-</u>	<u>-</u>	<u>2,030</u>
-	-	-	-	-	-	-	-	72
-	-	-	-	-	-	-	-	36
2,553	2,015	-	-	-	1,151	-	-	10,782
-	-	-	-	-	-	-	-	6,279
-	-	-	-	-	-	-	-	3,256
-	-	-	-	-	-	-	-	438
-	-	-	-	-	-	-	-	6,508
-	-	4,375	-	-	-	-	-	4,375
-	-	2,342	36	444	-	-	-	23,877
<u>2,553</u>	<u>2,015</u>	<u>6,717</u>	<u>36</u>	<u>444</u>	<u>1,151</u>	<u>-</u>	<u>-</u>	<u>55,623</u>
<u>\$ 3,121</u>	<u>\$ 3,116</u>	<u>\$ 6,829</u>	<u>\$ 48</u>	<u>\$ 807</u>	<u>\$ 1,208</u>	<u>\$ 56</u>	<u>\$ 29</u>	<u>\$ 62,406</u>

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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, 2020

(Amounts in 000's)

	Capital Development Fund	Lottery Fund	Planning & Development Services Fund	Affordable Housing Fund
Revenues:				
Taxes:				
Sales, use and other taxes	\$ -	\$ -	\$ -	\$ -
General property taxes	-	-	-	-
Franchise & occupation taxes	-	-	-	-
Specific ownership & tobacco taxes	-	-	-	-
Excise taxes	-	-	-	-
Charges for services	1,999	-	1,952	4,313
Sale of goods and capital assets	-	-	-	7,200
Licenses, permits and fines	-	-	7,768	-
Intergovernmental	-	1,099	-	1,001
Leases, rents and royalties	-	-	-	326
Interest and investment earnings	388	92	440	196
Other	-	-	5	45
Total revenues	<u>2,387</u>	<u>1,191</u>	<u>10,165</u>	<u>13,081</u>
Expenditures:				
Current:				
General Government	-	-	-	-
Administrative Services	-	-	-	-
Public Works	2,170	-	-	-
Planning & Development Services	-	-	12,812	-
Culture and Recreation	-	400	-	-
Open Space and Mountain Parks	-	723	-	-
Housing and Human Services	-	-	-	14,646
Total expenditures	<u>2,170</u>	<u>1,123</u>	<u>12,812</u>	<u>14,646</u>
Excess (deficiency) of revenues over (under) expenditures	<u>217</u>	<u>68</u>	<u>(2,647)</u>	<u>(1,565)</u>
Other financing sources (uses):				
Transfers in	-	-	3,687	1,137
Transfers out	(20)	-	-	(1)
Total other financing sources (uses)	<u>(20)</u>	<u>-</u>	<u>3,687</u>	<u>1,136</u>
Net change in fund balances	197	68	1,040	(429)
Fund balances, beginning of year	<u>13,329</u>	<u>3,188</u>	<u>10,572</u>	<u>6,937</u>
Fund balances, end of year	\$ <u>13,526</u>	\$ <u>3,256</u>	\$ <u>11,612</u>	\$ <u>6,508</u>

CITY OF BOULDER, COLORADO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

Year ended December 31, 2020

(Amounts in 000's)

	<u>.25 Cent Sales Tax Fund</u>	<u>Library Fund</u>	<u>Recreation Activity Fund</u>	<u>Climate Action Plan Tax Fund</u>	<u>Airport Fund</u>	<u>Trans- portation Development Fund</u>
Revenues:						
Taxes:						
Sales and use taxes	\$ 8,647	\$ -	\$ -	\$ -	\$ -	\$ -
General property taxes	-	1,319	-	-	-	-
Franchise & occupation taxes	-	-	-	1,811	-	-
Specific ownership & tobacco taxes	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	1,276
Charges for services	45	-	3,714	328	36	86
Sale of goods	-	-	126	-	-	-
Licenses, permits and fines	2	-	-	-	-	-
Intergovernmental	102	-	-	-	5,113	-
Leases, rents and royalties	-	-	744	-	555	-
Interest and investment earnings	214	-	28	48	77	231
Other	351	360	296	-	3	-
Total revenues	<u>9,361</u>	<u>1,679</u>	<u>4,908</u>	<u>2,187</u>	<u>5,784</u>	<u>1,593</u>
Expenditures:						
Current:						
General Government	-	-	-	-	-	-
Administrative Services	-	-	-	-	-	-
Public Works	338	-	-	-	5,919	1,122
Planning & Development Services	-	-	-	2,054	-	-
Culture and Recreation	12,190	1,325	6,669	-	-	-
Open Space and Mountain Parks	-	-	-	-	-	-
Housing and Human Services	-	-	-	-	-	-
Total expenditures	<u>12,528</u>	<u>1,325</u>	<u>6,669</u>	<u>2,054</u>	<u>5,919</u>	<u>1,122</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,167)</u>	<u>354</u>	<u>(1,761)</u>	<u>133</u>	<u>(135)</u>	<u>471</u>
Other financing sources (uses):						
Transfers in	-	-	1,812	-	-	-
Transfers out	(250)	-	-	-	-	(9)
Total other financing sources (uses)	<u>(250)</u>	<u>-</u>	<u>1,812</u>	<u>-</u>	<u>-</u>	<u>(9)</u>
Net change in fund balances	<u>(3,417)</u>	<u>354</u>	<u>51</u>	<u>133</u>	<u>(135)</u>	<u>462</u>
Fund balances, beginning of year	<u>8,731</u>	<u>972</u>	<u>1,114</u>	<u>2,420</u>	<u>2,150</u>	<u>6,255</u>
Fund balances, end of year	<u>\$ 5,314</u>	<u>\$ 1,326</u>	<u>\$ 1,165</u>	<u>\$ 2,553</u>	<u>\$ 2,015</u>	<u>\$ 6,717</u>

Transit Pass General Improvement District	Boulder Junction Access GID- TDM	Sugar- Sweetened Beverage Tax Fund	Community Development Fund	HOME Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,647
14	333	-	-	-	1,666
-	-	-	-	-	1,811
1	14	-	-	-	15
-	-	3,748	-	-	5,024
-	-	-	-	-	12,473
-	-	-	-	-	7,326
-	-	-	-	-	7,770
-	-	-	853	1,992	10,160
-	-	-	-	-	1,625
-	4	-	-	-	1,718
-	-	218	-	-	1,278
<u>15</u>	<u>351</u>	<u>3,966</u>	<u>853</u>	<u>1,992</u>	<u>59,513</u>
-	195	-	-	-	195
-	-	69	-	-	69
12	-	-	-	-	9,561
-	-	-	-	-	14,866
-	-	-	-	-	20,584
-	-	-	-	-	723
-	-	7,314	853	1,992	24,805
<u>12</u>	<u>195</u>	<u>7,383</u>	<u>853</u>	<u>1,992</u>	<u>70,803</u>
<u>3</u>	<u>156</u>	<u>(3,417)</u>	<u>-</u>	<u>-</u>	<u>(11,290)</u>
5	-	-	-	-	6,641
-	(175)	-	-	-	(455)
<u>5</u>	<u>(175)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,186</u>
8	(19)	(3,417)	-	-	(5,104)
<u>28</u>	<u>463</u>	<u>4,568</u>	<u>-</u>	<u>-</u>	<u>60,727</u>
<u>\$ 36</u>	<u>\$ 444</u>	<u>\$ 1,151</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,623</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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Excise taxes	\$		\$ -	\$ -
Charges for services	551	551	1,999	1,448
Interest and investment earnings	<u>171</u>	<u>171</u>	<u>257</u>	<u>86</u>
Total revenues	<u>722</u>	<u>722</u>	<u>2,256</u>	<u>1,534</u>
Expenditures:				
Current:				
Public Works	<u>3,400</u>	<u>5,614</u>	<u>2,390</u>	<u>3,224</u>
Total expenditures	<u>3,400</u>	<u>5,614</u>	<u>2,390</u>	<u>3,224</u>
Excess (deficiency) of revenues over (under) expenditures	(2,678)	(4,892)	(134)	4,758
Other financing uses:				
Transfers out	<u>(19)</u>	<u>(19)</u>	<u>(19)</u>	<u>-</u>
Total other financing sources (uses)	<u>(19)</u>	<u>(19)</u>	<u>(19)</u>	<u>-</u>
Net change in fund balance	\$ <u><u>(2,697)</u></u>	\$ <u><u>(4,911)</u></u>	(153)	\$ <u><u>4,758</u></u>
Encumbrances, end of year			220	
Fund balance, beginning of year, basis of budgeting			<u>13,234</u>	
Fund balance, end of year, basis of budgeting			13,301	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			<u>225</u>	
Fund balance, end of year, GAAP basis			\$ <u><u>13,526</u></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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 999	\$ 999	\$ 1,099	\$ 100
Interest and investment earnings	8	8	54	46
Total revenues	<u>1,007</u>	<u>1,007</u>	<u>1,153</u>	<u>146</u>
Expenditures:				
Current:				
Public Works	151	1,745	-	1,745
Culture and Recreation	428	723	512	211
Open Space and Mountain Parks	428	1,579	1,034	545
Total expenditures	<u>1,007</u>	<u>4,047</u>	<u>1,546</u>	<u>2,501</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(3,040)</u>	<u>(393)</u>	<u>2,647</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>(3,040)</u>	(393)	\$ <u>2,647</u>
Encumbrances, end of year			423	
Fund balance, beginning of year, basis of budgeting			<u>3,169</u>	
Fund balance, end of year, basis of budgeting			3,199	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			<u>57</u>	
Fund balance, end of year, GAAP basis			\$ <u>3,256</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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 1,862	\$ 1,862	\$ 1,952	\$ 90
Sale of goods	12	12	-	(12)
Licenses, permits and fines	7,020	7,020	7,768	748
Interest and investment earnings	175	175	266	91
Other	-	-	5	5
Total revenues	<u>9,069</u>	<u>9,069</u>	<u>9,991</u>	<u>922</u>
Expenditures:				
Current:				
Planning & Development Services	14,514	15,412	13,118	2,294
Total expenditures	<u>14,514</u>	<u>15,412</u>	<u>13,118</u>	<u>2,294</u>
Excess (deficiency) of revenues over (under) expenditures	(5,445)	(6,343)	(3,127)	3,216
Other financing sources (uses):				
Transfers in	3,687	3,687	3,687	-
Total other financing sources (uses)	<u>3,687</u>	<u>3,687</u>	<u>3,687</u>	<u>-</u>
Net change in fund balance	\$ <u>(1,758)</u>	\$ <u>(2,656)</u>	560	\$ <u>3,216</u>
Encumbrances, end of year			218	
Fund balance, beginning of year, basis of budgeting			<u>10,922</u>	
Fund balance, end of year, basis of budgeting			11,700	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			258	
Unearned revenue			-	
Accrued salaries, wages and amounts withheld from employees			<u>(346)</u>	
Fund balance, end of year, GAAP basis			\$ <u>11,612</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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Charges for services	\$ 3,817	\$ 5,477	\$ 4,313	\$ (1,164)
Sale of goods and capital assets	-	6,000	7,200	1,200
Licenses, permits and fines			-	-
Intergovernmental			1,001	1,001
Leases, rents and royalties	220	220	326	106
Interest and investment earnings	20	20	123	103
Other	-	-	45	45
Total revenues	<u>4,057</u>	<u>11,717</u>	<u>13,008</u>	<u>1,291</u>
Expenditures:				
Current:				
Housing and Human Services	<u>3,165</u>	<u>16,530</u>	<u>15,278</u>	<u>1,252</u>
Total expenditures	<u>3,165</u>	<u>16,530</u>	<u>15,278</u>	<u>1,252</u>
Excess (deficiency) of revenues over (under) expenditures	892	(4,813)	(2,270)	2,543
Other financing sources (uses):				
Transfers in	1,137	1,137	1,137	-
Transfers out	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>	<u>-</u>
Total other financing sources (uses)	<u>1,136</u>	<u>1,136</u>	<u>1,136</u>	<u>-</u>
Net change in fund balance	\$ <u>2,028</u>	\$ <u>(3,677)</u>	(1,134)	\$ <u>2,543</u>
Encumbrances, end of year			627	
Fund balance, beginning of year, basis of budgeting			<u>6,913</u>	
Fund balance, end of year, basis of budgeting			6,406	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			128	
Accrued salaries, wages and amounts withheld from employees			<u>(26)</u>	
Fund balance, end of year, GAAP basis			\$ <u>6,508</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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Sales and use taxes	\$ 8,805	\$ 8,805	\$ 8,647	\$ (158)
Charges for services	30	66	45	(21)
Sale of goods and capital assets	5	5	-	(5)
Licenses, permits and fines	-	-	2	2
Intergovernmental	-	101	102	1
Interest and investment earnings	70	70	152	82
Other	79	226	351	125
Total revenues	<u>8,989</u>	<u>9,273</u>	<u>9,299</u>	<u>26</u>
Expenditures:				
Current:				
Public Works	450	461	336	125
Culture and Recreation	8,981	15,109	12,801	2,308
Total expenditures	<u>9,431</u>	<u>15,570</u>	<u>13,137</u>	<u>2,433</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(442)</u>	<u>(6,297)</u>	<u>(3,838)</u>	<u>2,459</u>
Other financing uses -				
Transfers out	-	(250)	(250)	-
Payment to refunding bond escrow agent	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(250)</u>	<u>(250)</u>	<u>-</u>
 Net change in fund balance	 <u>\$ (442)</u>	 <u>\$ (6,547)</u>	 (4,088)	 <u>\$ 2,459</u>
 Encumbrances, end of year			587	
Fund balance, beginning of year, basis of budgeting			<u>8,836</u>	
Fund balance, end of year, basis of budgeting			5,335	
Basis of budgeting to GAAP basis reconciliation:				
Unearned revenue			(10)	
Fair market value adjustment to investments			109	
Accrued salaries, wages and amounts withheld from employees			<u>(120)</u>	
Fund balance, end of year, GAAP basis			<u>\$ 5,314</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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	<u>Variance with final budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
General property taxes	\$ 1,322	\$ 1,322	\$ 1,319	\$ (3)
Other	<u>290</u>	<u>400</u>	<u>360</u>	<u>(40)</u>
Total revenues	<u>1,612</u>	<u>1,722</u>	<u>1,679</u>	<u>(43)</u>
Expenditures:				
Current:				
Culture and Recreation	<u>1,561</u>	<u>1,817</u>	<u>1,328</u>	<u>489</u>
Total expenditures	<u>1,561</u>	<u>1,817</u>	<u>1,328</u>	<u>489</u>
Excess (deficiency) of revenues over (under) expenditures	<u>51</u>	<u>(95)</u>	351	<u>446</u>
 Net change in fund balance	 <u>\$ 51</u>	 <u>\$ (95)</u>	351	 <u>\$ 446</u>
 Encumbrances, end of year			-	
Fund balance, beginning of year, basis of budgeting			<u>960</u>	
Fund balance, end of year, basis of budgeting			1,311	
 Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			18	
Accrued salaries, wages and amounts withheld from employees			<u>(3)</u>	
 Fund balance, end of year, GAAP basis			 <u>\$ 1,326</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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 5,524	\$ 9,558	\$ 3,714	\$ (5,844)
Sale of goods	2,765	95	126	31
Licenses, permits and fines	247	-	-	-
Intergovernmental	-	-	-	-
Leases, rents and royalties	1,584	647	744	97
Interest and investment earnings	-	-	24	24
Other	99	203	296	93
Total revenues	<u>10,219</u>	<u>10,503</u>	<u>4,904</u>	<u>(5,599)</u>
Expenditures:				
Current:				
Culture and Recreation	11,647	12,208	7,078	5,130
Total expenditures	<u>11,647</u>	<u>12,208</u>	<u>7,078</u>	<u>5,130</u>
Excess (deficiency) of revenues over (under) expenditures	(1,428)	(1,705)	(2,174)	(469)
Other financing sources (uses):				
Transfers in	1,562	1,812	1,812	-
Total other financing sources (uses)	<u>1,562</u>	<u>1,812</u>	<u>1,812</u>	<u>-</u>
Net change in fund balance	\$ <u>134</u>	\$ <u>107</u>	(362)	\$ <u>(469)</u>
Encumbrances, end of year			292	
Fund balance, beginning of year, basis of budgeting			<u>1,381</u>	
Fund balance, end of year, basis of budgeting			1,311	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			15	
Accrued salaries, wages and amounts withheld from employees			<u>(161)</u>	
Fund balance, end of year, GAAP basis			\$ <u>1,165</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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Franchise & occupation taxes	\$ 1,711	\$ 1,711	\$ 1,811	\$ 100
Charges for services	400	400	328	(72)
Interest and investment earnings	3	3	22	19
Total revenues	<u>2,114</u>	<u>2,114</u>	<u>2,161</u>	<u>47</u>
Expenditures:				
Current:				
Planning & Development Services	<u>2,153</u>	<u>4,262</u>	<u>2,741</u>	<u>1,521</u>
Total expenditures	<u>2,153</u>	<u>4,262</u>	<u>2,741</u>	<u>1,521</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(39)</u>	<u>(2,148)</u>	<u>(580)</u>	<u>1,568</u>
 Net change in fund balance	 \$ <u><u>(39)</u></u>	 \$ <u><u>(2,148)</u></u>	 (580)	 \$ <u><u>1,568</u></u>
 Encumbrances, end of year			701	
Fund balance, beginning of year, basis of budgeting			<u>2,431</u>	
Fund balance, end of year, basis of budgeting			2,552	
 Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			35	
Accrued salaries, wages and amounts withheld from employees			<u>(34)</u>	
 Fund balance, end of year, GAAP basis			\$ <u><u>2,553</u></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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 19	\$ 19	\$ 36	\$ 17
Intergovernmental	5,150	5,190	5,113	(77)
Leases, rents and royalties	606	606	555	(51)
Interest and investment earnings	62	62	44	(18)
Other	-	-	3	3
Total revenues	<u>5,837</u>	<u>5,877</u>	<u>5,751</u>	<u>(126)</u>
Expenditures:				
Current:				
Public Works	<u>5,808</u>	<u>7,070</u>	<u>6,875</u>	<u>195</u>
Total expenditures	<u>5,808</u>	<u>7,070</u>	<u>6,875</u>	<u>195</u>
Excess (deficiency) of revenues over (under) expenditures	<u>29</u>	<u>(1,193)</u>	<u>(1,124)</u>	69
Net change in fund balance	\$ <u><u>29</u></u>	\$ <u><u>(1,193)</u></u>	(1,124)	\$ <u><u>69</u></u>
Encumbrances, end of year			956	
Fund balance, beginning of year, basis of budgeting			<u>2,141</u>	
Fund balance, end of year, basis of budgeting			1,973	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			49	
Accrued salaries, wages and amounts withheld from employees			<u>(7)</u>	
Fund balance, end of year, GAAP basis			\$ <u><u>2,015</u></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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Excise taxes	\$ 890	\$ 890	\$ 1,276	\$ 386
Charges for services	52	52	86	34
Interest and investment earnings	26	26	139	113
Other	20	20	-	(20)
Total revenues	<u>988</u>	<u>988</u>	<u>1,501</u>	<u>513</u>
Expenditures:				
Current:				
Public Works	<u>885</u>	<u>5,766</u>	<u>1,345</u>	<u>4,421</u>
Total expenditures	<u>885</u>	<u>5,766</u>	<u>1,345</u>	<u>4,421</u>
Excess (deficiency) of revenues over (under) expenditures	103	(4,778)	156	4,934
Other financing uses:				
Transfers out	<u>(9)</u>	<u>(9)</u>	<u>(9)</u>	<u>-</u>
Total other financing sources (uses)	<u>(9)</u>	<u>(9)</u>	<u>(9)</u>	<u>-</u>
Net change in fund balance	\$ <u>94</u>	\$ <u>(4,787)</u>	147	\$ <u>4,934</u>
Encumbrances, end of year			223	
Fund balance, beginning of year, basis of budgeting			<u>6,210</u>	
Fund balance, end of year, basis of budgeting			<u>6,580</u>	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			<u>137</u>	
Fund balance, end of year, GAAP basis			\$ <u>6,717</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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
General property taxes	\$ 11	\$ 11	\$ 14	\$ 3
Specific ownership & tobacco taxes	<u>1</u>	<u>1</u>	<u>1</u>	<u>-</u>
Total revenues	<u>12</u>	<u>12</u>	<u>15</u>	<u>3</u>
Expenditures:				
Current:				
Public Works	<u>12</u>	<u>12</u>	<u>12</u>	<u>-</u>
Total expenditures	<u>12</u>	<u>12</u>	<u>12</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	3	3
Other financing sources -				
Transfers in	<u>5</u>	<u>5</u>	<u>5</u>	<u>-</u>
Total other financing sources (uses)	<u>5</u>	<u>5</u>	<u>5</u>	<u>-</u>
 Net change in fund balance	 <u>\$ 5</u>	 <u>\$ 5</u>	 8	 <u>\$ 3</u>
 Fund balance, beginning of year, basis of budgeting			<u>24</u>	
Fund balance, end of year, basis of budgeting			32	
 Basis of budgeting to GAAP basis reconciliation			<u>4</u>	
Fund balance, end of year, GAAP basis			<u>\$ 36</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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
General property taxes	\$ 561	\$ 561	\$ 333	\$ (228)
Specific ownership & tobacco taxes	14	14	14	-
Interest and investment earnings	9	9	2	(7)
Total revenues	<u>584</u>	<u>584</u>	<u>349</u>	<u>(235)</u>
Expenditures:				
Current:				
General Government	318	318	195	123
Total expenditures	<u>318</u>	<u>318</u>	<u>195</u>	<u>123</u>
Excess (deficiency) of revenues over (under) expenditures	<u>266</u>	<u>266</u>	<u>154</u>	<u>(112)</u>
Transfers out	<u>(175)</u>	<u>(175)</u>	<u>(175)</u>	<u>-</u>
Total other financing sources (uses)	<u>(175)</u>	<u>(175)</u>	<u>(175)</u>	<u>-</u>
 Net change in fund balance	 <u>\$ 91</u>	 <u>\$ 91</u>	 (21)	 <u>\$ (112)</u>
Encumbrances, end of year			-	
Fund balance, beginning of year, basis of budgeting			<u>463</u>	
Fund balance, end of year, basis of budgeting			442	
Basis of budgeting to GAAP basis reconciliation				
Fair market value adjustment to investments			2	
Accrued salaries, wages and amounts withheld from employees			(1)	
Fund balance, end of year, GAAP basis			<u>\$ 444</u>	

CITY OF BOULDER, COLORADO

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

Sugar-Sweetened Beverage Tax Fund

Year ended December 31, 2020

(Amounts in 000's)

	Budgeted amounts		Actual amounts	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Excise taxes	\$ 3,800	\$ 3,800	\$ 3,748	\$ (52)
Other			218	218
Total revenues	<u>3,800</u>	<u>3,800</u>	<u>3,966</u>	<u>166</u>
Expenditures:				
Current:				
Administrative Services	65	65	69	(4)
Housing and Human Services	<u>3,735</u>	<u>8,308</u>	<u>7,393</u>	<u>915</u>
Total expenditures	<u>3,800</u>	<u>8,373</u>	<u>7,462</u>	<u>911</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(4,573)</u>	<u>(3,496)</u>	<u>1,077</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>(4,573)</u>	(3,496)	\$ <u>1,077</u>
Encumbrances, end of year			82	
Fund balance, beginning of year, basis of budgeting			<u>4,573</u>	
Fund balance, end of year, basis of budgeting			1,159	
Basis of budgeting to GAAP basis reconciliation:				
Accrued salaries, wages and amounts withheld from employees			<u>(8)</u>	
Fund balance, end of year, GAAP basis			\$ <u>1,151</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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 732	\$ 1,751	\$ 855	\$ (896)
Total revenues	<u>732</u>	<u>1,751</u>	<u>855</u>	<u>(896)</u>
Expenditures:				
Current:				
Housing and Human Services	<u>732</u>	<u>1,815</u>	<u>855</u>	<u>960</u>
Total expenditures	<u>732</u>	<u>1,815</u>	<u>855</u>	<u>960</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(64)</u>	<u>-</u>	<u>64</u>
 Net change in fund balance	 \$ <u>-</u>	 \$ <u>(64)</u>	 -	 \$ <u>64</u>
 Fund balance, beginning of year, basis of budgeting			<u>-</u>	
Fund balance, end of year, basis of budgeting			<u>-</u>	
Basis of budgeting to GAAP basis reconciliation				
Accrued salaries, wages and amounts withheld from employees			(2)	
Grant receivable			<u>2</u>	
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)

HOME Fund

Year ended December 31, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 1,095	\$ 3,307	\$ 1,993	\$ (1,314)
Total revenues	<u>1,095</u>	<u>3,307</u>	<u>1,993</u>	<u>(1,314)</u>
Expenditures:				
Current:				
Housing and Human Services	<u>1,095</u>	<u>3,364</u>	<u>1,993</u>	<u>1,371</u>
Total expenditures	<u>1,095</u>	<u>3,364</u>	<u>1,993</u>	<u>1,371</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(57)</u>	<u>-</u>	<u>57</u>
 Net change in fund balance	 \$ <u>-</u>	 \$ <u>(57)</u>	 -	 \$ <u>57</u>
Encumbrances, end of year			-	
Fund balance, beginning of year, basis of budgeting			-	
Fund balance, end of year, basis of budgeting			-	
Accrued salaries, wages and amounts withheld from employees			(1)	
Grant receivable			<u>1</u>	
Fund balance, end of year, GAAP basis			\$ <u>-</u>	

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CITY OF BOULDER, COLORADO

Combining Balance Sheet

Nonmajor Capital Project Funds

December 31, 2020

(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	2011 Capital Improvement Fund	Capital Improvement CCS Fund	Total
Equity in pooled cash and cash equivalents	\$ 1	\$ -	\$ 320	\$ 43	\$ 632	\$ 996
Investments	4,122	4	6,723	469	14,389	25,707
Receivables:						
General property taxes	3,598	-	-	-	-	3,598
Sales and use taxes	-	-	-	-	1,177	1,177
Accrued interest	7	-	18	23	-	48
Intergovernmental	140	-	-	-	-	140
Total receivables	<u>3,745</u>	<u>-</u>	<u>18</u>	<u>23</u>	<u>1,177</u>	<u>4,963</u>
Total assets	<u>7,868</u>	<u>4</u>	<u>7,061</u>	<u>535</u>	<u>16,198</u>	<u>31,666</u>
Total assets and deferred outflows of resources	<u>\$ 7,868</u>	<u>\$ 4</u>	<u>\$ 7,061</u>	<u>\$ 535</u>	<u>\$ 16,198</u>	<u>\$ 31,666</u>
 <u>Liabilities, Deferred Inflows of Resources and Fund Balance</u>						
Liabilities:						
Accounts and accrued liabilities:						
Vouchers and accounts payable	\$ 21	\$ -	\$ -	\$ 8	\$ 665	\$ 694
Contracts and retainage payable	66	-	-	-	512	578
Accrued salaries, wages and amounts withheld from employees	39	-	-	2	4	45
Total liabilities	<u>126</u>	<u>-</u>	<u>-</u>	<u>10</u>	<u>1,181</u>	<u>1,317</u>
Deferred inflows of resources:						
Deferred inflows of resources	<u>3,740</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,740</u>
Fund equity:						
Fund balances:						
Restricted:						
Capital projects	4,002	-	-	525	15,017	19,544
Assigned:						
Special purposes	-	4	7,061	-	-	7,065
Total fund balances	<u>4,002</u>	<u>4</u>	<u>7,061</u>	<u>525</u>	<u>15,017</u>	<u>26,609</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 7,868</u>	<u>\$ 4</u>	<u>\$ 7,061</u>	<u>\$ 535</u>	<u>\$ 16,198</u>	<u>\$ 31,666</u>

CITY OF BOULDER, COLORADO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Project Funds

Year ended December 31, 2020

(Amounts in 000's)

	Permanent Parks and Recreation Fund	Fire Training Center Construction Fund	Boulder Junction Improvement Fund	2011 Capital Improvement Fund	Capital Improvement CCS Fund	Total
Revenues:						
Taxes:						
Sales and use taxes	\$ -	\$ -	\$ 464	\$ -	\$ 10,427	\$ 10,891
General property taxes	3,565	-	-	-	-	3,565
Excise taxes	-	-	153	-	-	153
Charges for services	-	-	76	-	-	76
Leases, rents and royalties	14	-	-	-	-	14
Interest and investment earnings	150	-	219	17	422	808
Other	6	-	-	-	-	6
Total revenues	<u>3,735</u>	<u>-</u>	<u>912</u>	<u>17</u>	<u>10,849</u>	<u>15,513</u>
Expenditures:						
Current:						
Capital Outlay	-	-	-	47	3,330	3,377
Culture and Recreation	2,640	-	-	-	-	2,640
Public Works	-	-	1	-	-	1
Debt service payments:						
Principal	-	-	-	-	1,993	1,993
Interest	-	-	-	-	190	190
Total expenditures	<u>2,640</u>	<u>-</u>	<u>1</u>	<u>47</u>	<u>5,513</u>	<u>8,201</u>
Excess (deficiency) of revenues over (under) expenditures	1,095	-	911	(30)	5,336	7,312
Other financing sources (uses)						
Proceeds from bonds payable	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,095	-	911	(30)	5,336	7,312
Fund balances, beginning of year	<u>2,907</u>	<u>4</u>	<u>6,150</u>	<u>555</u>	<u>9,681</u>	<u>19,297</u>
Fund balances, end of year	<u>\$ 4,002</u>	<u>\$ 4</u>	<u>\$ 7,061</u>	<u>\$ 525</u>	<u>\$ 15,017</u>	<u>\$ 26,609</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, 2020

(Amounts in 000's)

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
General property taxes	\$ 3,569	\$ 3,569	\$ 3,565	\$ (4)
Leases, rents and royalties	-	-	14	14
Interest and investment earnings	24	24	91	67
Other	-	6	6	-
Total revenues	<u>3,593</u>	<u>3,599</u>	<u>3,676</u>	<u>77</u>
Expenditures:				
Culture and Recreation	<u>3,040</u>	<u>4,852</u>	<u>2,990</u>	<u>1,862</u>
Total expenditures	<u>3,040</u>	<u>4,852</u>	<u>2,990</u>	<u>1,862</u>
Excess (deficiency) of revenues over (under) expenditures	<u>553</u>	<u>(1,253)</u>	686	<u>1,939</u>
 Net change in fund balance	 <u>\$ 553</u>	 <u>\$ (1,253)</u>	686	 <u>\$ 1,939</u>
 Encumbrances, end of year			353	
 Fund balance, beginning of year, basis of budgeting			<u>2,913</u>	
Fund balance, end of year, basis of budgeting			<u>3,952</u>	
 Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			89	
Accrued salaries, wages and amounts withheld from employees			<u>(39)</u>	
 Fund balance, end of year, GAAP basis			<u>\$ 4,002</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, 2020

(Amounts in 000's)

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

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, 2020

(Amounts in 000's)

	Budgeted amounts		Actual amounts	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Sales and use taxes	\$ 150	\$ 150	\$ 464	\$ 314
Excise taxes	370	370	153	(217)
Charges for services	568	568	76	(492)
Interest and investment earnings	24	24	124	100
Total revenues	<u>1,112</u>	<u>1,112</u>	<u>817</u>	<u>(295)</u>
Expenditures:				
Culture and Recreation	-	700	-	700
Public Works	<u>2,500</u>	<u>2,526</u>	<u>28</u>	<u>2,498</u>
Total expenditures	<u>2,500</u>	<u>3,226</u>	<u>28</u>	<u>3,198</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,388)</u>	<u>(2,114)</u>	789	<u>2,903</u>
Net change in fund balance	\$ <u>(1,388)</u>	\$ <u>(2,114)</u>	789	\$ <u>2,903</u>
Encumbrances, end of year			26	
Fund balance, beginning of year, basis of budgeting			<u>6,123</u>	
Fund balance, end of year, basis of budgeting			<u>6,938</u>	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			<u>123</u>	
Fund balance, end of year, GAAP basis			\$ <u><u>7,061</u></u>	

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, 2020

(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	\$ -	\$ -	\$ 11	\$ 11
Total revenues	<u>-</u>	<u>-</u>	<u>11</u>	<u>11</u>
Expenditures:				
Capital outlay	<u>-</u>	<u>443</u>	<u>220</u>	<u>223</u>
Total expenditures	<u>-</u>	<u>443</u>	<u>220</u>	<u>223</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(443)</u>	<u>(209)</u>	<u>234</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>(443)</u>	(209)	\$ <u>234</u>
Encumbrances, end of year			175	
Fund balance, beginning of year, basis of budgeting			549	
Fund balance, end of year, basis of budgeting			<u>515</u>	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			<u>10</u>	
Fund balance, end of year, GAAP basis			\$ <u>525</u>	

CITY OF BOULDER, COLORADO

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

Capital Improvement CCS

Year ended December 31, 2020

(Amounts in 000's)

	Budgeted amounts		Actual amounts	Variance with final budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Sales and use taxes	\$ 10,645	\$ 10,645	\$ 10,427	\$ (218)
Interest and investment earnings	-	-	224	224
Total revenues	<u>10,645</u>	<u>10,645</u>	<u>10,651</u>	<u>6</u>
Expenditures:				
Capital outlay	8,394	16,500	6,417	10,083
Debt service payments:				
Principal	1,993	1,993	1,993	-
Interest	190	190	190	-
Total expenditures	<u>10,577</u>	<u>18,683</u>	<u>8,600</u>	<u>10,083</u>
Excess (deficiency) of revenues over (under) expenditures	<u>68</u>	<u>(8,038)</u>	<u>2,051</u>	<u>10,089</u>
Other financing uses -				
Long-term refunding bonds issued	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ <u>68</u>	\$ <u>(8,038)</u>	2,051	\$ <u>10,089</u>
Encumbrances, end of year			3,079	
Fund balance, beginning of year, basis of budgeting			9,625	
Fund balance, end of year, basis of budgeting			<u>14,755</u>	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			266	
Accrued salaries, wages and amounts withheld from employees			<u>(4)</u>	
Fund balance, end of year, GAAP basis			\$ <u>15,017</u>	

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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:

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, 2020

(Amounts in 000's)

	University Hill Commercial District	Boulder Junction Access GID - Parking	Total Nonmajor Enterprise Funds
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents	\$ 195	\$ 121	\$ 316
Investments	819	69	888
Receivables:			
General property taxes	33	367	400
Accrued interest	5	-	5
Total receivables	<u>38</u>	<u>367</u>	<u>405</u>
Total current assets	<u>1,052</u>	<u>557</u>	<u>1,609</u>
Noncurrent assets:			
Capital assets:			
Land and easements	444	-	444
Intangibles	-	2,000	2,000
Buildings	176	-	176
Improvements other than buildings	58	-	58
Utility plant in service	-	-	-
Undergrounds - drainage facilities	-	-	-
Vehicles	86	-	86
Machinery and equipment	270	-	270
	<u>1,034</u>	<u>2,000</u>	<u>3,034</u>
Less accumulated depreciation	<u>(369)</u>	<u>(350)</u>	<u>(719)</u>
	<u>665</u>	<u>1,650</u>	<u>2,315</u>
Construction in progress	-	-	-
Total capital assets, net of accumulated depreciation	<u>665</u>	<u>1,650</u>	<u>2,315</u>
Total noncurrent assets	<u>665</u>	<u>1,650</u>	<u>2,315</u>
Total assets	<u>1,717</u>	<u>2,207</u>	<u>3,924</u>
Deferred outflows of resources			
Deferred outflows of resources	<u>72</u>	<u>-</u>	<u>72</u>
Total assets and deferred outflows of resources	<u>\$ 1,789</u>	<u>\$ 2,207</u>	<u>\$ 3,996</u>

CITY OF BOULDER, COLORADO

Combining Statement of Net Position
continued

Nonmajor Enterprise Funds

December 31, 2020

(Amounts in 000's)

	University Hill Commercial District	Boulder Junction Access GID - Parking	Total Nonmajor Enterprise Funds
Liabilities:			
Current liabilities:			
Accounts and accrued liabilities:			
Vouchers and accounts payable	\$ 2	\$ -	\$ 2
Accrued salaries, wages and amounts withheld from employees	7	2	9
Accrued interest	-	-	-
Advances from other funds	-	2	2
Other liabilities	2	-	2
Promissory Note (current portion)	-	-	-
Total current liabilities	<u>11</u>	<u>4</u>	<u>15</u>
Non-current liabilities:			
Compensated absences payable	-	-	-
Net Pension Liability	340	-	340
OPEB liability	36	-	36
Total non-current liabilities	<u>376</u>	<u>-</u>	<u>376</u>
Total liabilities	<u>387</u>	<u>4</u>	<u>391</u>
Deferred inflows of resources	<u>109</u>	<u>366</u>	<u>475</u>
Net position:			
Net investment in capital assets	665	1,650	2,315
Restricted for:			
Legally restricted	7	-	7
Unrestricted	<u>621</u>	<u>187</u>	<u>808</u>
Total net position	<u>\$ 1,293</u>	<u>\$ 1,837</u>	<u>\$ 3,130</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, 2020

(Amounts in 000's)

	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	\$ 189	\$ 310
Total operating revenues	<u>121</u>	<u>189</u>	<u>310</u>
Operating expenses:			
Personnel	138	43	181
Non-personnel	181	124	305
Depreciation	14	100	114
Total operating expenses	<u>333</u>	<u>267</u>	<u>600</u>
Operating income (loss)	<u>(212)</u>	<u>(78)</u>	<u>(290)</u>
Nonoperating revenues (expenses):			
Interest and investment earnings	29	1	30
General property taxes	33	338	371
Specific ownership & tobacco taxes	2	15	17
Total nonoperating revenues (expenses)	<u>64</u>	<u>354</u>	<u>418</u>
Income (loss) before capital contributions and transfers	(148)	276	128
Transfers in	<u>325</u>	<u>175</u>	<u>500</u>
Changes in net position	177	451	628
Total net position, beginning of year	<u>1,116</u>	<u>1,386</u>	<u>2,502</u>
Total net position, end of year	<u>\$ 1,293</u>	<u>\$ 1,837</u>	<u>\$ 3,130</u>

CITY OF BOULDER, COLORADO

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

Year ended December 31, 2020

(Amounts in 000's)

	University Hill Commercial <u>District</u>	Boulder Junction Access GID - <u>Parking</u>	Total Nonmajor Enterprise <u>Funds</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 121	\$ 189	\$ 310
Payments to suppliers	(226)	(124)	(350)
Payments to employees	<u>(157)</u>	<u>(43)</u>	<u>(200)</u>
Net cash provided (used) by operating activities	<u>(262)</u>	<u>22</u>	<u>(240)</u>
Cash flows from noncapital financing activities:			
Payments to other funds on advances	-	(2)	(2)
General property taxes	33	338	371
Specific ownership & tobacco taxes	2	15	17
Transfers in	<u>325</u>	<u>175</u>	<u>500</u>
Net cash provided (used) by noncapital financing activities	<u>360</u>	<u>526</u>	<u>886</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(199)	-	(199)
Promissory note payments	-	(402)	(402)
Interest paid on notes payable, bonds payable, and capitalized lease obligations	<u>-</u>	<u>(14)</u>	<u>(14)</u>
Net cash provided (used) for capital related financing activities	<u>(199)</u>	<u>(416)</u>	<u>(615)</u>

CITY OF BOULDER, COLORADO

Combining Statement of Cash Flows,
continued

Nonmajor Enterprise Funds

Year ended December 31, 2020

(Amounts in 000's)

	University Hill Commercial <u>District</u>	Boulder Junction <u>GID</u>	Total Nonmajor Enterprise <u>Funds</u>
Cash flows from investing activities:			
Purchase of investment securities	(22)	(14)	(36)
Proceeds from sale and maturities of investment securities	58	-	58
Interest on investments	11	-	11
Net cash provided (used) in investing activities	<u>47</u>	<u>(14)</u>	<u>33</u>
Net (decrease) in cash and cash equivalents	(54)	118	64
Cash and cash equivalents, January 1	<u>249</u>	<u>3</u>	<u>252</u>
Cash and cash equivalents, December 31	\$ <u><u>195</u></u>	\$ <u><u>121</u></u>	\$ <u><u>316</u></u>

CITY OF BOULDER, COLORADO

Combining Statement of Cash Flows,
continued

Nonmajor Enterprise Funds

Year ended December 31, 2020

(Amounts in 000's)

	University Hill Commercial <u>District</u>	Boulder Junction Access GID - <u>Parking</u>	Total Nonmajor Enterprise <u>Funds</u>
Reconciliation of cash and cash equivalents to balance sheet amounts:			
Equity in pooled cash and cash equivalents	\$ <u>195</u>	\$ <u>121</u>	\$ <u>316</u>
Cash for capital projects	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 195</u>	<u>\$ 121</u>	<u>\$ 316</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ <u>(212)</u>	\$ <u>(78)</u>	\$ <u>(290)</u>
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	14	100	114
Change in assets and liabilities:			
(Increase) decrease in assets:			
Deferred Outflows - PERA Pension	31	-	31
Other receivables	-	(26)	(26)
Increase (decrease) in liabilities:			
Vouchers and accounts payable	(45)	-	(45)
Accrued salaries, wages and amounts withheld from employees	(3)	-	(3)
Pension Liability	(95)	-	(95)
Deferred Inflows - Property tax	50	26	76
Deferred Inflows - PERA Pension	3	-	3
Compensated absences	(2)	-	(2)
OPEB liability	(3)	-	(3)
Total adjustments	<u>(50)</u>	<u>100</u>	<u>50</u>
Net cash provided (used) by operating activities	<u>\$ (262)</u>	<u>\$ 22</u>	<u>\$ (240)</u>
Noncash investing, capital and financing activities:			
Increase (decrease) in fair value of investments	\$ <u>18</u>	\$ <u>1</u>	\$ <u>19</u>
	<u>\$ 18</u>	<u>\$ 1</u>	<u>\$ 19</u>

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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.

Dental Self Insurance Fund - accounts for employee and city premium contributions and claims payments; and facilitates the monitoring of the city's self-insured employee dental 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, 2020

(Amounts in 000's)

	Telecom- munications Fund	Property and Casualty Insurance Fund	Workers' Compensation Insurance Fund	Dental Self Insurance Fund	Compensated Absences Fund
Assets:					
Current assets:					
Equity in pooled cash and cash equivalents	\$ 1,050	\$ 11	\$ 586	\$ 252	\$ 10
Investments	1,596	5,134	3,723	-	1,575
Receivables, net:					
Accounts	6	-	-	-	-
Accrued interest	10	38	18	-	9
Intergovernmental	1	-	-	-	-
Total receivables	<u>17</u>	<u>38</u>	<u>18</u>	<u>-</u>	<u>9</u>
Advances to other funds	-	-	-	-	-
Other assets - prepaid expenses	-	455	45	-	-
Total current assets	<u>2,663</u>	<u>5,638</u>	<u>4,372</u>	<u>252</u>	<u>1,594</u>
Noncurrent assets:					
Advances to other funds, less current	-	-	-	-	-
Capital assets:					
Land and easements	-	-	-	-	-
Buildings	207	-	-	-	-
Improvements other than buildings	-	-	-	-	-
Infrastructure	-	-	-	-	-
Vehicles	-	-	-	-	-
Machinery and equipment	3,106	13	-	-	-
	<u>3,313</u>	<u>13</u>	<u>-</u>	<u>-</u>	<u>-</u>
Less accumulated depreciation	(3,188)	(13)	-	-	-
	<u>125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Construction in progress	-	-	-	-	-
Total capital assets, net of accumulated depreciation	<u>125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total noncurrent assets	<u>125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>2,788</u>	<u>5,638</u>	<u>4,372</u>	<u>252</u>	<u>1,594</u>
Deferred outflow of resources	<u>40</u>	<u>49</u>	<u>4</u>	<u>-</u>	<u>5</u>
Total assets and deferred outflows of resources	<u>\$ 2,828</u>	<u>\$ 5,687</u>	<u>\$ 4,376</u>	<u>\$ 252</u>	<u>\$ 1,599</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>
\$ 19	\$ 656	\$ 715	\$ 755	\$ 4,054
21,976	9,307	6,912	7,978	58,201
26	-	-	9	41
78	46	30	64	293
1	-	-	28	30
<u>105</u>	<u>46</u>	<u>30</u>	<u>101</u>	<u>364</u>
143	-	-	-	143
-	35	-	-	535
<u>22,243</u>	<u>10,044</u>	<u>7,657</u>	<u>8,834</u>	<u>63,297</u>
-	-	-	-	-
-	-	-	117	117
2,381	38	138	89,157	91,921
1,437	-	67	7,606	9,110
-	-	-	763	763
42,347	-	-	-	42,347
<u>1,365</u>	<u>4,620</u>	<u>5,241</u>	<u>954</u>	<u>15,299</u>
47,530	4,658	5,446	98,597	159,557
(26,156)	(4,361)	(4,053)	(70,892)	(108,663)
<u>21,374</u>	<u>297</u>	<u>1,393</u>	<u>27,705</u>	<u>50,894</u>
-	-	-	-	-
<u>21,374</u>	<u>297</u>	<u>1,393</u>	<u>27,705</u>	<u>50,894</u>
<u>21,374</u>	<u>297</u>	<u>1,393</u>	<u>27,705</u>	<u>50,894</u>
<u>43,617</u>	<u>10,341</u>	<u>9,050</u>	<u>36,539</u>	<u>114,191</u>
154	18	9	37	316
<u>\$ 43,771</u>	<u>\$ 10,359</u>	<u>\$ 9,059</u>	<u>\$ 36,576</u>	<u>\$ 114,507</u>

CITY OF BOULDER, COLORADO

Combining Statement of Net Position
continued

Internal Service Funds

December 31, 2020

(Amounts in 000's)

	<u>Telecom- munications Fund</u>	<u>Property and Casualty Insurance Fund</u>	<u>Workers' Compensation Insurance Fund</u>	<u>Dental Self Insurance Fund</u>	<u>Compensated Absences Fund</u>
Liabilities:					
Current liabilities:					
Accounts and accrued liabilities:					
Vouchers and accounts payable	\$ 58	\$ 569	\$ 66	\$ -	\$ -
Contracts and retainage payable	-	-	-	-	-
Accrued salaries, wages and amounts withheld from employees	5	14	10	-	-
Accrued environmental cleanup liability	-	-	-	-	-
Accrued claims liability (current portion)	-	290	1,088	44	-
Unearned revenue	-	-	-	-	-
Compensated absences payable (current portion)	-	-	-	-	-
Capitalized lease obligations (current portion)	-	-	-	-	-
Total current liabilities	<u>63</u>	<u>873</u>	<u>1,164</u>	<u>44</u>	<u>-</u>
Non-current liabilities:					
Capitalized lease obligations	-	-	-	-	-
Compensated absences payable	-	25	19	-	-
Accrued claims liability	-	625	1,708	-	-
Net pension liability	182	386	23	-	183
OPEB liability	17	27	26	-	44
Total non-current liabilities	<u>199</u>	<u>1,063</u>	<u>1,776</u>	<u>-</u>	<u>227</u>
Total liabilities	<u>262</u>	<u>1,936</u>	<u>2,940</u>	<u>44</u>	<u>227</u>
Deferred inflows of resources	<u>50</u>	<u>126</u>	<u>95</u>	<u>-</u>	<u>432</u>
Net position:					
Net investment in capital assets	125	-	-	-	-
Unrestricted	<u>2,391</u>	<u>3,625</u>	<u>1,341</u>	<u>208</u>	<u>940</u>
Total net position	<u>\$ 2,516</u>	<u>\$ 3,625</u>	<u>\$ 1,341</u>	<u>\$ 208</u>	<u>\$ 940</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>
\$	49	\$ 11	\$ 7	\$ 159	\$ 919
	-	-	-	55	55
	49	-	1	18	97
	-	-	-	54	54
	-	-	-	-	1,422
	-	-	-	16	16
	16	-	-	-	16
	-	-	-	860	860
	<u>114</u>	<u>11</u>	<u>8</u>	<u>1,162</u>	<u>3,439</u>
	-	-	-	4,530	4,530
	68	-	-	15	127
	-	-	-	-	2,333
	890	37	34	-	1,735
	126	2	5	25	272
	<u>1,084</u>	<u>39</u>	<u>39</u>	<u>4,570</u>	<u>8,997</u>
	<u>1,198</u>	<u>50</u>	<u>47</u>	<u>5,732</u>	<u>12,436</u>
	<u>461</u>	<u>1</u>	<u>10</u>	<u>117</u>	<u>1,292</u>
	21,374	297	1,393	22,259	45,448
	<u>20,738</u>	<u>10,011</u>	<u>7,609</u>	<u>8,468</u>	<u>55,331</u>
\$	<u><u>42,112</u></u>	\$ <u><u>10,308</u></u>	\$ <u><u>9,002</u></u>	\$ <u><u>30,727</u></u>	\$ <u><u>100,779</u></u>

CITY OF BOULDER, COLORADO

Combining Statement of Revenues, Expenses and Changes in Net Position

Internal Service Funds

Year ended December 31, 2020

(Amounts in 000's)

	Telecom- munications <u>Fund</u>	Property and Casualty Insurance <u>Fund</u>	Workers' Compensation Insurance <u>Fund</u>	Dental Self Insurance <u>Fund</u>	Compensated Absences <u>Fund</u>
Operating revenues:					
Charges for services	\$ 614	\$ 2,214	\$ 2,470	\$ 1,216	\$ -
Sales of goods	-	-	-	-	-
Total operating revenues	<u>614</u>	<u>2,214</u>	<u>2,470</u>	<u>1,216</u>	<u>-</u>
Operating expenses:					
Personnel	99	315	214	-	1,317
Non-personnel	553	2,611	2,212	1,008	16
Rebate of charges for services	-	-	-	-	-
Depreciation	147	-	-	-	-
Total operating expenses	<u>799</u>	<u>2,926</u>	<u>2,426</u>	<u>1,008</u>	<u>1,333</u>
Operating income (loss)	<u>(185)</u>	<u>(712)</u>	<u>44</u>	<u>208</u>	<u>(1,333)</u>
Nonoperating revenues (expenses):					
Interest and investment earnings	54	200	141	-	88
Leases, rents and royalties	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Sales of goods	-	-	-	-	-
Principal on long term debt	-	-	-	-	-
Interest expense	-	-	-	-	-
Gain (loss) on sale of capital assets	-	-	-	-	-
Other (net)	-	2	-	-	-
Total nonoperating revenues (expenses)	<u>54</u>	<u>202</u>	<u>141</u>	<u>-</u>	<u>88</u>
Income (loss) before transfers	(131)	(510)	185	208	(1,245)
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Changes in net position	<u>(131)</u>	<u>(510)</u>	<u>185</u>	<u>208</u>	<u>(1,245)</u>
Total net position, beginning of year	<u>2,647</u>	<u>4,135</u>	<u>1,156</u>	<u>-</u>	<u>2,185</u>
Total net position, end of year	<u>\$ 2,516</u>	<u>\$ 3,625</u>	<u>\$ 1,341</u>	<u>\$ 208</u>	<u>\$ 940</u>

	Fleet Fund	Computer Replacement Fund	Equipment Replacement Fund	Facility Renovation and Replacement Fund	Total
\$	6,792	\$ 2,867	\$ 1,195	\$ 2,734	\$ 20,102
	268	-	-	-	268
	<u>7,060</u>	<u>2,867</u>	<u>1,195</u>	<u>2,734</u>	<u>20,370</u>
	1,163	-	16	295	3,419
	2,390	2,162	599	2,524	14,075
	-	-	-	-	-
	3,470	91	328	2,558	6,594
	<u>7,023</u>	<u>2,253</u>	<u>943</u>	<u>5,377</u>	<u>24,088</u>
	37	614	252	(2,643)	(3,718)
	782	308	251	336	2,160
	-	-	-	149	149
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	(198)	(198)
	291	3	-	-	294
	13	-	-	-	15
	<u>1,086</u>	<u>311</u>	<u>251</u>	<u>287</u>	<u>2,420</u>
	1,123	925	503	(2,356)	(1,298)
	-	-	-	-	-
	-	-	-	-	-
	<u>1,123</u>	<u>925</u>	<u>503</u>	<u>(2,356)</u>	<u>(1,298)</u>
	40,989	9,383	8,499	33,083	102,077
\$	<u><u>42,112</u></u>	\$ <u><u>10,308</u></u>	\$ <u><u>9,002</u></u>	\$ <u><u>30,727</u></u>	\$ <u><u>100,779</u></u>

CITY OF BOULDER, COLORADO

Combining Statement of Cash Flows

Internal Service Funds

Year ended December 31, 2020

(Amount in 000's)

	Telecom- munications <u>Fund</u>	Property and Casualty Insurance <u>Fund</u>	Workers' Compensation Insurance <u>Fund</u>	Dental Self Insurance <u>Fund</u>	Compensated Absences <u>Fund</u>
Cash flows from operating activities:					
Receipts from customers and users	\$ 614	\$ 2,214	\$ 2,470	\$ 1,216	\$ -
Other receipts	-	2	-	-	-
Payments to suppliers	(516)	(2,446)	(2,046)	(964)	(16)
Payments to employees	(109)	(330)	(224)	-	(1,394)
Sale of goods	-	-	-	-	-
Net cash provided (used) by operating activities	<u>(11)</u>	<u>(560)</u>	<u>200</u>	<u>252</u>	<u>(1,410)</u>
Cash flows from noncapital financing activities:					
Payments from other funds					
on due from (due to) balances	-	-	-	-	-
Leases, rents and royalties	-	-	-	-	-
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Principal paid on capitalized lease obligation	-	-	-	-	-
Interest paid on capitalized lease obligation	-	-	-	-	-
Net cash provided (used) for capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:					
Purchase of investment securities	(221)	(82)	(213)	-	(36)
Proceeds from sale and maturities of investment securities	345	564	222	-	1,067
Interest on investments	20	83	61	-	39
Net cash provided (used) in investing activities	<u>144</u>	<u>565</u>	<u>70</u>	<u>-</u>	<u>1,070</u>
Net increase (decrease) in cash and cash equivalents	133	5	270	252	(340)
Equity in pooled cash and cash equivalents, January 1	<u>917</u>	<u>6</u>	<u>316</u>	<u>-</u>	<u>350</u>
Equity in pooled cash and cash equivalents, December 31	<u>\$ 1,050</u>	<u>\$ 11</u>	<u>\$ 586</u>	<u>\$ 252</u>	<u>\$ 10</u>
Reconciliation of cash and cash equivalents to the statement of net position amounts:					
Equity in pooled cash and cash equivalents	<u>\$ 1,050</u>	<u>\$ 11</u>	<u>\$ 586</u>	<u>\$ 252</u>	<u>\$ 10</u>

	Fleet Fund	Computer Replacement Fund	Equipment Replacement Fund	Facility Renovation and Replacement Fund	Total
\$	6,823	\$ 2,867	\$ 1,195	2,734	\$ 20,133
	13	-	-	-	15
	(2,547)	(15)	(638)	(3,083)	(12,271)
	(1,233)	(2,279)	(19)	(301)	(5,889)
	<u>268</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>268</u>
	<u>3,324</u>	<u>573</u>	<u>538</u>	<u>(650)</u>	<u>2,256</u>
	137	-	-	-	137
	<u>-</u>	<u>-</u>	<u>-</u>	<u>149</u>	<u>149</u>
	<u>137</u>	<u>-</u>	<u>-</u>	<u>149</u>	<u>286</u>
	(3,280)	(7)	(70)	(72)	(3,429)
	487	3	-	-	490
	-	-	-	(798)	(798)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(198)</u>	<u>(198)</u>
	<u>(2,793)</u>	<u>(4)</u>	<u>(70)</u>	<u>(1,068)</u>	<u>(3,935)</u>
	(1,659)	(1,514)	(261)	(143)	(4,129)
	584	598	76	2,310	5,766
	<u>319</u>	<u>123</u>	<u>102</u>	<u>143</u>	<u>890</u>
	<u>(756)</u>	<u>(793)</u>	<u>(83)</u>	<u>2,310</u>	<u>2,527</u>
	(88)	(224)	385	741	1,134
	<u>107</u>	<u>880</u>	<u>330</u>	<u>14</u>	<u>2,920</u>
\$	<u>19</u>	\$ <u>656</u>	\$ <u>715</u>	\$ <u>755</u>	\$ <u>4,054</u>
\$	<u>19</u>	\$ <u>656</u>	\$ <u>715</u>	\$ <u>755</u>	\$ <u>4,054</u>

(continued)

CITY OF BOULDER, COLORADO

Combining Statement of Cash Flows,
continued

Internal Service Funds

Year ended December 31, 2020

(Amount in 000's)

	Telecom- munications <u>Fund</u>	Property and Casualty Insurance <u>Fund</u>	Workers' Compensation Insurance <u>Fund</u>	Dental Self 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)	\$ (185)	\$ (712)	\$ 44	\$ 208	\$ (1,333)
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	147	-	-	-	-
Other nonoperating revenues (expenses)	-	2	-	-	-
Change in assets and liabilities:					
(Increase) decrease in assets:					
Accounts receivable	-	-	-	-	-
Other assets - prepaid expenses	-	(72)	(5)	-	-
Deferred Outflows - PERA Pension	22	67	50	-	125
Deferred Outflows - PERA OPEB	-	1	-	-	2
Increase (decrease) in liabilities:					
Vouchers and accounts payable	37	519	16	-	-
Contracts and retainage payable	-	-	-	-	-
Accrued salaries, wages and amounts withheld from employees	-	1	-	-	-
Pension Liability	(69)	(203)	(150)	-	(544)
Other liabilities	-	-	-	-	-
Deferred Inflows - PERA Pension	37	110	81	-	345
Deferred Inflows - PERA/Retiree OPEB	-	6	5	-	16
Deferred Inflows - City OPEB	2	(2)	(2)	-	-
Accrued claims liability	-	(282)	155	44	-
Compensated absences	-	11	10	-	-
OPEB liability	(2)	(6)	(4)	-	(21)
Total adjustments	<u>174</u>	<u>152</u>	<u>156</u>	<u>44</u>	<u>(77)</u>
Net cash provided (used) by operating activities	<u>\$ (11)</u>	<u>\$ (560)</u>	<u>\$ 200</u>	<u>\$ 252</u>	<u>\$ (1,410)</u>
Noncash investing, capital and financing activities:					
Increase (decrease) in fair value of investments	<u>34</u>	<u>117</u>	<u>80</u>	<u>-</u>	<u>49</u>
	<u>\$ 34</u>	<u>\$ 117</u>	<u>\$ 80</u>	<u>\$ -</u>	<u>\$ 49</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>
\$ 37	\$ 614	\$ 252	\$ (2,643)	\$ (3,718)
3,470	91	328	2,558	6,594
13	-	-	-	15
31	-	-	-	31
-	(16)	-	-	(93)
240	-	4	60	568
(1)	-	-	(1)	1
(156)	(116)	(39)	(545)	(284)
-	-	-	5	5
11	-	(1)	10	21
-	-	(13)	(170)	(1,149)
(730)	-	-	(19)	(749)
389	-	7	86	1,055
24	-	-	5	56
(4)	-	-	-	(6)
-	-	-	-	(83)
21	-	-	8	50
(21)	-	-	(4)	(58)
<u>3,287</u>	<u>(41)</u>	<u>286</u>	<u>1,993</u>	<u>5,974</u>
\$ <u>3,324</u>	\$ <u>573</u>	\$ <u>538</u>	\$ <u>(650)</u>	\$ <u>2,256</u>
<u>462</u>	<u>185</u>	<u>148</u>	<u>192</u>	<u>1,267</u>
\$ <u>462</u>	\$ <u>185</u>	\$ <u>148</u>	\$ <u>192</u>	\$ <u>1,267</u>

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SUPPLEMENTARY SCHEDULES

CITY OF BOULDER, COLORADO

Supplementary Schedule

Combined Schedule of Long-Term Debt Payable

December 31, 2020

(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 Bonds	2.00 - 3.00	10/9/14	8/15/34	\$ 10,000	7,435	455
Premium on Bonds				-	66	-
				<u>10,000</u>	<u>7,501</u>	<u>455</u>
General Fund Cap. Imp. Projects Bonds	2.00 - 4.00	3/22/12	10/01/31	49,000	29,190	2,165
Premium on Cap. Imp. Projects Bonds				-	2,052	-
				<u>49,000</u>	<u>31,242</u>	<u>2,165</u>
Supported by base rentals:						
Certificates Of Participation Series 2015	2.00 - 3.80	11/17/15	11/01/36	41,000	33,625	1,625
Premium on COPS				-	356	-
Certificates Of Participation Series 2019	2.25 - 2.90	9/26/19	11/01/39	20,000	19,260	810
Premium on COPS				-	130	-
				<u>61,000</u>	<u>53,371</u>	<u>2,435</u>
Lease Purchase Revenue Notes:						
Boulder Municipal Property Authority:						
Open space acquisition:						
E.R.T.L. Note 2013A	3.25	10/31/13	10/31/23	5,000	1,672	539
Lippencott Property Note 2018A	3.50	11/01/18	11/01/38	6,975	6,472	264
				<u>11,975</u>	<u>8,144</u>	<u>803</u>
Notes Payable:						
Hogan Pancost Land Acquisition Note	6.00	4/20/18	4/20/23	2,750	1,477	565
Community Culture and Safety Sales and Use Tax Revenue Note, Series 2019	2.74 - 3.51	1/20/19	12/1/2022	8,100	4,174	2,055
				<u>10,850</u>	<u>5,651</u>	<u>2,620</u>
Capital Lease Purchase Agreements						
Banc of America Leasing & Capital, LLC	4.93	9/27/10	11/27/23	1,500	438	139
Suntrust Equipment Finance & Leasing Corp.	2.65	1/25/12	7/25/27	9,250	4,951	721
				<u>10,750</u>	<u>5,389</u>	<u>860</u>
Direct Purchase Notes						
GO Waste Reduction Refunding Notes, Series 2020	2.01%	1/16/20	12/01/29	3,515	3,185	325
Taxable Pension Obligation Refunding Notes, Series 2020	1.66%	9/16/20	10/01/30	5,445	5,445	500
				<u>8,960</u>	<u>8,630</u>	<u>825</u>
Compensated Absences				-	11,104	977
Retiree Health Care Benefit (OPEB)				-	13,583	-
Estimated Claims Payable				-	3,755	1,422
				<u>-</u>	<u>28,442</u>	<u>2,399</u>
Total Governmental Activities and total supported by sales tax revenues and other financing sources				\$ <u>162,535</u>	\$ <u>148,370</u>	\$ <u>12,562</u>

CITY OF BOULDER, COLORADO

Supplementary Schedule

Combined Schedule of Long-Term Debt Payable,
(continued)

December 31, 2020

(Amounts in 000's)

	Interest rates	Dates		Authorized and issued	Outstanding	Current portion
		Issued	Maturity			
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	\$ 2,015	\$ 2,015
Premium on Bonds				-	15	-
Water and Sewer Revenue Refunding Bonds	4.00 - 5.00	11/20/12	12/01/25	24,325	13,495	2,450
Premium on Bonds				-	1,246	-
Storm Water & Flood Mgmt Revenue Bond	2.00 - 3.50	7/20/15	12/01/34	22,845	17,760	1,040
Premium on Bonds				-	268	-
Water and Sewer Revenue Bonds	2.00 - 3.25	10/1/15	12/01/35	10,075	8,025	435
Premium on Bonds				-	110	-
Water and Sewer Revenue Bonds	2.00 - 3.125	6/7/16	12/01/35	34,145	27,500	1,565
Premium on Bonds				-	748	-
Water and Sewer Revenue Bonds	3.00 - 3.375	6/18/18	12/01/38	38,260	35,860	1,525
Premium on Bonds				-	415	-
				<u>147,985</u>	<u>107,457</u>	<u>9,030</u>
Direct Purchase Notes						
Water and Sewer Revenue Refunding Notes, Series 2020	1.40%	9/17/2020	12/01/30	5,100	5,100	465
				<u>5,100</u>	<u>5,100</u>	<u>465</u>
Compensated Absences						
Retiree Health Care Benefit (OPEB)				-	1,194	143
				<u>-</u>	<u>2,123</u>	<u>-</u>
Total supported by utility revenues				<u>153,085</u>	<u>115,874</u>	<u>9,638</u>
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	2,375	765
Premium on Bonds				-	51	-
				<u>7,275</u>	<u>2,426</u>	<u>765</u>
Compensated Absences						
Retiree Health Care Benefit (OPEB)				-	111	28
				<u>-</u>	<u>240</u>	<u>-</u>
Total supported by parking revenues				<u>7,275</u>	<u>2,777</u>	<u>793</u>
Total Business-type Activities				<u>\$ 160,360</u>	<u>\$ 118,651</u>	<u>\$ 10,431</u>

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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, 2020

(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
Financial Trends	
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	266
Changes in Net Position	268
Fund Balances - Governmental Funds	272
Changes in Fund Balances - Governmental Funds	274
Revenue Capacity	
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	276
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Largest Sales Tax Remitters by Market Sector	281
Debt Capacity	
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.	
Ratios of Net Outstanding Debt by Type	282
Ratios of General Bonded Debt Outstanding	284
Direct and Overlapping Debt	285
Legal Debt Margin Information	286
Pledged Revenue Coverage	288
Demographic and Economic Information	
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	290
Principal Employers	291
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	
Full Time Equivalent City Employees by Functions/Programs	292
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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			
	2011	2012	2013	2014
Governmental activities:				
Net Investment in capital assets	\$ 418,691	\$ 458,372	\$ 480,321	\$ 494,209
Restricted	30,256	35,096	33,822	61,410
Unrestricted	86,439	102,519	113,701	112,637
Total governmental activities net position	<u>\$ 535,386</u>	<u>\$ 595,987</u>	<u>\$ 627,844</u>	<u>\$ 668,256</u>
Business-type activities:				
Net Investment in capital assets	\$ 325,861	\$ 325,883	\$ 331,096	\$ 345,149
Restricted	254	257	265	269
Unrestricted	67,166	61,583	67,747	72,770
Total business-type activities net position	<u>\$ 393,281</u>	<u>\$ 387,723</u>	<u>\$ 399,108</u>	<u>\$ 418,188</u>
Primary government:				
Net Investment in capital assets	\$ 744,552	\$ 727,155	\$ 811,417	\$ 839,358
Restricted	30,510	81,581	34,087	61,679
Unrestricted	153,605	174,974	181,448	185,407
Total primary government net position	<u>\$ 928,667</u>	<u>\$ 983,710</u>	<u>\$ 1,026,952</u>	<u>\$ 1,086,444</u>

(a) 2016 total was updated to reflect a change on the financial statements

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

		Fiscal Year									
		2015	2016	2017	2018	2019	2020				
\$	521,402	\$	545,505	\$	577,789	\$	612,784	\$	630,173	\$	655,214
	65,690		77,392		94,646		90,764		96,273		86,950
	45,565		46,051		12,517		(12,728)		20,245		36,200
	<u>632,657</u>		<u>668,948</u>	(a)	<u>684,952</u>		<u>690,820</u>		<u>746,691</u>		<u>778,364</u>
\$	343,555	\$	375,949	\$	387,932	\$	405,547	\$	425,576	\$	450,274
	273		279		288		302		309		313
	68,100		64,613		77,110		78,011		92,599		103,351
	<u>411,928</u>		<u>440,841</u>		<u>465,330</u>		<u>483,860</u>		<u>518,484</u>		<u>553,938</u>
\$	864,957	\$	921,454	\$	965,721	\$	1,018,331	\$	1,055,749	\$	1,105,488
	65,963		77,671		94,934		91,066		96,582		87,263
	113,665		110,664		89,627		65,283		112,844		139,551
	<u>1,044,585</u>		<u>1,109,789</u>		<u>1,150,282</u>		<u>1,174,680</u>		<u>1,265,175</u>		<u>1,332,302</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			
	2011	2012	2013	2014
Expenses:				
Governmental activities:				
General Government	\$ 19,509	\$ 16,625	\$ 22,857	\$ 22,406
Administrative Services	1,892	2,627	4,387	7,655
Public Safety	47,391	49,693	50,468	50,662
Public Works	30,844	33,110	27,558	37,406
Planning & Development Services	5,665	5,555	6,087	6,041
Culture and Recreation	28,140	28,112	30,749	30,819
Open Space and Mountain Parks	14,863	13,040	16,023	16,774
Housing and Human Services	13,060	14,431	17,937	19,795
Interest on long-term debt	2,290	2,984	3,532	2,679
Total governmental activities expenses	<u>163,654</u>	<u>166,177</u>	<u>179,598</u>	<u>194,237</u>
Business-type activities:				
Water utility	21,223	21,925	22,599	22,644
Wastewater utility	13,948	13,776	13,916	14,703
Stormwater and flood management	4,790	4,523	4,461	6,812
Parking facilities and services	6,570	7,303	6,853	6,892
Property and facility acquisition	724	479	1,118	463
Total business-type activities expenses	<u>47,255</u>	<u>48,006</u>	<u>48,947</u>	<u>51,514</u>
Total primary government expenses	<u>210,909</u>	<u>214,183</u>	<u>228,545</u>	<u>245,751</u>
Program revenue:				
Governmental activities:				
Charges for services:				
General Government	2,941	7,593	7,546	7,262
Administrative Services	142	548	1,163	676
Public Safety	1,748	1,629	1,652	2,273
Public works	2,095	1,730	2,070	4,474
Planning & Development Services	5,862	7,473	7,710	8,640
Culture and Recreation	8,386	9,041	9,015	9,358
Open Space and Mountain Parks	479	506	423	475
Housing and Human Services	1,401	13,303	7,859	6,458
Operating grants and contributions:	6,154	6,911	5,824	12,213
Capital grants and contributions:	7,679	9,260	7,630	8,906
Total governmental activities program revenue	<u>36,887</u>	<u>57,994</u>	<u>50,892</u>	<u>60,735</u>
Business-type activities:				
Charges for services:				
Water utility	22,940	24,592	23,269	22,950
Wastewater utility	12,955	13,013	14,267	13,979
Stormwater and flood management	4,896	5,167	5,537	5,637
Parking facilities and services	4,324	4,483	4,905	5,475
Property and facility acquisition	5,178	2,336	1,625	2,091
Operating grants and contributions:	151	181	138	-
Capital grants and contributions:	8,411	5,175	6,498	17,983
Total business-type activities program revenues	<u>58,855</u>	<u>54,947</u>	<u>56,239</u>	<u>68,115</u>
Total primary government program revenues	<u>95,742</u>	<u>112,941</u>	<u>107,131</u>	<u>128,850</u>
Net (expense) revenue:				
Governmental activities	(126,767)	(108,183)	(128,706)	(133,502)
Business-type activities	11,600	6,941	7,292	16,601
Total primary government net expense	<u>\$ (115,167)</u>	<u>\$ (101,242)</u>	<u>\$ (121,414)</u>	<u>\$ (116,901)</u>

(a) 2016 total was updated to reflect a change on the financial statements

							Fiscal Year					
							2015	2016	2017	2018	2019	2020
\$	13,436	\$	20,073	\$	32,773	\$	32,376	\$	34,882	\$	21,302	
	6,742		9,750		10,278		11,320		6,757		8,649	
	50,190		58,151		58,350		60,970		50,216		60,699	
	39,117		43,112		39,571		44,305		49,277		53,167	
	14,033		14,600		17,334		32,297		16,417		17,477	
	32,247		36,216		37,359		41,175		24,657		29,004	
	20,922		22,010		30,110		26,200		23,440		25,702	
	23,400		13,085		29,214		16,120		35,506		34,321	
	9,750		3,815		3,468		3,408		3,480		3,618	
	<u>209,837</u>		<u>220,812</u>		<u>258,457</u>		<u>268,171</u>		<u>244,632</u>		<u>253,939</u>	
	22,546		23,540		23,431		23,995		23,575		24,809	
	13,550		14,309		15,125		16,256		15,030		15,644	
	6,873		7,468		7,916		9,589		8,721		8,879	
	6,583		6,546		7,192		7,455		7,353		7,346	
	618		661		870		813		671		606	
	<u>50,170</u>		<u>52,524</u>		<u>54,534</u>		<u>58,108</u>		<u>55,350</u>		<u>57,284</u>	
	<u>260,007</u>		<u>273,336</u>		<u>312,991</u>		<u>326,279</u>		<u>299,982</u>		<u>311,223</u>	
	9,563		10,537		9,891		10,006		10,994		7,429	
	1,039		1,084		1,436		1,757		1,517		1,975	
	675		384		218		597		576		382	
	1,658		1,475		1,689		2,801		3,177		3,129	
	8,654		9,422		9,037		10,499		10,870		10,079	
	11,576		9,302		8,947		9,276		11,113		6,244	
	798		889		1,322		1,886		961		964	
	4,825		1,414		11,334		10,055		11,109		5,047	
	11,400		12,856		17,211		12,645		11,146		19,828	
	6,175		8,439 (a)		4,305		1,494		2,445		2,895	
	<u>56,363</u>		<u>55,802</u>		<u>65,390</u>		<u>61,016</u>		<u>63,908</u>		<u>57,972</u>	
	28,813		29,386		28,742		29,714		30,323		33,757	
	19,583		18,849		19,229		21,402		21,831		21,741	
	10,530		10,772		10,861		11,447		12,173		13,223	
	6,216		6,144		6,629		7,012		7,142		4,346	
	-		165		280		271		153		310	
	1,931		3,664		3,353		(705)		-		-	
	<u>5,665</u>		<u>7,854</u>		<u>5,912</u>		<u>4,427</u>		<u>11,479</u>		<u>12,676</u>	
	<u>72,738</u>		<u>76,834</u>		<u>75,006</u>		<u>73,568</u>		<u>83,101</u>		<u>86,053</u>	
	<u>129,101</u>		<u>132,636</u>		<u>140,396</u>		<u>134,584</u>		<u>147,009</u>		<u>144,025</u>	
	(153,474)		(165,010)		(193,067)		(207,155)		(180,724)		(195,967)	
	<u>22,568</u>		<u>24,310</u>		<u>20,472</u>		<u>15,460</u>		<u>27,751</u>		<u>28,769</u>	
\$	<u>(130,906)</u>	\$	<u>(140,700)</u>	\$	<u>(172,595)</u>	\$	<u>(191,695)</u>	\$	<u>(152,973)</u>	\$	<u>(167,198)</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				
	2011	2012	2013	2014	2015
General revenues and other changes in net position:					
Governmental activities:					
Taxes:					
Sales and use taxes	\$ 92,627	\$ 97,397	\$ 104,136	\$ 116,316	\$ 131,323
Property taxes	27,462	29,474	29,434	30,353	30,846
Accommodation taxes	4,668	4,890	5,192	6,443	7,019
Occupation Taxes	10,282	12,310	12,815	12,226	12,777
Specific Ownership & Tobacco taxes	1,578	1,789	1,839	1,954	2,109
Excise Taxes	1,927	1,290	1,338	3,235	4,453
Interest and investment earnings	1,895	1,052	755	906	1,097
Miscellaneous	6,418	1,645	1,678	1,437	1,008
Gain on Sale of Capital Assets	456	2,173	3,878	99	2,313
Transfers	(1,208)	16,764	(1,630)	(11)	(2,711)
Extraordinary Item	35	-	1,888	956	-
Total governmental activities	<u>146,140</u>	<u>168,784</u>	<u>161,323</u>	<u>173,914</u>	<u>190,234</u>
Business-type activities:					
Taxes:					
Sales and use tax increment	94	119	118	-	-
Property taxes	1,782	1,952	1,976	2,013	1,178
Accommodation taxes	715	781	844	-	-
Specific Ownership & Tobacco taxes	51	55	60	66	69
Interest and investment earnings	1,156	384	301	324	486
Miscellaneous	64	974	91	65	45
Gain on Sale of Capital Assets	-	-	-	-	562
Transfers	1,208	(16,764)	1,630	11	2,711
Extraordinary item	24	-	-	-	-
Total business-type activities	<u>5,094</u>	<u>(12,499)</u>	<u>5,020</u>	<u>2,479</u>	<u>5,051</u>
Total primary government	<u>151,234</u>	<u>156,285</u>	<u>166,343</u>	<u>176,393</u>	<u>195,285</u>
Changes in net position:					
Governmental activities	19,373	60,601	27,821	173,914	36,760
Business-type activities	16,694	(5,558)	21,621	2,479	27,619
Total primary government	<u>\$ 36,067</u>	<u>\$ 55,043</u>	<u>\$ 49,442</u>	<u>\$ 176,393</u>	<u>\$ 64,379</u>

(a) 2016 total was updated to reflect a change on the financial statements

Fiscal Year				
2016	2017	2018	2019	2020
\$ 136,269	\$ 135,913	\$ 142,344	\$ 144,025	137,340
36,897	37,252	43,700	43,156	47,804
7,927	8,932	10,024	10,865	4,007
12,693	12,551	16,623	14,563	11,597
2,277	2,637	2,463	2,609	2,618
2,253	5,739	7,486	8,426	6,201
1,976	1,491	3,566	7,973	7,592
2,825	5,526	280	1,110	5,147
219	410	297	4,965	6,023
(2,035)	(1,380)	(1,299)	(1,097)	(689)
-	-	-	-	-
<u>201,301</u>	<u>209,071</u>	<u>225,484</u>	<u>236,595</u>	<u>227,640</u>
-	-	-	-	-
1,293	1,402	1,554	1,590	1,665
-	-	-	-	-
57	91	76	87	81
1,073	885	1,744	3,843	4,017
145	158	450	256	233
-	101	-	-	-
2,035	1,380	1,299	1,097	689
-	-	-	-	-
<u>4,603</u>	<u>4,017</u>	<u>5,123</u>	<u>6,873</u>	<u>6,685</u>
<u>205,904</u>	<u>213,088</u>	<u>230,607</u>	<u>243,468</u>	<u>234,325</u>
36,291	16,004	18,329	55,871	31,673
28,913	24,489	20,583	34,624	35,454
<u>\$ 65,204</u>	<u>(a) \$ 40,493</u>	<u>\$ 38,912</u>	<u>\$ 90,495</u>	<u>\$ 67,127</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			
	2011 (a)	2012	2013	2014
General Fund:				
Nonspendable	297	276	1,646	260
Restricted	3,468	2,492	1,694	1,481
Committed	-	-	-	-
Assigned	7,711	10,016	10,886	10,202
Unassigned	20,209	25,471	28,216	39,129
Total General Fund	<u>\$ 31,685</u>	<u>\$ 38,255</u>	<u>\$ 42,442</u>	<u>\$ 51,072</u>
All Other Governmental Funds:				
Nonspendable	63	47	50	46
Restricted	26,688	78,732	63,649	59,829
Committed	4,174	15,399	19,376	17,195
Assigned	21,949	21,964	23,754	26,996
Unassigned	-	-	-	(20)
Total all other government funds	<u>\$ 52,874</u>	<u>\$ 116,142</u>	<u>\$ 106,829</u>	<u>\$ 104,046</u>

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

Fiscal Year					
2015	2016	2017	2018	2019	2020
115	122	221	48	92	150
2,315	2,394	5,306	5,192	4,283	2,485
-	-	-	-	-	-
9,450	8,619	8,007	7,049	9,686	7,744
42,674	47,487	38,922	48,326	71,350	67,150
<u>\$ 54,554</u>	<u>\$ 58,622</u>	<u>\$ 52,456</u>	<u>\$ 60,615</u>	<u>\$ 85,411</u>	<u>\$ 77,529</u>
63	39	121	79	90	108
68,445	74,898	71,985	85,572	89,734	84,465
10,352	11,994	11,072	11,218	10,708	10,883
29,020	30,396	39,339	24,966	29,767	32,584
-	-	-	-	-	-
<u>\$ 107,880</u>	<u>\$ 117,327</u>	<u>\$ 122,517</u>	<u>\$ 121,835</u>	<u>\$ 130,299</u>	<u>\$ 128,040</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			
	2011	2012	2013	2014
Revenues:				
Taxes:				
Sales and use taxes	\$ 92,627	\$ 97,397	\$ 104,136	\$ 116,316
General property taxes	27,462	29,474	29,434	30,353
Accommodation taxes	4,668	4,890	5,192	6,443
Occupation taxes	10,295	12,310	12,815	12,218
Specific Ownership & Tobacco taxes	1,578	1,788	1,839	1,954
Excise taxes	1,927	1,290	1,338	3,235
Charges for services	14,015	27,030	22,670	22,946
Sale of goods	368	628	863	593
License, permits and fines	10,518	11,918	12,156	12,813
Intergovernmental	13,647	16,420	13,348	18,188
Leases, rents and royalties	2,346	2,433	2,365	2,651
Interest and investment earnings	1,416	879	563	686
Other	2,869	1,792	1,556	2,069
Total revenues	<u>183,736</u>	<u>208,249</u>	<u>208,275</u>	<u>230,465</u>
Expenditures:				
General Government	18,122	18,568	20,161	16,556
Administrative Services	8,504	9,149	10,024	6,773
Public Safety	45,123	47,825	48,202	50,280
Public Works	29,558	22,178	27,896	38,322
Planning & Development Services	7,551	4,370	4,659	6,014
Culture and Recreation	26,839	25,677	28,089	30,423
Open Space and Mountain Parks	15,978	12,055	22,521	20,433
Housing and Human Services	12,022	13,384	20,226	24,564
Capital outlay	4,077	29,111	19,218	27,130
Debt service payments:				
Principal	9,715	10,549	11,201	9,425
Interest	2,398	3,025	3,549	3,205
Base rentals to Boulder Municipal Property Authority	5,178	3,452	1,625	2,091
Cost of issuance - refunding bonds	104	28	-	-
Total expenditures	<u>185,169</u>	<u>193,934</u>	<u>217,371</u>	<u>235,216</u>
Excess of revenues (under) expenditures	<u>(1,433)</u>	<u>(12,686)</u>	<u>(9,096)</u>	<u>(4,751)</u>
Other financing sources (uses):				
Sale of capital assets	17	24	257	7
Long-Term bonds issued	-	-	-	-
Bonds issued (including refunding bonds)	-	9,203	-	10,000
Premium on bonds issued	-	-	-	123
Financing of capital lease	-	-	-	-
Transfers in	22,576	21,638	20,371	8,334
Transfers out	(19,415)	(18,563)	(18,653)	(8,822)
Payment to refunding bond escrow agent	-	-	-	-
Total other financing sources (uses)	<u>3,178</u>	<u>12,302</u>	<u>2,082</u>	<u>9,642</u>
Extraordinary Item				
Flood insurance recoveries	<u>(1,500)</u>	<u>-</u>	<u>1,888</u>	<u>956</u>
Net changes in fund balance	<u>\$ 245</u>	<u>\$ (384)</u>	<u>\$ (5,126)</u>	<u>\$ 5,847</u>
Debt service as a percentage of noncapital expenditures (a)	8.6%	9.4%	8.5%	6.8%

(a) These percentages have been changed from prior year reports to more accurately reflect the Debt Service percentage of noncapital expenditures. To calculate the ratio, divide total debt service expenditures (principal and interest) by total noncapital expenditures (the difference between total expenditures and capitalized capital outlay expenditures).

Fiscal Year						
2015	2016	2017	2018	2019	2020	
\$ 131,323	\$ 136,269	\$ 131,857	\$ 146,400	\$ 144,025	\$ 137,340	
30,846	36,897	37,252	43,700	43,156	47,804	
7,019	7,927	8,932	10,024	10,865	4,007	
12,772	12,693	12,564	16,579	14,560	11,644	
2,109	2,277	2,637	2,463	2,609	2,618	
4,453	2,253	5,739	7,486	8,426	6,201	
20,880	15,839	25,745	23,476	30,885	16,621	
1,269	384	401	639	6,499	9,150	
13,005	14,220	13,680	15,663	14,483	12,662	
12,347	16,270	26,787	12,439	12,149	18,886	
4,140	7,403	6,414	6,612	6,781	7,634	
827	1,529	1,117	2,709	6,211	5,432	
2,596	4,175	6,544	4,406	3,434	4,108	
<u>243,586</u>	<u>258,136</u>	<u>279,669</u>	<u>292,596</u>	<u>304,083</u>	<u>284,107</u>	
53,077	17,951	21,835	31,961	22,829	22,861	
8,480	8,836	7,643	7,716	9,966	12,209	
52,915	54,214	56,420	58,742	61,116	61,245	
46,114	51,706	53,053	45,202	47,775	56,268	
14,263	14,199	15,517	31,553	18,264	17,765	
32,965	33,209	35,207	33,998	40,493	36,199	
20,999	22,725	30,641	45,601	27,967	32,404	
23,279	12,682	32,454	15,470	36,671	37,010	
9,750	11,378	11,415	10,298	17,215	3,377	
10,142	9,560	9,333	9,005	9,854	9,254	
3,266	4,386	4,106	3,856	4,069	4,253	
1,701	1,618	1,002	768	1,155	1,154	
-	-	-	-	-	-	
<u>276,951</u>	<u>242,464</u>	<u>278,626</u>	<u>294,170</u>	<u>297,374</u>	<u>293,999</u>	
<u>(33,365)</u>	<u>15,672</u>	<u>1,043</u>	<u>(1,574)</u>	<u>6,709</u>	<u>(9,892)</u>	
1,970	4	7	-	-	-	
-	-	-	-	-	8,960	
41,000	-	-	-	28,243	-	
561	-	-	-	-	-	
-	-	-	9,725	-	-	
7,333	11,710	7,707	8,206	50,067	17,851	
(10,296)	(13,871)	(9,733)	(8,880)	(51,759)	(18,540)	
-	-	-	-	-	(8,520)	
<u>40,568</u>	<u>(16,028)</u>	<u>(2,019)</u>	<u>9,051</u>	<u>26,551</u>	<u>(249)</u>	
-	-	-	-	-	-	
<u>\$ 7,203</u>	<u>\$ (356)</u>	<u>\$ (976)</u>	<u>\$ 7,477</u>	<u>\$ 33,260</u>	<u>\$ (10,141)</u>	
6.5%	6.7%	5.9%	5.4%	5.4%	5.5%	

CITY OF BOULDER, COLORADO

Statistical Data

Taxable Sales by Market Sector

Last Ten Fiscal Years
(Unaudited)

(Amounts in 000's)

Market Sector	2011	2012	2013	2014
Apparel Stores	\$ 100,696	\$ 110,467	\$ 111,042	\$ 118,703
Automotive Trade	174,631	187,675	205,342	223,429
Building Material-Retail	85,319	94,886	108,685	111,381
Computer Related Business Sector	167,503	188,876	208,352	200,512
Construction Sales Tax	16,147	12,006	12,642	11,576
Construction Use Tax	153,438	171,106	266,139	251,594
Constructions Firms Sales/Use Tax	-	-	-	-
Consumer Electronics	73,237	62,924	58,300	67,677
Eating Places	347,871	384,485	387,596	410,251
Food Stores	359,707	388,154	395,837	416,890
General Retail	586,189	606,359	611,228	628,223
Home Furnishings	81,304	81,243	79,745	87,804
Transportation/Utilities	215,462	208,713	226,972	243,605
All Other	359,612	359,324	381,961	495,657
Refunds	(4,781)	-	-	-
Total Sales and Use Tax	<u>\$ 2,716,335</u>	<u>\$ 2,856,218</u>	<u>\$ 3,053,841</u>	<u>\$ 3,267,302</u>
Direct city sales tax rate	3.41%	3.41%	3.41%	3.56%
Food service sales tax	<u>0.15%</u>	<u>0.15%</u>	<u>0.15%</u>	<u>0.15%</u>
Total direct city sales tax	<u>3.56%</u>	<u>3.56%</u>	<u>3.56%</u>	<u>3.71%</u>

(a) 2017 revenues were revised and the most significant difference relates to a large business use tax payment that was received in March 2018 and accrued back to 2017.

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

	2015	2016	2017 (a)	2018	2019	2020
\$	122,977	\$ 123,958	\$ 116,513	\$ 118,308	\$ 105,696	\$ 90,814
	235,029	239,489	251,106	258,584	262,565	268,208
	114,560	121,991	121,201	121,719	125,063	132,942
	205,890	195,938	188,351	198,501	192,020	254,960
	-	-	-	-	-	-
	-	-	-	-	-	-
	276,746	304,301	279,081	352,701	308,127	342,503
	66,687	71,024	59,211	73,263	75,110	99,860
	437,428	451,436	461,091	477,032	484,459	308,278
	440,661	452,030	448,173	438,804	442,771	547,934
	658,659	737,753	675,023	709,676	702,917	688,108
	89,689	92,314	92,483	93,697	84,191	63,575
	229,281	220,926	216,678	214,292	214,138	210,622
	524,543	519,125	612,152	631,091	734,161	550,228
	-	-	-	-	-	-
	<u>\$ 3,402,150</u>	<u>\$ 3,530,285</u>	<u>\$ 3,521,063</u>	<u>\$ 3,687,668</u>	<u>\$ 3,731,218</u>	<u>\$ 3,558,032</u>
	3.86%	3.86%	3.86%	3.86%	3.86%	3.86%
	<u>0.15%</u>	<u>0.15%</u>	<u>0.15%</u>	<u>0.15%</u>	<u>0.15%</u>	<u>0.15%</u>
	<u>4.01%</u>	<u>4.01%</u>	<u>4.01%</u>	<u>4.01%</u>	<u>4.01%</u>	<u>4.01%</u>

CITY OF BOULDER, COLORADO

Statistical Data

Direct and Overlapping Sales Tax Rates

Last Ten Fiscal Years
(Unaudited)

City Direct Rates

Tax	General Fund	General Fund	General Fund (Formerly Public Safety)	General Fund (formerly .15 Fund)	General Fund (portion from Open Space)	Open Space	Open Space	Open Space	Transportation	Transportation
Year Levied	Sales Tax No Expiration	Sales Tax No Expiration	Sales Tax Expires 12/31/24	Sales Tax No Expiration	Sales Tax No Expiration	Sales Tax No Expiration	Sales Tax No Expiration	Sales Tax Expires 12/31/39	Sales Tax No Expiration	Sales Tax Expires 12/31/29
2011	1.00%	0.38%	0.15%	0.15%	-	0.40%	0.33%	0.15%	0.60%	-
2012	1.00%	0.38%	0.15%	0.15%	-	0.40%	0.33%	0.15%	0.60%	-
2013	1.00%	0.38%	0.15%	0.15%	-	0.40%	0.33%	0.15%	0.60%	-
2014	1.00%	0.38%	0.15%	0.15%	-	0.40%	0.33%	0.15%	0.60%	0.15%
2015	1.00%	0.38%	0.15%	0.15%	-	0.40%	0.33%	0.15%	0.60%	0.15%
2016	1.00%	0.38%	0.15%	0.15%	-	0.40%	0.33%	0.15%	0.60%	0.15%
2017	1.00%	0.38%	0.15%	0.15%	-	0.40%	0.33%	0.15%	0.60%	0.15%
2018	1.00%	0.38%	0.15%	0.15%	-	0.40%	0.33%	0.15%	0.60%	0.15%
2019	1.00%	0.38%	0.15%	0.15%	0.11%	0.40%	0.22%	0.15%	0.60%	0.15%
2020	1.00%	0.38%	0.15%	0.15%	0.11%	0.40%	0.22%	0.15%	0.60%	0.15%

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.

Parks Acquisition				Overlapping Rates						
& Recreation	Food Service Establishments	Capital Projects for Community, Safety, and Culture	Total	Regional			Ball		Total	Total
Sales Tax Expires 12/31/35	Sales Tax No Expiration	Sales Tax Expires 12/31/21	Direct	State of Colorado	Transportation District	Cultural District	Stadium District	Boulder County	Total Overlapping	Direct and Overlapping
0.25%	0.15%	-	3.56%	2.90%	1.00%	0.10%	0.10%	0.80%	4.90%	8.46%
0.25%	0.15%	-	3.56%	2.90%	1.00%	0.10%	-	0.80%	4.80%	8.36%
0.25%	0.15%	-	3.56%	2.90%	1.00%	0.10%	-	0.80%	4.80%	8.36%
0.25%	0.15%	-	3.71%	2.90%	1.00%	0.10%	-	0.80%	4.80%	8.51%
0.25%	0.15%	0.30%	4.01%	2.90%	1.00%	0.10%	-	0.985%	4.99%	9.00%
0.25%	0.15%	0.30%	4.01%	2.90%	1.00%	0.10%	-	0.985%	4.99%	9.00%
0.25%	0.15%	0.30%	4.01%	2.90%	1.00%	0.10%	-	0.985%	4.99%	9.00%
0.25%	0.15%	0.30%	4.01%	2.90%	1.00%	0.10%	-	0.985%	4.99%	9.00%
0.25%	0.15%	0.30%	4.01%	2.90%	1.00%	0.10%	-	0.985%	4.99%	9.00%

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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)

Market Sector	2011			2020		
	Number Of Filers	Tax Liability	Percentage Of Total	Number Of Filers	Tax Liability	Percentage Of Total
Food Stores	4	\$ 6,727	7.26%	4	\$ 8,018	5.84%
Automotive Trade	1	2,309	2.49%	1	5,177	3.77%
Computer Related Business Sector	1	1,619	1.75%	0	-	0.00%
General Retail, Utilities, & Other	4	8,696	9.39%	5	12,167	8.86%
Total	10	\$ 19,351	20.89%	10	\$ 25,362	18.47%

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/Notes	Taxable Pension Obligation Bonds/Notes	Revenue Bonds	Certificates Of Participation	Lease Purchase Revenue Notes	Capitalized Lease Obligations	Notes Payable	Loans Payable	General Obligation Bonds	Revenue Bonds/Notes
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
2014	79,610	7,812	-	-	-	9,420	-	-	10,778	66,341
2015	70,793	7,443	-	41,561	5,727	8,837	-	-	9,133	91,294
2016	22,555	7,063	41,330	40,179	4,326	8,242	-	-	7,453	116,226
2017	18,399	6,675	38,387	38,691	3,478	7,610	-	-	5,732	105,672
2018	14,087	6,271	36,048	37,165	9,804	6,926	2,510	-	3,968	133,646
2019	11,406	5,854	33,674	55,738	8,988	6,188	8,176	-	3,202	123,123
2020	10,686	5,445	31,242	53,371	8,144	5,389	5,651	-	2,426	112,557

(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)
Promissory Notes	Certificates Of Participation	Lease Purchase Revenue Notes				
-	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
-	-	7,178	181,139	20,278,600	0.89%	1,725.13
-	-	-	234,788	20,434,242	1.15%	2,236.08
-	-	-	247,374	24,935,355	0.99%	2,311.91
1,167	-	-	225,811	25,043,689	0.90%	2,090.84
791	-	-	251,216	31,186,621	0.81%	2,347.81
402	-	-	256,751	31,249,494	0.82%	2,399.54
-	-	-	234,911	34,659,583	0.68%	2,175.10

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/Notes	General Obligation Bonds				
2011	50,627	15,350	65,977	2,716,335	2.43%	673.23
2012 (c)	95,773	14,046	109,819	2,856,218	3.84%	1,087.32
2013	85,893	12,390	98,283	3,053,841	3.22%	963.56
2014	87,422	10,778	98,200	3,267,302	3.01%	935.24
2015	78,236	9,133	87,369	3,402,150	2.57%	832.09
2016	29,618	7,453	37,071	3,530,285	1.05%	346.46
2017	25,074	5,732	30,806	3,521,063	0.87%	285.24
2018	20,358	3,968	24,326	3,687,668	0.66%	227.35
2019	17,260	3,202	20,462	3,731,218	0.55%	191.23
2020	16,131	2,426	18,557	3,558,032	0.52%	171.82

(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, 2020
(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	\$ 771,020	62.54 %	\$ 482,185
Boulder Central Area General Improvement District	2,375	100.00	2,375
Northern Colorado Water Conservancy District (NCWCD)	3,053	17.23	526
Boulder County	-	46.28	-
Urban Drainage and Flood Control District	-	6.29	-
Total Overlapping Debt			485,086
City Direct Governmental Activity Debt			119,928
Total Direct and Overlapping Debt			<u>\$ 605,014</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: 2020 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 2020, each jurisdiction had the following valuations (in 000's):

The City of Boulder	\$ 4,038,543
Boulder Valley School District	6,457,677
NCWCD	23,438,428
Boulder County	8,726,176
Urban Drainage & Flood Control	64,193,120

CITY OF BOULDER, COLORADO

Statistical Data

Legal Debt Margin Information

Last Ten Fiscal Years
(Unaudited)

(Amounts in 000's)

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value	\$ 4,038,453
Debt limit - 3% of assessed value	<u>121,154</u>
Debt applicable to limit:	
Total bonded debt	18,557
Deductions allowed by law:	
Self-supporting General Obligation bonds	(18,557)
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u><u>\$ 121,154</u></u>

	<u>2011</u>	<u>2012 (a)</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt limit	\$ 74,943	\$ 75,021	\$ 77,024	\$ 77,981	\$ 94,814
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u><u>\$ 74,943</u></u>	<u><u>\$ 75,021</u></u>	<u><u>\$ 77,024</u></u>	<u><u>\$ 77,981</u></u>	<u><u>\$ 94,814</u></u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	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.)

	2016	2017	2018	2019	2020
\$	94,409	\$ 110,011	\$ 109,790	\$ 121,154	\$ 121,154
	-	-	-	-	-
\$	94,409	\$ 110,011	\$ 109,790	\$ 121,154	\$ 121,154
	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>
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
2014	46,519	27,657	18,862	12,379	1.52
2015	51,959	28,220	23,739	11,741	2.02
2016	52,125	29,266	22,859	11,421	2.00
2017	52,141	29,899	22,242	11,430	1.95
2018	54,218	29,828	24,390	12,893	1.89
2019	63,205	26,059	37,146	11,499	3.23
2020	65,103	27,390	37,713	11,378	3.31

(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.

(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

Fiscal year	Gross income (d)	Operating and Maintenance expense (e)	Net revenue available for debt service	Average annual debt service requirement	Coverage (f)
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
2014	5,642	3,737	1,905	385	4.95
2015	11,806	6,064	5,742	1,934	2.97
2016	13,991	6,146	7,845	1,934	4.06
2017	13,741	6,494	7,247	1,978	3.66
2018	11,428	7,576	3,852	1,590	2.42
2019	12,780	6,324	6,456	1,590	4.06
2020	14,396	6,335	8,061	1,590	5.07

(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			
		Population (b)	Total Personal Income (b)	Per Capita Income (b)	Unemployment Rate (c)
2011	98	300	15,536	51.893	5.9%
2012	101	305	16,639	54.502	5.6%
2013	102	310	17,042	54.968	4.7%
2014	105	314	18,370	58.627	3.2%
2015	105	319	19,233	60.220	2.8%
2016	107	322	20,528	63.707	2.2%
2017	108	323	21,940	68.027	3.0%
2018 (d)	107	326	23,932	73.394	3.3%
2019	107	326	24,962	76.527	2.4%
2020	108	*	*	*	5.7%

(a) Source: City of Boulder Department of Community Planning & Sustainability. Estimates are based on January 1.

(b) Source: U.S. Department of Commerce, Bureau of Economic Analysis, Table CAINC1

(c) Source: Boulder Economic Council

(d) 2018 City of Boulder Population decreased due to the vacancy rate increase

* 2020 Boulder, Colorado Metropolitan Statistic Area not available

CITY OF BOULDER, COLORADO

Statistical Data

Principal Employers

Current Year and Nine Years Ago
(Unaudited)

Employer	2011			2020		
	Employees	Rank	Percentage of Total County Employment (a)	Employees	Rank	Percentage of Total County Employment (a1)
University of Colorado at Boulder	6,876	1	4.17%	9,473	1	5.35%
Boulder Valley School District	4,000	2	2.42%	4,500	2	2.54%
Boulder Community Hospital	2,300	6	1.39%	2,380	3	1.34%
Boulder County	1,848	10	1.12%	1,959	4	1.11%
Ball Corporation	2,017	8	1.22%	1,600	5	0.90%
IBM Corporation	3,400	3	2.06%	1,400	6	0.79%
City of Boulder	-	-	-	1,351	7	0.76%
Google Boulder	-	-	-	1,350	8	0.76%
National Center for Atmospheric Research (NCAR)	-	-	-	1,187	9	0.67%
National Oceanic & Atmospheric Administration (NOAA)	-	-	-	867	10	0.49%
St. Vrain Valley School District	3,238	5	1.96%	-	-	-
Level 3 Communications Inc.	2,262	7	1.37%	-	-	-
Oracle Corp	3,300	4	2.00%	-	-	-
Covidien	1,860	9	1.13%	-	-	-
	<u>31,101</u>		<u>18.84%</u>	<u>26,934</u>		<u>15.20%</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 County. Employment information specific to the City of Boulder is not available for the years presented
(a1) Starting in 2016, Broomfield County has been excluded

CITY OF BOULDER, COLORADO

Statistical Data

Full-Time Equivalent City Employees By Functions/Programs

Last Ten Fiscal Years
(Unaudited)

Functions/Program	Full-Time Equivalent Employees			
	2011	2012	2013	2014
General Government:				
Municipal Court	16.25	16.25	18.16	18.13
City Attorney	18.65	20.15	20.20	21.20
City Manager- Administration	11.80	12.68	12.00	12.00
City Manager- Community Vitality	42.25	42.25	42.25	42.25
City Manager- Communications	5.50	6.50	6.50	6.50
Administrative Services:				
Human Resources	14.88	15.38	15.63	18.63
Finance	33.50	34.00	34.00	36.00
Information Technology	34.50	34.50	34.00	36.85
Public Safety:				
Police	276.50	279.50	279.50	282.50
Fire	112.33	115.33	118.33	120.33
Planning & Development Services:				
Development	-	-	-	-
Community Planning and Sustainability	-	-	-	-
Energy Strategy & Electric Utility	-	-	-	-
Public Works:				
Administration	-	-	2.74	2.74
Fleet	14.82	14.82	14.77	14.77
Transportation	59.28	59.52	59.78	60.09
Utilities	154.84	154.84	153.59	154.17
Facility / Asset Management	14.68	14.68	14.73	14.84
Culture and Recreation:				
Parks and Recreation	126.12	126.37	128.37	127.37
Library	75.45	75.13	74.14	76.26
Arts	1.50	2.00	3.25	3.25
Open Space / Mountain Parks:				
	85.60	89.60	91.60	95.35
Housing and Human Services:				
Housing	-	-	-	-
Human Services	-	-	-	-
Total	<u>1,230.50</u>	<u>1,243.20</u>	<u>1,260.62</u>	<u>1,286.01</u>

Source: City of Boulder Summary of Standard FTE's per the annual budget document.

* In 2018, Energy Strategy & Electric Utility FTE position was increased to 6 under the revised budget

Note: Number of FTE's budgeted and approved for each fiscal year

Full-Time Equivalent Employees

2015	2016	2017	2018	2019	2020
21.13	21.13	20.35	19.35	18.35	18.35
19.20	25.70	27.65	27.65	28.00	28.00
19.50	17.00	19.88	22.88	18.00	14.00
44.50	46.50	49.00	48.25	47.24	48.01
6.50	12.75	13.50	14.75	15.25	14.25
24.63	24.38	23.38	23.38	23.00	24.00
38.67	44.50	46.62	48.12	44.00	44.00
37.18	40.25	40.75	39.75	41.75	41.00
288.00	290.89	291.89	291.75	288.25	289.25
121.33	124.33	124.00	124.00	123.00	124.00
105.92	112.72	-	-	-	-
-	-	54.11	57.38	57.05	67.49
-	-	55.34	55.54	54.54	44.03
-	-	9.00	*	6.50	21.00
3.74	2.85	1.5	-	-	-
14.77	15.12	14.62	13.20	13.43	12.80
70.34	71.34	72.09	73.87	75.91	70.41
166.92	168.02	168.87	169.48	168.90	160.54
14.84	17.53	18.79	19.22	19.99	21.62
130.35	136.35	139.12	146.27	141.50	145.25
76.26	77.50	74.00	74.00	74.25	76.75
2.25	1.00	3.50	3.50	3.50	3.50
102.35	117.15	128.4	126.18	121.60	125.35
50.39	52.14	-	-	-	-
-	-	15.95	16.35	15.35	15.35
-	-	35.05	36.22	33.22	33.22
<u>1,358.77</u>	<u>1,419.15</u>	<u>1,447.36</u>	<u>1,451.09</u>	<u>1,432.58</u>	<u>1,442.17</u>

CITY OF BOULDER, COLORADO

Statistical Data

Operating Indicators By Function/Program

Last Ten Fiscal Years
(Unaudited)

Function/Program	2011	2012	2013	2014
General Government:				
Municipal Court				
Traffic tickets processed	17,181	15,681	12,464	10,998
General summons processed	6,028	6,498	5,871	4,466
Animal summons processed	1,318	1,635	1,340	1,074
Arraignments	5,437	5,810	5,049	4,341
Court trials	69	63	84	61
Jury trials	20	12	16	23
Public Safety:				
Police				
Number of police officers	173	173	173	176
DUI arrests	674	706	592	583
Traffic summons	17,530	16,547	18,438	12,530
Total traffic accidents	3,328	3,183	3,598	3,449
Total calls for service	81,218	91,675	107,519	108,279
Fire				
Number of firefighters	96	96	96	96
Total annual responses	10,111	10,293	11,203	9,910
Percentage of responses within 6 minutes	76%	74%	78%	47%
Planning & Development Services:				
Number of applications received	5,888	6,488	7,727	6,115
Number of zoning and environmental code enforcement cases	2,145	706	809	821
Public Works				
Transportation				
Daily vehicle miles of travel in Boulder Valley	2.34 million	2.34 million	2.40 million	2.89 million
Culture and Recreation:				
Parks and Recreation				
Recreation center attendance	628,639	725,000	736,138	727,531
Outdoor pool attendance	83,707	77,441	74,175	75,597
Athletics participation	250,372	175,543	181,752	161,652
Recreation class enrollment	21,794	23,092	23,417	29,451
Reservoir attendance	330,205	238,265	227,935	156,034
Rounds of golf	39,440	43,974	36,872	41,494
Library				
Circulation of books, videos, tapes	1,384,900	1,446,816	1,449,679	1,305,894
Remote use of library resources online	804,998	748,917	752,629	840,954
Adults participating in cultural and educational programs	33,298	31,063	23,999	25,737
Attendance at outreach program activities	4,185	5,312	4,429	4,650
Arts				
Participants in Boulder Arts Resource	718	737	NA	NA
Housing Division:				
Number of permanently affordable housing units added on an annual basis	24	18	236	141

Source: City of Boulder departmental records.

(a) Prior years each page viewed online was counted. For 2016, the count only includes the online visit regardless of how many pages were viewed.

(b) In 2017, these numbers were corrected due to a reported error.

(c) In 2018, a new Planning and Development software application, ENERGOV, is used to gather data.

(d) In 2018, Parks and Recreation reporting tools started to include rental attendance at all recreation centers.

2015	2016	2017	2018	2019	2020
8,273	9,361	5,926	6,949	6,264	4,800
4,886	4,239	3,781	3,576	3,725	3,037
2,016	840	852	966	1,071	707
4,459	5,090	5,087	6,035	4,634	3,069
54	27	18	26	19	12
12	2	2	8	7	1
179	181	181	181	183	184
568	486	352	270	179	122
13,106	11,439	6,462	7,026	7,337	4,676
3,593	3,691	3,491	3,624	3,522	2,085
105,315	111,349	121,570	117,666	104,085	80,486
96	96	100	99	100	100
10,669	11,818	11,977	11,776	12,262	11,309
66%	69%	75%	59%	57%	72%
6,170	6,289	6,253	7,582	10,715	9,878
1,178	1,371	1,547	(c) 1,065	1,465	1,132
2.46 million	2.49 million	2.49 million	2.49 million	2.49 million	1.86 million
488,707	414,366	609,129	(d) 1,239,784	1,009,356	214,107
64,638	(b) 77,022	61,815	55,079	44,645	25,563
176,404	210,000	239,378	143,824	114,114	5,704
31,223	21,098	18,027	16,677	14,413	3,830
139,396	(b) 163,155	176,747	165,874	184,610	113,390
37,174	35,397	37,992	36,176	35,695	40,420
1,350,156	1,359,858	1,529,187	1,556,715	1,856,404	1,035,511
757,918	(a) 295,040	323,233	405,818	371,778	82,497
36,203	39,198	20,939	31,086	35,444	4,235
3,282	4,943	4,717	3,104	2,163	1,000
NA	NA	NA	NA	NA	NA
205	246	94	120	37	277

CITY OF BOULDER, COLORADO

Statistical Data

Capital Asset Statistics By Function/Program

Last Ten Fiscal Years
(Unaudited)

Function/Program	2011	2012	2013	2014
Public Safety:				
Police				
Number of stations and annexes	4	4	5	5
Fire				
Number of stations	7	7	7	7
Public Works:				
Fleet Services				
Cars, Pickups, Vans, and Motorcycles	347	312	328	377
Fire Apparatus	14	14	14	14
Other Heavy Trucks and Equipment	607	677	720	704
Total Vehicles/Equipment in Fleet	968	1,003	1,062	1,095
Transportation				
Miles of streets	293	295	295	295
Number of street lights	4,689	4,742	4,766	4,811
Utilities - Water				
Number of water accounts	28,619	28,759	28,747	28,829
Average daily water production (000's)	17,000	17,600	15,737	15,692
Miles of water mains	463	463	462	463
Utilities - Sewer				
Miles of sanitary sewer mains	355	355	355	356
Miles of storm sewers	186	153	152	153
Culture and Recreation:				
Parks and Recreation				
Acres of urban parks	1,800	1,800	1,800	1,800
Library				
Number of libraries	4	4	4	5
Number of library items in collection	392,506	390,427	413,740	412,824
Open Space / Mountain Parks:				
Acres of mountain parks and open space	45,405	45,591	46,632	45,518

Source: City of Boulder departmental records.

2015	2016	2017	2018	2019	2020
5	5	5	5	5	5
7	7	7	7	7	7
377	381	486	481	388	400
14	14	14	14	15	15
713	831	715	690	599	598
1,104	1,226	1,215	1,185	1,002	1,013
300	300	294	294	305	305
4,822	5,059	5,081	5,155	5,157	5,167
28,944	29,140	29,502	29,092	29,621	29,375
15,800	15,600	16,200	16,200	14,600	15,700
463	467	467	468	468	468
356	356	356	356	358	358
144	153	152	152	148	148
1,800	1,800	1,800	1,800	1,861	1,861
5	5	5	5	5	5
473,716	331,078	308,825	330,851	375,580	302,012
45,518	45,540	45,570	46,599	46,800	46,800

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CITY OF BOULDER, COLORADO
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2020

Federal Grantor, Program Title, Project/Grant Number, and Program Year	Federal CFDA Number	Pass thru Entity Identifying Number	Amount Provided to Subrecipient	Total Expenditures 1/1/20-12/31/20
Department of Housing and Urban Development:				
Direct Programs:				
Community Development Block Grants/Entitlement Grants	14.218	N/A	\$ 600,949	\$ 855,396
HOME Investment Partnerships Program	14.239	N/A	1,885,778	1,992,525
Total Department of Housing and Urban Development			<u>2,486,727</u>	<u>2,847,921</u>
Department of Justice:				
Direct Programs:				
Missing Children's Assistance	16.543	N/A	-	5,084
Coronavirus Emergency Supplemental Funding Program	16.034	N/A	-	39,980
Total Department of Justice			<u>-</u>	<u>45,064</u>
Department of Transportation:				
Highway Planning and Construction Cluster:				
Passed through Colorado Department of Transportation:				
Highway Planning and Construction	20.205	None provided	-	2,379,476
Passed through Colorado Parks & Wildlife:				
Recreational Trails Program	20.219	None provided	-	5,014
Subtotal Highway Planning and Construction Cluster:			<u>-</u>	<u>2,384,490</u>
Direct Programs:				
Federal Aviation Administration Airport Improvement Program	20.106	N/A	-	5,104,724
Total Department of Transportation			<u>-</u>	<u>7,489,214</u>
Department of Treasury				
Passed through Colorado Department of Local Affairs:				
Coronavirus Relief Fund - CARES Act	21.019	N/A	-	3,528,997
Total Department of Treasury			<u>-</u>	<u>3,528,997</u>
Department of Homeland Security				
Passed through Arapahoe County:				
Donated equipment	97.067	NA	-	341,208
Total Department of Homeland Security			<u>-</u>	<u>341,208</u>
Total Federal Expenditures			<u>\$ 2,486,727</u>	<u>\$ 14,252,404</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, 2020

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, 2020. 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 the Code of Federal Regulations, 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). 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. The City has elected to not use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of CFDA 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Expenditures Incurred in Prior Years

None of the noted expenditures were incurred in years prior to fiscal year 2020.

Note 4. Pass Through Entity Identifying Numbers

No pass through entity identifying numbers are noted.



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

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 City of Boulder, Colorado, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise City of Boulder's basic financial statements, and have issued our report thereon dated June 24, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Boulder, Colorado's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Boulder, Colorado's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Boulder, Colorado's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Boulder, Colorado's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Broomfield, Colorado
June 24, 2021



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

We have audited City of Boulder, Colorado's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of City of Boulder, Colorado's major federal programs for the year ended December 31, 2020. City of Boulder, Colorado's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of City of Boulder, Colorado's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City of Boulder, Colorado'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 City of Boulder, Colorado's compliance.

Opinion on Each Major Federal Program

In our opinion, City of Boulder, Colorado 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, 2020.

Report on Internal Control Over Compliance

Management of City of Boulder, Colorado 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 City of Boulder, Colorado's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City of Boulder, Colorado's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Broomfield, Colorado
June 24, 2021

**CITY OF BOULDER, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2020**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
14.218	Community Development Block Grants/Entitlement Grants
20.106	Airport Improvement Program
21.019	Coronavirus Relief Fund

- Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000
- Auditee qualified as low-risk auditee? _____ x yes _____ no

**CITY OF BOULDER, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2020**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

**CITY OF BOULDER, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2020**

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



City of Boulder Finance

CITY OF BOULDER COLORADO SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS YEAR ENDED DECEMBER 31, 2020

US Department of Transportation

The City of Boulder respectfully submits the following summary schedule of prior audit findings for the year ended December 31, 2020.

Audit period: January 1, 2020 – December 31, 2020

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2019 – 001 Suspension & Debarment

Condition: This finding was a significant deficiency stating that although the City does have policies and procedures in place for compliance with suspension and debarment requirements three out of five vendors selected for testing had not been checked to verify they were not suspended or debarred.

Status: Corrected. The City has implemented a new requisition checklist that includes a section for the project manager to review the Excluded Parties List System to ensure the contractor is not included on the list and therefore not suspended or debarred. In addition, Request for Proposal language has also been added to any bid requests for Colorado Department of Transportation (CDOT) projects that also notifies each potential respondent that they can not bid on the work if they are currently suspended or debarred.

If the US Department of Transportation has questions regarding this schedule, please call Anne Penney at 303-441-1812.

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

LOCAL HIGHWAY FINANCE REPORT		City or County: City of Boulder
		YEAR ENDING : December 2020
This Information From The Records Of: City of Boulder	Prepared By: Graham Clark, Budget & Finance Analyst Phone: 303-441-3001	

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses:				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	13,549,038
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	7,907,363
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	2,304,868
2. General fund appropriations	2,874,417	b. Snow and ice removal	1,607,329
3. Other local imposts (from page 2)	23,941,083	c. Other	1,730,023
4. Miscellaneous local receipts (from page 2)	1,267,392	d. Total (a. through c.)	5,642,220
5. Transfers from toll facilities	0	4. General administration & miscellaneous	3,888,342
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	2,278,660
a. Bonds - Original Issues	0	6. Total (1 through 5)	33,265,624
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:	
c. Notes	0	1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	620,859
7. Total (1 through 6)	28,082,892	b. Redemption	970,384
B. Private Contributions	0	c. Total (a. + b.)	1,591,243
C. Receipts from State government (from page 2)	2,936,473	2. Notes:	
D. Receipts from Federal Government (from page 2)	3,608,552	a. Interest	0
E. Total receipts (A.7 + B + C + D)	34,627,916	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	1,591,243
		C. Payments to State for highways	0
		D. Payments to toll facilities	0
		E. Total disbursements (A.6 + B.3 + C + D)	34,856,866

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	14,588,412	0	970,384	13,618,029
1. Bonds (Refunding Portion)		0	0	
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
Transportation Funds	26,004,524	30,783,115	31,012,066	25,775,574	
Capital Improvement Bond Fund (Street & Road)	970,384	0	0	970,384	0
General Fund (Street & Road)	0	3,844,801	3,844,801	0	0
Totals	26,974,908	34,627,916	34,856,866	26,745,957	0

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.

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2020

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	0	a. Interest on investments	803,530
b. Other local imposts:		b. Traffic Fines & Penalties	0
1. Sales Taxes	22,084,773	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	1,505,589	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	350,721	g. Other Misc. Receipts	463,862
6. Total (1. through 5.)	23,941,083	h. Other	0
c. Total (a. + b.)	23,941,083	i. Total (a. through h.)	1,267,392
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	2,218,837	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	264,746	d. Federal Transit Admin	0
d. Other - Hwy/Signal Maint Contract	365,961	e. U.S. Corps of Engineers	0
e. Other - CDOT	86,928	f. Other Federal (FHWA)	3,608,552
f. Total (a. through e.)	717,635	g. Total (a. through f.)	3,608,552
4. Total (1. + 2. + 3.f)	2,936,473	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs	0	286,437	286,437
b. Engineering Costs	1,044,643	2,624,749	3,669,391
c. Construction:			
(1). New Facilities		0	0
(2). Capacity Improvements	0	3,586,303	3,586,303
(3). System Preservation	149,109	1,537,989	1,687,098
(4). System Enhancement & Operation	1,011,978	3,307,830	4,319,809
(5). Total Construction (1) + (2) + (3) + (4)	1,161,088	8,432,122	9,593,210
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	2,205,730	11,343,308	13,549,038
			(Carry forward to page 1)

Notes and Comments: