INTRODUCTORY SECTION

CITY OF BOULDER, COLORADO

Comprehensive Annual Financial Report

For the fiscal year ended

December 31, 2008

Prepared by the Department of Finance

Contents printed on recycled paper.

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CITY OF BOULDER, COLORADO

Comprehensive Annual Financial Report

December 31, 2008

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

June 5, 2009

To: Honorable Mayor Matthew Appelbaum, Members of the City Council,
City Manager Jane Brautigam and the Residents of the City of Boulder

Both the city of Boulder Charter and State law require that an audit of city financial records be conducted each year by an independent certified public accountant. Such an audit has been performed and this report is being published as part of the requirement for the fiscal year ended December 31, 2008.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control 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.

McGladrey & Pullen, LLP, has issued an unqualified ("clean") opinion on the city of Boulder's financial statements for the year ended December 31, 2008. The independent auditor's report is located at the front of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

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

Superior educational and cultural resources make Boulder a fulfilling place to live, work, and play. The city encompasses approximately 25.4 square miles and is the county seat of Boulder County. The population of the city according to the 2000 census was 94,673. The 2008 population of the city was estimated to be 103,650.

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

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

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

Certain parking facilities and services are provided through two legally separate entities, Downtown Commercial District and University Hill Commercial District. In addition, acquisition and construction of certain city properties and facilities is provided by Boulder Municipal Property Authority. These separate entities function, in essence, as separate departments of the city of Boulder and have therefore been included as an integral part 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 that serves as the foundation of the city's financial planning and control. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The city budgets revenues and expenditures/expenses for all funds except the Pension Trust Fiduciary Funds and the Gifts and Contributions Fund.

The city has implemented a two-year budget process and adopts a biennial budget by December 1st of the year prior to the two-year budget period. Even though the budget is adopted for a two-year term, the State and City Charter require that prior to each fiscal year; an appropriation ordinance must be adopted to authorize budgeted expenditures for the coming fiscal year. Therefore, an annual appropriation ordinance is needed to formalize the budget for the second year.

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

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

FACTORS AFFECTING FINANCIAL CONDITION

Original projections for sales and use tax revenues for 2008 expected a 3.8% increase over 2007. Due to the recessionary economic conditions at the national, state and local levels, sales and use tax revenues for the City increased by .23%. To compensate for the shortfall in budgeted revenues, the City reduced operating expenditures by an equivalent amount. The reductions were made by holding vacant positions open and reducing non personnel expenditures. The decrease in commodity prices also contributed to lower costs in fuel, energy costs, and all petroleum based products used by the city.

Sales and use tax revenues make up approximately 45% of the General Fund, 95% of the Open Space and Mountain Parks Fund, and 67% of the Transportation Fund, total revenues.

The property tax base has continued to grow and assessed valuation has increased each year over the last several years. The assessed valuation for the property within the City of Boulder grew by 7.7% to $2,416 million in 2008. In November 2008, the voters within the City of Boulder approved a ballot question which removed the remaining TABOR restriction on property tax revenues in 2009 and beyond. The increase in retained taxes starting in tax collection year 2009 will be limited to .5 mills per year until the full amount of the existing tax levy of 11.981 mills is restored and retained. The impact of the current TABOR limitation is a temporary property tax mill levy reduction of 2.14 mills which, based on the 2008 assessed valuation, equated to a reduction of property tax revenues of $5.1 million. This additional property tax revenue will help offset some of the sales and use tax revenue reductions that have and are continuing to occur.

Projections for the Future

As anticipated, retail activity in the City of Boulder began 2009 at a lower level than that experienced in early 2008. Current projections are that retail sales will improve slightly as the year progresses. Therefore, it will be extremely important to track the monthly data to identify trends in the underlying economic activity of the city.

The change in March 2009 year-to-date sales and use tax revenue from the similar period in 2008 is as follows:

March YTD 2009 versus 2008		
Tax Category	**% Change**	**% of Total**
Retail Sales Tax	(5.39)%	78.97%
Business / Consumer Use Tax	(6.08)%	11.56%
Construction Use Tax	3.93%	7.58%
Motor Vehicle Use Tax	(27.80)%	1.90%
Refunds	(93.05)%	(0.01)%
Total YTD Sales/Use Tax	**(5.18)%**	**100.00%**

The City anticipates that 2009 total sales and use tax revenues will be from 4% to 6% below budgeted revenues originally projected in April 2008. Due to the accelerating deterioration of the national economy in the last several months, these projected declines are being considered structural in nature and not one-time aberrations of the City's revenue stream. In order to proactively address this issue, the City has already revised sales tax projections for 2009 downward by 6%. The city has also implemented a budget stabilization strategy for 2009 that will maintain the required balance between revenues and expenditures. Based on the impact of sales and use tax revenues not meeting projections, the 2009 budget stabilization plan includes $5.4 million of spending reductions citywide.

Even with the increases in the property tax base and the phasing out of the TABOR property tax limitations mentioned above, because sales and use tax make up such a high proportion of revenue in governmental funds, the reductions in sales and use tax revenues will require that the city downsize its operations not only during 2009 but also on an ongoing basis. The city is currently developing priorities and strategies for long term expenditure reductions beginning in 2010.

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

The actual percentages for 2007 and 2008, along with the 2009 sales tax projections for the city of Boulder and statewide forecasts from the Colorado Office of State Planning and Budgeting, are as follows:

Forecast	**2007**	**2008**	**2009**
Base Sales/Use Tax actual/forecast - city of Boulder	5.76%	.23%	(6.0)%
Denver-Boulder CPI-U actual/forecast	2.2%	3.897%	0.0%
Projected Statewide Retail Sales Trade Growth	6.3%	4.9%	(7.7)%
Projected Statewide Personal Income Growth	5.9%	4.5%	.5%

THE IMPORTANCE OF SOUND FINANCIAL PLANNING, DOWNSIZING STRATEGY AND ACTIONS

During good times and bad, the city of Boulder believes that sound financial plans and processes are critical to maintaining long-term financial integrity and engages in the following "best practice" processes:

- A Business Plan that prioritizes, classifies, and stratifies ongoing and new operating programs plus capital improvement projects in the city.
- Adequate emergency/stabilization and working capital reserves.
- Adequate facility and equipment renovation and replacement reserves.
- Development of multi-year financial plans for all funds.
- Ongoing monitoring of revenues and expenditures.
- Development of contingency plans.
- Requirements that non-recurring revenues will not be used to fund on-going costs.
- Development of six-year capital improvement plans, integrating operating costs.
- Annual financial reports qualifying for the GFOA financial reporting award.
- Budget documents qualifying for the GFOA budgeting award.
- Use of a Blue Ribbon Commission to develop for consideration and implementation long range revenue stabilization and expenditure plans through 2030.

These plans and processes have provided the "blueprint" for the on-going fiscal sustainability of the municipal corporation of Boulder, Colorado.

MAJOR INITIATIVES

In recognition of the long term implications of the economic recession and the reduction in city sales tax revenues, city management has developed a process to seek both public and city employee input into the strategies to be used to identify the types of expenditure reductions and any new revenue or increased funding sources that are needed. These strategies will then be used to help identify specific revenue changes or cost reductions necessary to maintain the proper revenue / expenditure balance. These long term budget stabilization strategies will be made through the 2010 budget process and implemented beginning January 2010.

The city, aided by the Blue Ribbon Commission Phase II, will continue to work on evaluating its expenditures and identifying efficiencies to ensure that the funds we currently have are effectively and efficiently spent. Various city departments perform internal assessments/audits and measure their performance on a regular basis. Staff has committed to approximately three new, external assessments per year to better evaluate performance. This continued emphasis on efficiency will continue to be important as the city deals with the reduction in revenues from the current economic downturn.

Responsible fiscal management, even in times of economic downturn, includes planning for future capital outlays to properly maintain, upgrade or acquire vital facilities and infrastructure needed by the community. The city's capital improvement program for 2009 includes proposed funding of $36 million for 94 projects in 15 different funds. The entire six-year capital improvement program for

2009 through 2014 includes proposed funding of $215 million for 164 projects. These projects may be modified in response to changing economic conditions, the needs of the community and other considerations. Some of the most significant capital expenditures included within the six-year plan are as follow: (i) acquisition and development of open space lands totaling $24.9 million; (ii) parks and recreation projects totaling $18.6 million including development of new community parks and renovation of existing facilities; (iii) $26.8 million in transportation system improvements including improvements to 28th Street, 30th street access improvements for the Boulder Transit Village Station and FasTracks commuter rail development, and Broadway / Euclid intersection improvements to address bicycle and pedestrian conflicts; (iv) the construction of a new fire training center funded with $4.1 million contributed by Boulder County and $3.7 million collected from a one-year 0.15% city sales tax in 2007; (v) $81.7 million for water utility fund capital projects including waterline replacement projects and Betasso and Boulder Reservoir water treatment plant rehabilitation projects; (vi) $23.9 million for wastewater utility fund projects including wastewater treatment plant rehabilitation projects and expansion of the bio-solids digester at the wastewater treatment plant; (vii) $16.4 million for stormwater and flood management utility fund projects including Fourmile Canyon Creek and Wonderland Creek flood mitigation projects.

Planned capital expenditures will be financed using revenues from current rates and charges, plant investment and connection fees, bond proceeds and future rate and fee increases.

The City of Boulder capital improvement program is available online on the city's website (www.bouldercolorago.gov) under the Finance Department budget page.

OTHER FINANCIAL INFORMATION

Debt Ratings

During 2008, the city's general obligation credit ratings were established as Aa1 by Moody's Investors Service and AA+ by Standard & Poors. The primary reasons cited in the past for these high rating levels have been the general strength of the Boulder economy and 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 CAFR for the fiscal year ended December 31, 2007. This was the nineteenth consecutive year that the city has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition, the city also received the GFOA's Distinguished Budget Presentation Award for its 2008-2009 biennium 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.

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,

Director of Finance and Record

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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, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

CITY OF BOULDER, COLORADO

Principal Elected and Administrative Officials

At December 31, 2008

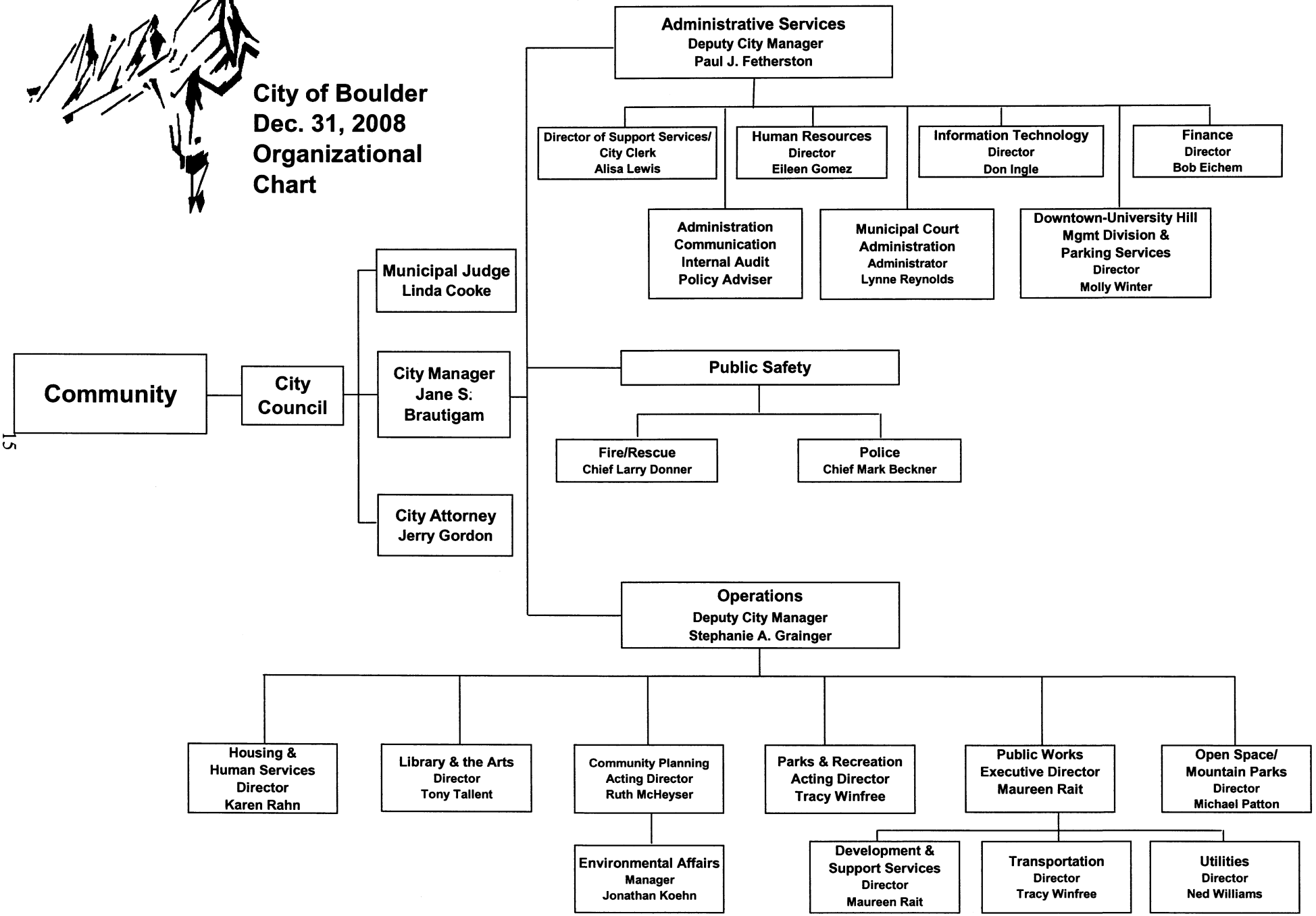
Mayor and City Council

Mayor:	Matthew Appelbaum
Deputy Mayor:	Crystal Gray
Council Members:	Suzy Ageton Shaun McGrath Macon Cowles Angelique Espinoza Lisa Morzel Susan Osborne Ken Wilson

Administrative

City Manager:	Jane Brautigam
Deputy City Managers:	Paul Fetherston
Finance Director:	Bob Eichem

City of Boulder Dec. 31, 2008 Organizational Chart



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FINANCIAL SECTION

McGladrey & Pullen
Certified Public Accountants

Independent Auditor's Report

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

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, as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Boulder's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2008, and the respective changes in financial position and cash flows, where applicable, thereof and respective budgetary comparison for the General Fund, Open Space and Mountain Parks Fund, and Transportation Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards,* we have also issued our report dated June 2, 2009 on our consideration of the City of Boulder's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

McGladrey & Pullen, LLP is a member firm of RSM International -
an affiliation of separate and independent legal entities.

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The management's discussion and analysis on pages 21 through 34, and Police Pension Fund and Fire Pension Fund information on pages 152 through 154 and Boulder Retiree Health Care Benefits Plan information on page 155 are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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 nonmajor fund financial statements and other schedules and local highway finance report, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

McGladrey & Pullen, LLP

Denver, Colorado
June 2, 2009

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City of Boulder, Colorado

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2008

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, 2008. 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 of the city exceeded its liabilities at the close of 2008 by $836.5 million ($475.1 million in governmental activity net assets and $361.4 million in business-type activity net assets). Of the governmental activities net asset total, $51.8 million, or 11%, is unrestricted and may be used to meet the city's ongoing obligations to the public and creditors. Similarly, $65.3 million, or 18%, of business-type activities net assets are unrestricted.

- Total net assets of the city increased $42.2 million, or 5%, compared to 2007. Net assets of the city's governmental activities increased $21.9 million, which represents an increase of 5% from 2007. Net assets of the city's business-type activities increased $20.3 million, or 6%, over 2007 as well.

- The total cost of all the city's programs increased $6.0 million, or 3%, compared to 2007. The cost of governmental activity program expenses increased $3.4 million, or 2%, to $156.4 million, while the cost of business-type activities increased $2.6 million, or 6%, from 2007 to $45.2 million.

- Total revenues, excluding transfer and extraordinary items, increased $4.4 million, or 2%, compared to 2007. Governmental activities revenues decreased $1.9 million, or 1%, to $177.7 million, while revenues of business-type activities increased $6.3 million, or 10%, to $66.1 million compared to 2007.

As of December 31, 2008, the city's governmental funds reported a combined ending fund balance of $88.7 million. Approximately 77%, or $68.2 million, is unreserved, undesignated fund balance and, therefore, available for spending at the city's direction 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 themselves.

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 assets*** presents information on all of the city's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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 of the government-wide financial statements 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, planning and development services, culture and recreation, open space and mountain parks, and housing and human services. The business-type activities of the city include water utility, wastewater utility, stormwater and flood management, parking services, and the Boulder Municipal Property Authority's acquisition of open space and parks property.

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

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

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

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

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The city uses enterprise funds to account for the operations of the Water Utility, Wastewater Utility, Stormwater and Flood Management, Boulder Municipal Property Authority and Downtown Commercial District funds – all of which are considered to be major funds of the city. In addition, the University Hill Commercial District is accounted for as an enterprise fund and is the city's only non-major enterprise fund.

- **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. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

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 nonmajor special revenue, debt service and capital project funds.

Government-wide Financial Analysis

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

Table 1 - Net Assets (dollars in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2008	2007	2008	2007	2008	2007
Current and other assets	$ 159,845	$ 149,618	$ 87,421	$ 93,998	$ 247,266	$ 243,616
Capital assets	431,620	427,072	419,285	407,500	850,905	834,572
Total assets	591,465	576,690	506,706	501,498	1,098,171	1,078,188
Noncurrent liabilities	78,581	88,326	133,501	143,280	212,082	231,606
Other liabilities	37,771	35,116	11,772	17,124	49,543	52,240
Total liabilities	116,352	123,442	145,273	160,404	261,625	283,846
Net assets:						
Invested in capital assets	363,896	350,644	295,936	283,633	659,832	634,277
Restricted	59,456	56,833	234	228	59,690	57,061
Unrestricted	51,761	45,771	65,263	57,233	117,024	103,004
Total net assets	$ 475,113	$ 453,248	$ 361,433	$ 341,094	$ 836,546	$ 794,342

Table 1 presents an analysis of the city's net assets as of December 31, 2008. The city's assets exceeded its liabilities by $836.5 million at the close of the current fiscal year. By far the largest portion of the city's net assets (79%) reflects its investment of $659.8 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 assets, $59.7 million (7%), represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted assets, $117.0 million (14%), may be used to meet the city's on-going obligations to the public and creditors. The unrestricted net assets of the city's business-type activities in the amount of $65.3 million are not available to fund the city's governmental activities.

At the end of the current fiscal year, the city is able to report positive balances in all three categories of net assets, both for the government as a whole as well as for its separate governmental and business-type activities. Net assets invested in capital assets, net of related debt, increased $25.6 million, or 4%, compared to 2007. This increase is due to current year asset acquisitions and construction projects. This is discussed below in "Capital Assets" in more detail. Restricted net assets increased $2.6 million, or 5%, compared to 2007. This increase is primarily due to interest income in 2008 for the firefighting training center and for the permanent parks and recreation capital improvements fund. The increase of $14.0 million, or 14%, in unrestricted net assets reflects revenues in excess of expenses for the current year.

It is important to note that approximately $32.6 million in governmental unrestricted net assets arises from the net assets 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 assets of these funds would result in a portion of these unrestricted net assets being allocated to unrestricted net assets of governmental activities and unrestricted net assets of business-type activities.

Analysis of Changes in Net Assets

As can be seen from *Table* 2, the city's net assets increased by $42.3 million during 2008. This increase is explained in the government and business-type activities discussion below.

Governmental Activities

Net assets of governmental activities increased by $21.8 million during 2008, accounting for 52% of the total increase in the city's net assets. This was $3.7 million less than the increase of $25.5 million in 2007.

Revenues during 2008 decreased by $1.9 million compared to 2007. Capital grants and contributions decreased $6.6 million primarily due to significant 2007 transportation projects while program charges for services increased $3.6 million in 2008 from additional affordable housing revenues. Sales and use taxes decreased $3.5 million largely due to the expiration of the one year sales tax for the fire training center capital improvement fund. Revenues generated by excise taxes increased $1.1, property tax revenues increased $1.4, franchise fees increased $1.0 and interest and investment earnings increased $1.2 million.

Expenses for 2008 increased $3.5 million compared to 2007. Public Safety costs went up $2.3 million largely due to an increase in personnel costs of $1.8 million, Housing and Human Services expenses increased $3.6 primarily due to the various housing projects underway in 2008, and Public Works expenses decreased $5.1 from completion of the grant funded transportation projects began in 2007. Other departments saw smaller increases or decreases from normal fluctuations.

Table 2 - Change in Net Assets (dollars in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2008	2007	2008	2007	2008	2007
Program revenues:						
Charges for services	$ 25,083	$ 21,531	$ 47,048	$ 47,338	$ 72,131	$ 68,869
Operating grants and contributions	8,500	7,522	168	210	8,668	7,732
Capital grants and contributions	6,886	13,521	10,703	4,812	17,589	18,333
General revenue:						
Sales and use taxes	84,867	88,403	94	99	84,961	88,502
Property taxes	21,865	20,475	1,578	772	23,443	21,247
Other taxes	16,973	14,791	777	766	17,750	15,557
Interest and investment earnings	7,875	6,594	5,583	5,795	13,458	12,389
Miscellaneous revenue	5,025	6,752	179	(24)	5,204	6,728
Gain on sale of capital assets	627	-	-	-	627	-
Total Revenues	177,701	179,589	66,130	59,768	243,831	239,357
Program expenses (includes indirect expenses allocation):						
Governmental activities:						
General Government	10,227	9,846	-	-	10,227	9,846
Administrative Services	2,951	3,182	-	-	2,951	3,182
Public Safety	44,479	42,221	-	-	44,479	42,221
Public Works	30,966	36,030	-	-	30,966	36,030
Planning and Develompent Services	8,966	7,657	-	-	8,966	7,657
Culture and Recreation	27,961	26,573	-	-	27,961	26,573
Open Space and Mountain Parks	13,360	13,156	-	-	13,360	13,156
Housing and Human Services	13,983	10,420	-	-	13,983	10,420
Interest on long-term debt	3,530	3,872	-	-	3,530	3,872
Business-type activities:						
Water Utility	-	-	21,712	20,767	21,712	20,767
Wastewater Utility	-	-	11,707	10,849	11,707	10,849
Stormwater and Flood Management	-	-	4,407	4,197	4,407	4,197
Parking Services	-	-	6,228	5,549	6,228	5,549
Property and Facility Acquisition	-	-	1,150	1,316	1,150	1,316
Total expenses	156,423	152,957	45,204	42,678	201,627	195,635
Excess before extraordinary items and transfers	21,278	26,632	20,926	17,090	42,204	43,722
Extraordinary items	-	-	-	-	-	-
Transfers	587	(1,110)	(587)	1,110	-	-
Increase in net assets	$ 21,865	$ 25,522	$ 20,339	$ 18,200	$ 42,204	$ 43,722

Charts 1 and *2* illustrate the city's governmental expenses and revenues by function and its revenues by source. As can be seen in *Chart 1*, Public Safety is the largest function based on expenses (28%), followed by Public Works (20%) and Culture and Recreation (18%). General revenues such as sales and use taxes, property and other taxes are not shown in *Chart 2* by program, but are effectively used to support program activities citywide. For governmental activities overall, without regard to program, sales and use taxes are the largest single source (48%), followed by charges for services (14%) and property taxes (12%). These ratios are comparable to those for 2007.

Chart 1: 2008 Expenses and Program Revenues - Governmental Activities

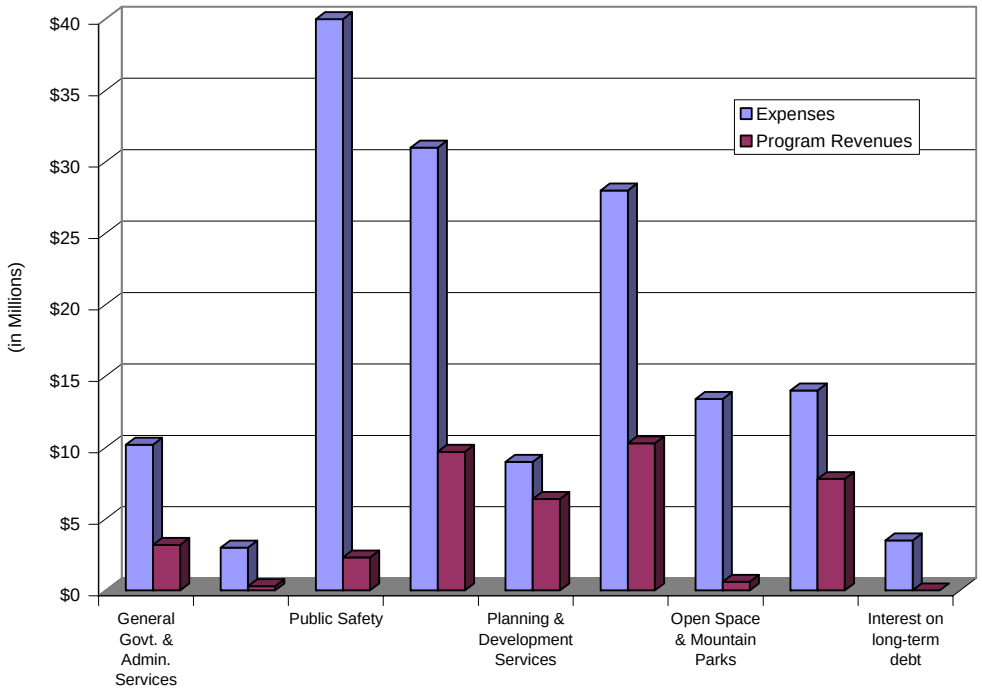
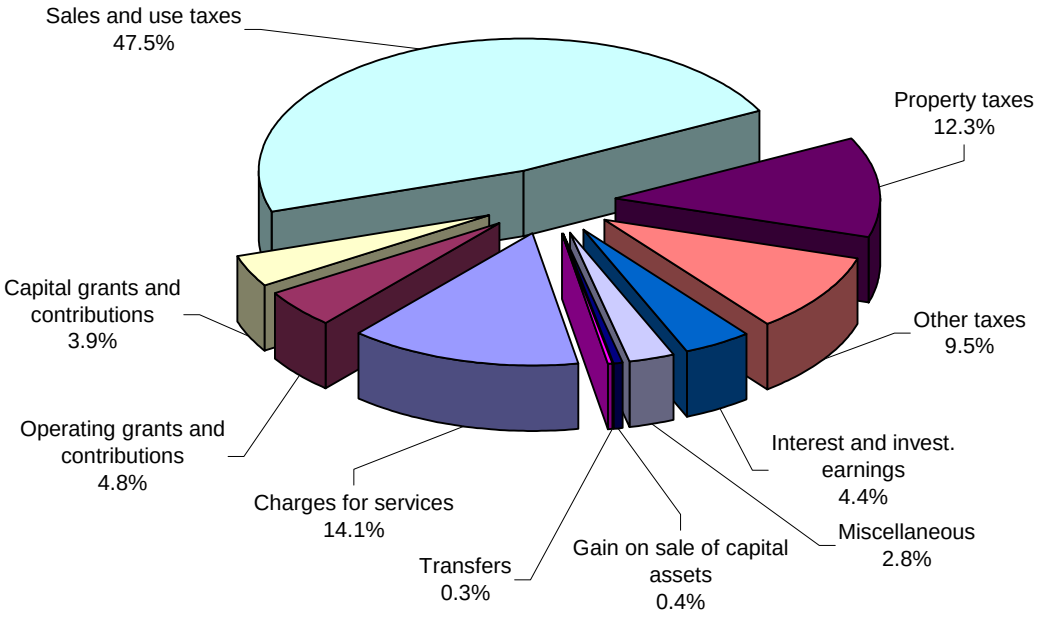


Chart 2: 2008 Revenues by Source - Governmental Activities



Business-type Activities

Net assets in business-type activities increased $20.3 million for 2008, accounting for 48% of the total increase in the city's net assets. This was $2.1 million, or 12%, more than the increase of $18.2 million in 2007.

Total business-type revenues increased $6.4 million, or 11%, compared to 2007. Contributed capital increased by $5.9 million accounting for much of the increase in revenues. The Water Utility Fund contributed capital increased $3.0 million due to significant plant investment fees for commercial and residential construction projects during 2008. Also, the Stormwater and Flood Management Fund contributed capital increased by $2.3 million primarily from the Elmers Two Mile Creek project.

Expenses of business-type activities increased by $2.5 million, or 6% compared to 2007. The increase was relatively uniform across each of the utility funds. Personnel benefit cost increases accounted for much of the increase. Changes in various non-personnel costs such as engineering costs, repair and maintenance costs, and gas / electric utility costs accounted for the rest.

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 74% of total business-type expenses. Charges for services provide the largest share of revenues (71%), followed by capital grants and contributions (16%) and interest and investment earnings (8%).

Chart 3: 2008 Expenses and Program Revenues - Business-type Activities

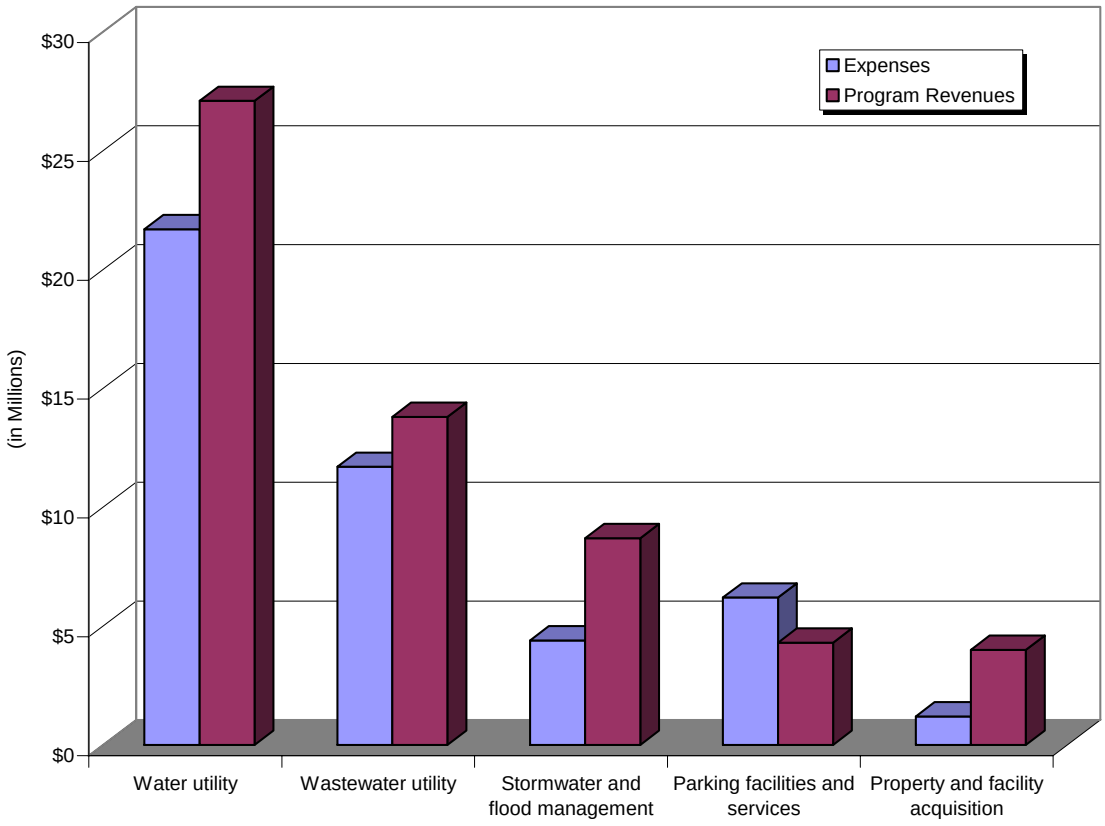
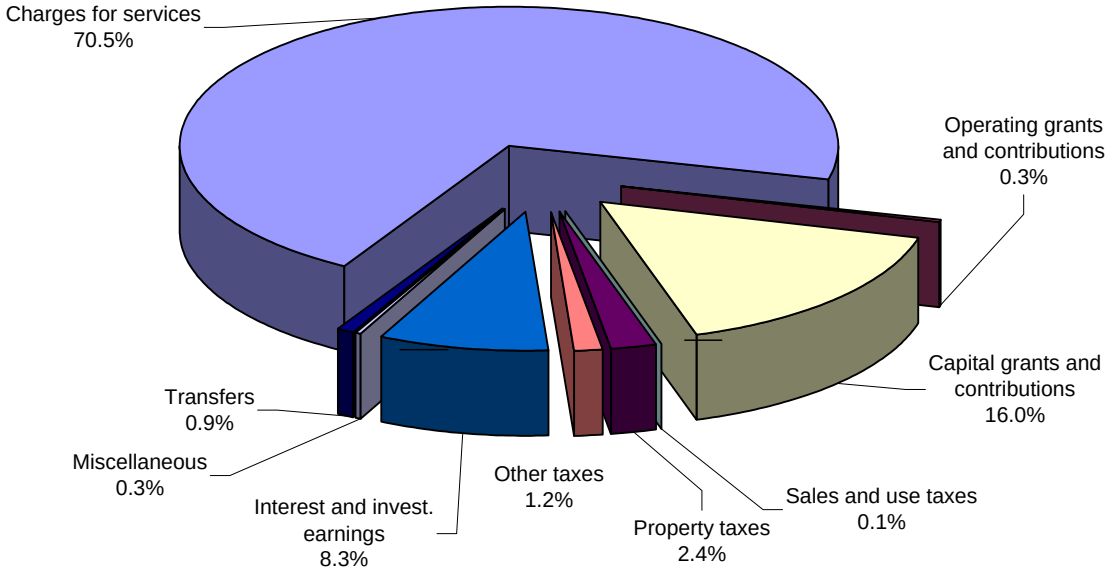


Chart 4: 2008 Revenues by Source - Business-type Activities



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, unreserved 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, 2008, the city's governmental funds reported combined ending fund balances of $88.7 million, an increase of $5.1 million, or 6%, in comparison with the prior year. The fund balance of the General Fund increased by $0.9 million. General Fund revenues increased by $4.7 million, primarily from increases in property tax revenues of $1.2 million, increases in franchise taxes of $.7 million, increases in charges for services for parking of $.9 million. Other revenues increased by lesser amounts. General Fund expenditures increased by $2.8 million, with public safety expenditures increasing by $2.6 million largely due to personnel costs. The Permanent Parks and Recreation Fund ending fund balance increased by $.8 million,

partially due to small increases in property tax revenue, excise tax revenue and interest income for 2008. The fund balances of the other governmental funds had similar minor increases or decreases, accumulating in the total increase to governmental fund balance of $5.1 million.

Approximately $75.9 million or 86% of the combined ending fund balance in the governmental funds constitutes unreserved fund balance, which is available for spending at the city's discretion within the purposes specified for each of the funds. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed for specific purposes. These reserves have been established; (1) to liquidate existing contracts and purchase orders - $7.7 million, (2) voter imposed limitations on use of funds - $1.4 million, (3) grantor imposed limitations on use of funds - $1.1 million, (4) restricted for debt service - $.1 million., and (5) restricted due to non-availability of funds to use for other purposes such as amounts invested in long term advances between funds, notes receivable, inventory or other assets - $2.6 million

The General Fund is the primary operating fund of the city. At the end of 2008 the unreserved fund balance of the General Fund was $18.5 million, while total fund balance was $21.5 million. As a measure of the General Fund's liquidity, it is useful to compare undesignated fund balance to total fund expenditures and transfers out. Designated fund balances represent amounts that, while the city is not legally constrained from using these fund balances at its discretion within the purposes specified for the respective funds, the City Council has "designated" these resources for various uses – although the City Council could change or remove that designation. For 2008, undesignated fund balances of $12.4 million represent 13% of total general fund expenditures and transfers out of $92.3 million. For 2007, undesignated fund balances of $11.7 million represent 13% of total general fund expenditures and transfers out of $88.7 million. General Fund unreserved fund balance – including designated fund balance – as a percentage of total expenditures and transfers out were 20% and 20% for 2008 and 2007, respectively.

It should also be noted that for the 2008 budget year the City Council established a minimum target for undesignated fund balance of 10% of expenditures and transfers out, excluding expenditures funded by grants. City Council has approved a range of 10-15% for this target by policy. This minimum undesignated fund balance is available for emergency purposes, stabilization of funding of programs during periods of temporary revenue declines or temporary funding of programs to allow for controlled reductions in expenditures in periods of extended or permanent revenue reductions. This target was achieved for the year. The target for 2007 was also 10%, and although City Council would like the target to increase, competing demands on the city's resources will probably keep the target at the current level for the near future.

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, 2008, the unrestricted net assets of the Water Utility Fund were $39.9 million, the Wastewater Utility Fund were $7.7 million, the Stormwater and Flood Management Fund were $12.9 million, the Boulder Municipal Property Authority were $1.1 million, the Downtown Commercial District were $1.9 million and the University Hill Commercial District were $0.5 million. The total increase in net assets for the proprietary funds was $19.6 million. Factors concerning these funds have already been addressed in the discussion of the city's business-type activities.

General Fund Budgetary Highlights

The city's final budget differs from the original budget in that it contains carry-forward appropriations for various programs and projects and supplemental appropriations approved during the fiscal year. The final budget for General Fund appropriations including transfers out for 2008 was $10.5 million greater than the original budget. The primary reasons for this difference are as follows:

- $3.8 million increase in appropriations for construction projects and other contracts or obligations carried over from 2008.
- $1.8 million increase in appropriations for Casey Middle School renovation education excise tax remittances.
- $1.6 million increase in appropriations for the police communication center renovation project.
- $.6 million increase for improvements to Bolder Mobile Manor which will target 30-50% average median income, greater livability through design, green space and playgrounds and a higher level of energy efficiency and green building.
- $0.5 million increase in the General Fund from additional revenue received from grants for various grant projects.
- Various smaller increases and changes accounted for the other budget amendments.

On a basis consistent with the adopted budget, actual revenues and transfers in were $2.6 million less than the final budget. Actual expenditures and transfers out were $8.7 million, or 9%, less than the final budget. The net effect of these differences was a favorable variance in fiscal year-end budgeted fund balance of $6.1 million. The primary factors contributing to this favorable variance included the following:

- $1.9 million less in sales and use tax revenues than the amounts budgeted.
- $1.9 million less in other revenues than budgeted.
- $1.5 million less in expenditures for the City Manager Department from general savings
- $1.8 million less in expenditures for the City Manager Department from carryover of multi-year infrastructure projects into 2009.
- $1.9 million less in expenditures for police department primarily from carryover of capital projects into 2009 and other general savings.
- $1.5 million less in expenditures for housing and human services from general savings and grant program carryovers.

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, 2008, amounts to $850.9 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, park facilities, transportation infrastructure, utility plant in service, water rights, underground drainage facilities, machinery, equipment and vehicles. The net increase in the city's investment in capital assets was $16.3 million, or 2% from 2007. Net capital assets of governmental activities increased $4.5 million, or 1%, and those of business-type activities increased $11.8 million, or 3%.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2008	2007	2008	2007	2008	2007
Land and easements	$ 229,454	$ 223,388	$ 80,194	$ 78,686	$ 309,648	$ 302,074
Buildings	41,551	42,825	33,019	34,194	74,570	77,019
Improvements other than buildings	25,205	25,664	4,106	3,946	29,311	29,610
Infrastructure	99,542	98,975	-	-	99,542	98,975
Utility plant in service and undergrounds	-	-	293,461	238,127	293,461	238,127
Machinery, equipment and vehicles	16,349	15,011	5,884	5,339	22,233	20,350
Construction in progress	19,519	21,209	2,621	47,208	22,140	68,417
Total	$ 431,620	$ 427,072	$ 419,285	$ 407,500	$ 850,905	$ 834,572

Major capital asset activity during 2008 included the following:

Governmental activities

- Construction in progress of several transportation infrastructure projects totaling $3.3 million.
- Open space land purchases and conservation easements totaling $2.9 million.
- Transfer of land from BMPA to open space $1.7 million.
- Airport taxiway and parking apron improvements totaling $1.0 million.
- Fleet vehicle acquisitions, including a fire truck, totaling $3.8 million.
- Recognition of $17.6 million in depreciation expense.

Business-type activities

- Water pipeline replacement totaling $2.0 million
- Completion of the Waste Water Treatment Plant expansion and other improvements, $7.5 million.
- Transfer of land from BMPA to open space $1.7 million.
- Acquisition of land for Elmers 2 Mile Creek improvements totaling $1.5 million.

- BMPA land acquisition for open space totaling $0.8 million.
- Biosolids handling facility, $1.7 million.
- Contributed water mains, $1.6 million.
- Installation of new parking pay stations, $0.4 million.
- Recognition of $9.7 million in depreciation expense.

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

Debt Administration

Table 4 summarizes the city's bonded debt as of the end of 2008 and 2007. At December 31, 2008, the city had total bonded debt (including certificates of participation) of $184.6 million. Of this amount, $79.4 million consisted of general obligation debt backed by the full faith and credit of the city. The remainder of $105.2 million represents bonds secured solely by specified revenue sources (revenue bonds and certificates of participation). During 2008, the city did not issue any new bonded debt.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2008	2007	2008	2007	2008	2007
General obligation bonds	$ 60,120	$ 67,755	$ 19,259	$ 20,431	$ 79,379	$ 88,186
Revenue bonds	7,720	8,810	95,393	101,792	103,113	110,602
Certificates of Participation	-	-	2,130	2,605	2,130	2,605
Total bonded debt	$ 67,840	$ 76,565	$ 116,782	$ 124,828	$ 184,622	$ 201,393

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

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

Other Significant Matters

Citywide Matters

On September 22, 2008, one of the local government investment pools used by the city (CSAFE) limited redemptions on its investment pool. This was primarily due to investments in Reserve Money Market fund, which broke the $1 per share net asset value floor after Lehman Brothers, Inc. went bankrupt. However, after some of CSAFE's investments matured and were liquidated, the pool eliminated all redemption restrictions and resumed normal operations on December 16, 2008. As of December 31, 2008, the city had $2.7 million invested in the pool. As of the date of this report and throughout the recent market uncertainty, the city has continued to meet its ongoing cash needs and has not experienced any loss of principal on its investments.

Governmental Activities

The temporary, one year .15% sales tax for the design and construction of a fire training center within the city expired at December 31, 2007. These sales tax revenues were reported in the Fire Training Center Construction Fund, a non-major capital project fund. Design of the fire training center began in 2008 with actual construction to commence in 2009.

As disclosed in Note Z, the city is refunding two open space bonds in 2009. The city will be taking general interest rate savings over the term of the bonds without extending the terms of repayment or other significant changes to bond requirements.

Business-type Activities

As disclosed in Note Z, the Central Area General Improvement District refunded the 1998 GO bond issue on May 14, 2009 to take general interest savings over the remaining term of the outstanding bonds. This refunding resulted in a net present value benefit of $.7 million.

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 Finance Director of the City of Boulder Finance Department at 1777 Broadway, Boulder, CO 80302.

BASIC FINANCIAL STATEMENTS

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CITY OF BOULDER, COLORADO

Statement of Net Assets

December 31, 2008

(Amounts in 000's)

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents	$ 3,319	$ 2,102	$ 5,421
Investments	110,899	70,598	181,497
General property tax receivable	23,553	1,619	25,172
Sales tax receivable	9,117	-	9,117
Notes receivable	2,040	1,091	3,131
Other receivables (net of allowance for doubtful accounts)	6,411	2,439	8,850
Restricted cash and investments	2,572	8,649	11,221
Inventory of materials and supplies	96	203	299
Other assets	585	720	1,305
Prepaid net pension obligation	1,253	-	1,253
Capital assets (net of accumulated depreciation):			
Land and easements	229,453	80,194	309,647
Buildings	41,552	33,019	74,571
Improvements other than buildings	25,205	4,106	29,311
Infrastructure	99,542	-	99,542
Utility plant in service and undergrounds	-	293,461	293,461
Machinery, equipment and vehicles	16,349	5,884	22,233
Construction in progress	19,519	2,621	22,140
Total assets	591,465	506,706	1,098,171
Liabilities:			
Accounts and accrued liabilities:			
Vouchers and accounts payable	4,185	1,275	5,460
Contracts and retainage payable	615	304	919
Accrued liabilities	6,838	4,133	10,971
Intergovernmental	3	-	3
Internal balances	1,292	(1,292)	-
Other liabilities	335	660	995
Unearned revenue:			
General property taxes	23,553	1,619	25,172
Other	950	-	950
Deferred credit	-	5,072	5,072
Noncurrent liabilities:			
Due within one year	9,960	10,641	20,601
Due in more than one year	68,621	122,861	191,482
Total liabilities	116,352	145,273	261,625
Net assets:			
Invested in capital assets, net of related debt	363,896	295,936	659,832
Restricted for:			
Voter Limitation	33,574	134	33,708
Grantor Limitation	1,673	-	1,673
Capital projects	24,162	100	24,262
Debt service	47	-	47
Unrestricted	51,761	65,263	117,024
Total net assets	$ 475,113	$ 361,433	$ 836,546

The accompanying notes are an integral part of this statement.

CITY OF BOULDER, COLORADO

Statement of Activities

Year ended December 31, 2008

(Amounts in 000's)

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:					
General Government	$ 11,831	$ (1,604)	$ 2,832	335	$ -
Administrative Services	9,031	(6,080)	268	-	-
Public Safety	41,803	2,676	1,640	636	-
Public Works	32,077	(1,111)	909	3,024	5,769
Planning & Development Services	7,918	1,048	6,327	53	-
Culture and Recreation	26,592	1,369	9,069	233	1,041
Open Space and Mountain Parks	12,788	572	367	117	76
Housing and Human Services	13,141	842	3,671	4,102	-
Interest on long-term debt	3,530	-	-	-	-
Total governmental activities	158,711	(2,288)	25,083	8,500	6,886
Business-type activities:					
Water utility	20,562	1,150	21,122	26	5,946
Wastewater utility	10,920	787	12,606	-	1,194
Stormwater and flood management	4,217	190	4,959	142	3,560
Parking facilities and services	6,067	161	4,319	-	3
Property and facility acquisition	1,150	-	4,042	-	-
Total business-type activities	42,916	2,288	47,048	168	10,703
Total government	$ 201,627	$ -	$ 72,131	$ 8,668	$ 17,589

General revenues:
- Taxes:
  - Sales and use taxes
  - General property taxes
  - Accomodation taxes
  - Franchise taxes
  - Specific Ownership & Tobacco taxes
  - Excise taxes
- Interest and investment earnings
- Miscellaneous
- Gain on Sale of Capital Assets

Transfers

Total general revenues and transfers

Change in net assets

Net assets, beginning of year

Net assets, end of year

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-type Activities	Total
$ (7,060)	$ -	$ (7,060)
(2,683)	-	(2,683)
(42,203)	-	(42,203)
(21,264)	-	(21,264)
(2,586)	-	(2,586)
(17,618)	-	(17,618)
(12,800)	-	(12,800)
(6,210)	-	(6,210)
(3,530)	-	(3,530)
(115,954)	-	(115,954)
-	5,382	5,382
-	2,093	2,093
-	4,254	4,254
-	(1,906)	(1,906)
-	2,892	2,892
-	12,715	12,715
(115,954)	12,715	(103,239)
84,867	94	84,961
21,865	1,578	23,443
3,389	714	4,103
9,131	-	9,131
1,705	63	1,768
2,748	-	2,748
7,875	5,583	13,458
5,025	179	5,204
627	-	627
587	(587)	-
137,819	7,624	145,443
21,865	20,339	42,204
453,248	341,094	794,342
$ 475,113	$ 361,433	$ 836,546

CITY OF BOULDER, COLORADO

Balance Sheet

Governmental Funds

December 31, 2008

(Amounts in 000's)

Assets	General Fund	Open Space & Mountain Parks Fund	Trans-portation Fund	Other Governmental Funds	Total Governmental Funds
Equity in pooled cash and cash equivalents	$ 555	$ 314	$ 226	$ 1,244	$ 2,339
Investments	18,380	10,533	7,563	41,554	78,030
Receivables:					
General property taxes	19,723	-	-	3,830	23,553
Sales and use taxes	4,095	2,343	1,598	1,081	9,117
Accounts	1,558	14	372	215	2,159
Notes	-	-	-	2,040	2,040
Accrued interest	154	80	58	323	615
Intergovernmental	346	-	1,739	624	2,709
Other	13	-	6	64	83
	25,889	2,437	3,773	8,177	40,276
Due from other funds	5	-	-	-	5
Advances to other funds	358	-	-	-	358
Inventory of materials and supplies	31	-	-	65	96
Restricted assets:					
Investments for special purposes	1,602	-	-	777	2,379
Investments for capital projects	-	64	-	68	132
Investments for debt service	-	-	-	47	47
Total restricted assets	1,602	64	-	892	2,558
Other assets	121	-	-	10	131
Total assets	$ 46,941	$ 13,348	$ 11,562	$ 51,942	$ 123,793

The accompanying notes are an integral part of this statement.

Liabilities and Fund Equity	General Fund	Open Space & Mountain Parks Fund	Trans-portation Fund	Other Governmental Funds	Total Governmental Funds
Liabilities:					
Accounts and accrued liabilities:					
Vouchers and accounts payable	$ 1,594	$ 176	$ 674	$ 921	$ 3,365
Contracts and retainage payable	-	-	357	198	555
Accrued salaries, wages and amounts withheld from employees	2,696	327	258	1,028	4,309
Intergovernmental	3	-	-	-	3
Due to other funds	9	412	1	7	429
Advances from other funds	357	-	-	-	357
Other liabilities	99	1	208	27	335
Deferred revenue:					
General property taxes	19,723	-	-	3,830	23,553
Other	1,008	-	692	469	2,169
Total liabilities	25,489	916	2,190	6,480	35,075
Fund equity:					
Fund balances:					
Reserved for:					
Encumbrances	816	176	2,616	4,071	7,679
Voter Limitation	1,351	-	-	-	1,351
Grantor Limitation	251	65	-	777	1,093
Debt service	-	-	-	47	47
Advances to other funds	358	-	-	-	358
Notes receivable	-	-	-	2,040	2,040
Inventories	31	-	-	65	96
Other assets	121	-	-	10	131
Unreserved:					
Designated:					
Special purposes:					
General Fund	6,114	-	-	-	6,114
Open Space & Mountain Parks Fund	-	687	-	-	687
Transportation Fund	-	-	182	-	182
Nonmajor Special Revenue Funds	-	-	-	721	721
Nonmajor Capital Project Funds	-	-	-	42	42
Undesignated:					
General Fund	12,410	-	-	-	12,410
Open Space & Mountain Parks Fund	-	11,504	-	-	11,504
Transportation Fund	-	-	6,574	-	6,574
Nonmajor Special Revenue Funds	-	-	-	22,884	22,884
Nonmajor Debt Service Funds	-	-	-	356	356
Nonmajor Capital Project Funds	-	-	-	14,449	14,449
Total fund equity	21,452	12,432	9,372	45,462	88,718
Total liabilities and fund equity	$ 46,941	$ 13,348	$ 11,562	$ 51,942	$ 123,793

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CITY OF BOULDER, COLORADO

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

Year ended December 31, 2008

(Amounts in 000's)

Total governmental fund balances		$ 88,718
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and are not reported in the funds. This amount is net of accumulated depreciation of $275,597.		373,676
Other long-term assets (bond issuance costs) are reported as current period expenditures during the period incurred in the funds. The costs are deferred, net of amortization, in the government-wide statement of net assets.		250
Accumulated difference between the actual pension contributions expensed in the governmental funds and the actuarially determined annual pension cost expensed in the government-wide statements.		
Police prepaid net pension obligation	$ 405	
Fire prepaid net pension obligation	848	1,253
Internal service funds are used by management to charge the costs of insurance, capital asset replacement and other activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		89,319
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.		(79,325)
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 revenues in the governmental funds and thus are not included in fund balance.		
Special assessments receivable	10	
Intergovernmental receivable	1,212	1,222
Net assets of governmental activities		$ 475,113

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

Governmental Funds

Year ended December 31, 2008

(Amounts in 000's)

	General Fund	Open Space & Mountain Parks Fund	Trans-portation Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes:					
Sales and use taxes	$ 38,322	$ 21,804	$ 14,831	$ 9,910	$ 84,867
General property taxes	18,373	-	-	3,492	21,865
Accomodation taxes	3,389	-	-	-	3,389
Franchise taxes	8,254	-	-	877	9,131
Specific Ownership & Tobacco taxes	1,704	-	-	1	1,705
Excise taxes	842	-	-	1,906	2,748
Charges for services	3,435	39	1	12,640	16,115
Sale of goods and capital assets	63	3	6	257	329
License, permits and fines	5,581	58	-	4,271	9,910
Intergovernmental	3,107	-	6,392	5,693	15,192
Leases, rents and royalties	264	275	99	1,640	2,278
Interest and investment earnings	1,409	731	563	2,995	5,698
Other	730	142	264	431	1,567
Total revenues	85,473	23,052	22,156	44,113	174,794
Expenditures:					
Current:					
General Government	10,624	-	-	1,214	11,838
Administrative Services	8,756	-	-	17	8,773
Public Safety	42,806	76	-	-	42,882
Public Works	4,532	-	20,932	3,740	29,204
Planning & Development Services	27	-	-	7,822	7,849
Culture and Recreation	4,471	-	-	21,724	26,195
Open Space and Mountain Parks	147	13,157	-	275	13,579
Housing and Human Services	5,353	-	-	7,383	12,736
Capital outlay	-	-	-	1,840	1,840
Debt service payments:					
Principal	970	5,745	-	3,616	10,331
Interest	132	1,551	-	869	2,552
Base rentals to Boulder Municipal Property Authority Debt Service Fund	600	2,751	293	398	4,042
Total expenditures	78,418	23,280	21,225	48,898	171,821
Excess (deficiency) of revenues over (under) expenditures	7,055	(228)	931	(4,785)	2,973
Other financing sources (uses):					
Transfers in	7,817	1,218	22	11,738	20,795
Transfers out	(13,973)	(824)	(1,302)	(2,607)	(18,706)
Total other financing sources (uses)	(6,156)	394	(1,280)	9,131	2,089
Net change in fund balances	899	166	(349)	4,346	5,062
Fund balances, beginning of year	20,553	12,266	9,721	41,116	83,656
Fund balances, end of year	$ 21,452	$ 12,432	$ 9,372	$ 45,462	$ 88,718

The accompanying notes are an integral part of this statement.

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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, 2008

(Amounts in 000's)

Net change in fund balances - total governmental funds		$	5,062
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. This is the amount by which depreciation ($11,489) was less than capital outlays ($15,709) in the current period.			4,220
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.			8,786
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. Examples are revenues from special assessments, property taxes and notes receivable.			
Interest on notes receivable	$ 7		
Special assessments - Public Works	11		
Intergovernmental revenue - Public Works	5		23
Internal service funds are used by management to charge the costs of insurance, capital asset replacement and other activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.			
Capital contributions (to) from other funds:			
General Government	(50)		
Administrative Services	166		
Public Safety	332		
Public Works	(437)		
Culture and Recreation	135		
Interest and investment earnings	2,177		
Net transfers to governmental funds	(997)		
Allocation of net profit or (loss)	2,312		3,638
The increase in the prepaid net pension obligation resulting from contributions greater than the annual required contribution is not a financial resource and is not reported in the funds.			136
Change in net assets of governmental activities		$	21,865

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, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Taxes:				
Sales and use taxes	$ 40,174	$ 40,231	$ 38,322	$ (1,909)
General property taxes	17,605	17,618	18,373	755
Accomodations taxes	3,299	3,299	3,389	90
Franchise taxes	7,610	7,684	8,254	570
Specific ownership & tobacco taxes	1,856	1,856	1,704	(152)
Excise taxes	-	-	842	842
Charges for services	3,107	3,218	3,435	217
Sale of goods and capital assets	144	169	63	(106)
Licenses, permits and fines	5,790	5,790	5,581	(209)
Intergovernmental	883	3,727	3,107	(620)
Leases, rents and royalties	281	281	264	(17)
Interest and investment earnings	989	989	825	(164)
Other	691	2,624	721	(1,903)
Total revenues	82,429	87,486	84,880	(2,606)
Expenditures:				
Current:				
General Government	10,640	15,305	10,691	4,614
Administrative Services	9,157	9,614	9,115	499
Public Safety	41,283	44,375	42,601	1,774
Public Works	4,555	4,671	4,594	77
Planning & Development Services	27	27	27	-
Culture and Recreation	4,459	4,580	4,508	72
Open Space and Mountain Parks	147	147	147	-
Housing and Human Services	4,969	6,839	5,353	1,486
Debt service payments:				
Principal	970	970	970	-
Interest	152	152	152	-
Base rentals to Boulder Municipal Property Authority Debt Service Fund	602	602	602	-
Total expenditures	76,961	87,282	78,760	8,522
Excess (deficiency) of revenues over (under) expenditures	5,468	204	6,120	5,916
Other financing sources (uses):				
Transfers in	7,292	7,972	7,976	4
Transfers out	(14,042)	(14,213)	(14,002)	211
Total other financing sources (uses)	(6,750)	(6,241)	(6,026)	215
Net change in fund balance	$ (1,282)	$ (6,037)	94	$ 6,131
Encumbrances, end of year			816	
Fund balance, beginning of year, basis of budgeting			22,334	
Fund balance, end of year, basis of budgeting			23,244	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			709	
Accrued salaries, wages and amounts withheld from employees			(2,620)	
Change in accrued interest payable			(31)	
Advances from other funds			150	
Fund balance, end of year, GAAP basis			$ 21,452	

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)

Open Space and Mountain Parks Fund

Year ended December 31, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Taxes:				
Sales and use taxes	$ 22,498	$ 22,498	$ 21,804	$ (694)
Charges for services	-	-	39	39
Sale of goods and capital assets	-	-	3	3
Licenses, permits and fines	-	-	58	58
Intergovernmental	-	120	-	(120)
Leases, rents and royalties	486	486	275	(211)
Interest and investment earnings	325	325	430	105
Other	-	89	142	53
Total revenues	23,309	23,518	22,751	(767)
Expenditures:				
Current:				
Public Safety	76	76	76	-
Open Space and Mountain Parks	13,796	16,497	13,285	3,212
Debt service payments:				
Principal	5,745	5,745	5,745	-
Interest	2,465	2,465	2,465	-
Base rentals to Boulder Municipal Property Authority Debt Service Fund	2,740	2,806	2,806	-
Total expenditures	24,822	27,589	24,377	3,212
Excess (deficiency) of revenues over (under) expenditures	(1,513)	(4,071)	(1,626)	2,445
Other financing sources (uses):				
Transfers in	1,057	1,218	1,218	-
Transfers out	(824)	(824)	(824)	-
Total other financing sources (uses)	233	394	394	-
Net change in fund balance	$ (1,280)	$ (3,677)	(1,232)	$ 2,445
Encumbrances, end of year			176	
Fund balance, beginning of year, basis of budgeting			13,124	
Fund balance, end of year, basis of budgeting			12,068	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			377	
Accrued salaries, wages and amounts withheld from employees			(304)	
Change in accrued interest payable			468	
Change in base rentals due to other funds			(177)	
Fund balance, end of year, GAAP basis			$ 12,432	

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, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Taxes:				
Sales and use taxes	$ 15,303	$ 15,303	$ 14,831	$ (472)
Charges for services		-	1	1
Sale of goods and capital assets	-	-	6	6
Intergovernmental	7,172	18,224	6,392	(11,832)
Leases, rents and royalties	84	84	99	15
Interest and investment earnings	420	420	339	(81)
Other	755	755	264	(491)
Total revenues	23,734	34,786	21,932	(12,854)
Expenditures:				
Current:				
Public Works	25,175	41,552	23,600	17,952
Debt service payments:				
Base rentals to Boulder Municipal Property Authority Debt Service Fund	293	293	293	-
Total expenditures	25,468	41,845	23,893	17,952
Excess (deficiency) of revenues over (under) expenditures	(1,734)	(7,059)	(1,961)	5,098
Other financing sources (uses):				
Transfers in	-	-	22	22
Transfers out	(1,302)	(1,302)	(1,302)	-
Total other financing sources (uses)	(1,302)	(1,302)	(1,280)	22
Net change in fund balance	$ (3,036)	$ (8,361)	(3,241)	$ 5,120
Encumbrances, end of year			2,616	
Fund balance, beginning of year, basis of budgeting			9,971	
Fund balance, end of year, basis of budgeting			9,346	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			268	
Accrued salaries, wages and amounts withheld from employees			(242)	
Fund balance, end of year, GAAP basis			$ 9,372	

The accompanying notes are an integral part of this statement.

CITY OF BOULDER, COLORADO

Statement of Net Assets

Proprietary Funds

December 31, 2008

(Amounts in 000's)

	Water Utility Fund	Wastewater Utility Fund	Stormwater and Flood Management Fund
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents	$ 1,301	$ 329	$ 382
Investments	43,740	11,056	12,841
Receivables:			
General property taxes	-	-	-
Accounts	251	50	47
Charges for services	690	493	243
Notes - current installments	3	-	48
Accrued interest	355	117	103
Intergovernmental	-	-	27
	1,299	660	468
Due from other funds	580	-	-
Advances to other funds	-	-	-
Inventory of materials and supplies	203	-	-
Other assets - prepaid expenses	-	-	-
Total current assets	47,123	12,045	13,691
Noncurrent assets:			
Advances to other funds	-	-	-
Notes receivable - less current installments	-	-	-
Restricted assets:			
Cash for capital projects	-	-	-
Investments for bond reserves	3,069	170	825
Investments for capital projects	100	4,134	-
Total restricted assets	3,169	4,304	825
Other assets -			
Deferred charges	273	155	11
Capital assets:			
Land and easements	20,412	1,633	15,037
Buildings	1,163	1,907	764
Improvements other than buildings	68	249	653
Utility plant in service	237,782	122,570	-
Undergrounds - drainage facilities	-	-	60,291
Vehicles	-	-	-
Machinery and equipment	3,832	3,079	1,707
	263,257	129,438	78,452
Less accumulated depreciation	(78,799)	(38,169)	(15,905)
	184,458	91,269	62,547
Construction in progress	1,797	21	803
Total capital assets, net of accumulated depreciation	186,255	91,290	63,350
Total noncurrent assets	189,697	95,749	64,186
Total assets	236,820	107,794	77,877

The accompanying notes are an integral part of this statement.

Boulder Municipal Property Authority	Downtown Commercial District	Other Enterprise Fund University Hill Commercial District	Total Enterprise Funds	Governmental Activities - Internal Service Funds
$ -	$ 74	$ 16	$ 2,102	$ 980
-	2,415	546	70,598	32,869
-	1,592	27	1,619	-
-	5	-	353	594
-	-	-	1,426	-
109	-	-	160	-
28	21	5	629	251
-	4	-	31	-
137	1,622	32	4,218	845
424	-	-	1,004	-
-	-	-	-	169
-	-	-	203	-
-	-	-	-	198
561	4,111	594	78,125	35,061
-	-	-	-	188
931	-	-	931	-
-	-	-	-	-
-	351	-	4,415	-
-	-	-	4,234	14
-	351	-	8,649	14
-	281	-	720	-
40,335	2,333	444	80,194	102
6,433	37,682	-	47,949	67,981
-	5,205	58	6,233	8,334
-	-	-	360,352	-
-	-	-	60,291	-
-	-	-	-	24,580
-	1,535	311	10,464	7,554
46,768	46,755	813	565,483	108,551
(2,359)	(13,504)	(81)	(148,817)	(51,462)
44,409	33,251	732	416,666	57,089
-	-	-	2,621	857
44,409	33,251	732	419,287	57,946
45,340	33,883	732	429,587	58,148
45,901	37,994	1,326	507,712	93,209

(continued)

CITY OF BOULDER, COLORADO

Statement of Net Assets,
continued

Proprietary Funds

December 31, 2008

(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	$ 311	$ 787	$ 163
Contracts and retainage payable	228	74	2
Accrued salaries, wages and amounts withheld from employees	309	222	67
Accrued interest	170	156	19
Accrued claims liability	-	-	-
Due to other funds	-	-	580
Other liabilities	176	18	438
Deferred revenue - General property taxes	-	-	-
General obligation bonds payable (current portion)	-	-	-
Revenue bonds payable (current portion)	4,255	1,865	580
Certificates of participation (current portion)	-	-	-
Lease purchase revenue notes payable (current portion)	-	-	-
Compensated absences payable (current portion)	81	27	29
Total current liabilities	5,530	3,149	1,878
Non-current liabilities:			
Accounts and accrued liabilities:			
Accrued landfill cleanup liability	-	2,531	-
Deferred credit - future water rights	5,072	-	-
Advances from other funds	-	-	-
General obligation bonds payable (net of premium and refunding bond charges)	-	-	-
Revenue bonds payable (net of premium and refunding bond charges)	44,375	40,218	4,100
Certificates of participation	-	-	-
Lease purchase revenue notes payable	-	-	-
Compensated absences payable	567	637	56
Retiree health care benefit	31	24	8
Rebatable arbitrage payable	2	28	-
Total non-current liabilities	50,047	43,438	4,164
Total liabilities	55,577	46,587	6,042
Net assets:			
Invested in capital assets, net of related debt	141,274	53,511	58,915
Restricted for:			
Voter Limitation	-	-	-
Capital projects	100	-	-
Unrestricted	39,869	7,696	12,920
Total net assets	$ 181,243	$ 61,207	$ 71,835

The accompanying notes are an integral part of this statement.

Boulder Municipal Property Authority	Downtown Commercial District	Other Enterprise Fund University Hill Commercial District	Total Enterprise Funds	Governmental Activities - Internal Service Funds
$ -	$ 7	$ 7	$ 1,275	$ 820
-	-	-	304	60
-	54	13	665	124
424	169	-	938	-
-	-	-	-	1,499
-	-	-	580	-
-	26	2	660	-
-	1,592	27	1,619	-
-	1,215	-	1,215	-
-	-	-	6,700	-
495	-	-	495	-
2,094	-	-	2,094	-
-	-	-	137	-
3,013	3,063	49	16,682	2,503
-	-	-	2,531	-
-	-	-	5,072	-
-	358	-	358	-
-	18,044	-	18,044	-
-	-	-	88,693	-
1,635	-	-	1,635	-
13,024	-	-	13,024	-
-	84	14	1,358	152
-	13	1	77	10
-	-	-	30	-
14,659	18,499	15	130,822	162
17,672	21,562	64	147,504	2,665
27,161	14,343	732	295,936	57,946
-	130	4	134	-
-	-	-	100	-
1,068	1,959	526	64,038	32,598
$ 28,229	$ 16,432	$ 1,262	360,208	$ 90,544
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			1,225	
Net assets of business-type activities			$ 361,433	

CITY OF BOULDER, COLORADO

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets

Proprietary Funds

Year ended December 31, 2008

(Amounts in 000's)

	Water Utility Fund	Wastewater Utility Fund	Stormwater and Flood Management Fund
Operating revenues:			
Charges for services	$ 21,093	$ 12,579	$ 4,925
Leases, rents and royalties	-	-	-
Total operating revenues	21,093	12,579	4,925
Operating expenses:			
Personnel	6,053	4,365	1,354
Non-personnel	6,164	4,133	1,775
Depreciation and amortization	4,806	2,374	980
Total operating expenses	17,023	10,872	4,109
Operating income (loss)	4,070	1,707	816
Nonoperating revenues (expenses):			
Interest and investment earnings	3,272	1,213	853
Leases, rents and royalties	29	27	34
Intergovernmental revenue	26	-	142
Sales and use tax	-	-	-
General property taxes	-	-	-
Accomodations taxes	-	-	-
Specific ownership & tobacco taxes	-	-	-
Interest expense	(2,259)	(204)	(227)
Contribution expense - future water rights	(1,703)	-	-
Gain (loss) on sale of capital assets	(44)	(73)	(33)
Other, net	(8)	70	68
Total nonoperating revenues (expenses)	(687)	1,033	837
Income (loss) before capital contributions and transfers	3,383	2,740	1,653
Capital contributions	5,946	1,194	3,607
Transfers in	329	355	282
Transfers out	(1,342)	(999)	(313)
Changes in net assets	8,316	3,290	5,229
Total net assets, beginning of year	172,927	57,917	66,606
Total net assets, end of year	$ 181,243	$ 61,207	$ 71,835

The accompanying notes are an integral part of this statement.

Boulder Municipal Property Authority	Downtown Commercial District	Other Enterprise Fund University Hill Commercial District	Total Enterprise Funds	Governmental Activities - Internal Service Funds
$ -	$ 3,855	$ 202	$ 42,654	$ 15,321
4,042	-	-	4,042	-
4,042	3,855	202	46,696	15,321
-	1,240	217	13,229	2,403
-	2,046	180	14,298	4,903
143	1,459	20	9,782	6,089
143	4,745	417	37,309	13,395
3,899	(890)	(215)	9,387	1,926
54	155	36	5,583	2,177
-	262	-	352	20
-	-	-	168	-
-	94	-	94	-
-	1,552	26	1,578	-
-	714	-	714	-
-	61	2	63	
(1,008)	(834)	-	(4,532)	-
-	-	-	(1,703)	-
-	2	-	(148)	383
-	44	5	179	72
(954)	2,050	69	2,348	2,652
2,945	1,160	(146)	11,735	4,578
-	3	-	10,750	1,729
-	2,066	247	3,279	102
(1,900)	(1,615)	(32)	(6,201)	(1,995)
1,045	1,614	69	19,563	4,414
27,184	14,818	1,193		86,130
$ 28,229	$ 16,432	$ 1,262		$ 90,544

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	776
Change in net assets of business-type activities	$ 20,339

CITY OF BOULDER, COLORADO

Combining Statement of Cash Flows

Proprietary Funds

Year ended December 31, 2008

(Amounts in 000's)

	Water Utility Fund	Wastewater Utility Fund	Stormwater and Flood Management Fund
Cash flows from operating activities:			
Receipts from customers and users	$ 21,256	$ 12,686	$ 4,934
Receipts from interfund services provided	-	-	-
Other receipts (payments)	5	57	506
Payments to suppliers	(5,242)	(3,470)	(1,618)
Payments to employees	(5,932)	(4,286)	(1,371)
Payment for interfund services used	(1,149)	(787)	(190)
Net cash provided (used) by operating activities	8,938	4,200	2,261
Cash flows from noncapital financing activities:			
Payments from (to) other funds on due from (due to) balances	(580)	-	580
Payments from (to) other funds on advances	-	-	-
Leases, rents and royalties	29	27	34
Intergovernmental revenue	26	-	151
Transfers in	-	120	-
Transfers out	(1,342)	(999)	(313)
Net cash provided (used) by noncapital financing activities	(1,867)	(852)	452
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(5,520)	(12,832)	(2,172)
Proceeds from sale of property and equipment	-	-	-
Contractual payment - future water rights	(2,266)	-	-
Principal paid on notes payable, bonds payable and capitalized lease obligations	(4,095)	(1,810)	(550)
Interest paid on notes payable, bonds payable, and capitalized lease obligations	(2,201)	(1,932)	(259)
Payment received on note receivable due from County for sale of land	-	-	-
Proceeds from insurance claims	-	-	-
Capital contributions	4,344	787	2,834
Net cash provided (used) for capital related financing activities	(9,738)	(15,787)	(147)

The accompanying notes are an integral part of this statement.

Boulder Municipal Property Authority	Downtown Commercial District	Other Enterprise Fund University Hill Commercial District	Total	Governmental Activities Internal Service Funds
$ 4,099	$ 3,863	$ 202	$ 47,040	$ 324
-	-	-	-	14,983
-	60	5	633	61
-	(1,940)	(142)	(12,412)	(5,394)
-	(1,253)	(213)	(13,055)	(2,410)
-	(129)	(32)	(2,287)	-
4,099	601	(180)	19,919	7,564
-	(450)	-	(450)	450
-	-	-	-	(131)
-	262	-	352	20
-	2,421	27	2,625	24
-	2,017	247	2,384	102
(161)	(1,615)	(32)	(4,462)	(1,099)
(161)	2,635	242	449	(634)
-	(147)	(274)	(20,945)	(5,899)
-	2	-	2	521
-	-	-	(2,266)	-
(3,034)	(1,165)	-	(10,654)	-
(1,065)	(853)	-	(6,310)	-
161	-	-	161	-
-	-	-	-	11
-	-	-	7,965	-
(3,938)	(2,163)	(274)	(32,047)	(5,367)

(continued)

CITY OF BOULDER, COLORADO

Combining Statement of Cash Flows,
continued

Proprietary Funds

Year ended December 31, 2008

(Amounts in 000's)

	Water Utility Fund	Wastewater Utility Fund	Stormwater and Flood Management Fund
Cash flows from investing activities:			
Purchase of investment securities	$ (77,970)	$ (25,532)	$ (22,714)
Proceeds from sale and maturities of investment securities	79,137	37,190	19,922
Interest on investments	1,607	751	344
Net cash provided (used) in investing activities	2,774	12,409	(2,448)
Net increase in cash and cash equivalents	107	(30)	118
Cash and cash equivalents, January 1	1,194	359	264
Cash and cash equivalents, December 31	$ 1,301	$ 329	$ 382
Reconciliation of cash and cash equivalents to balance sheet amounts:			
Equity in pooled cash and cash equivalents	$ 1,301	$ 329	$ 382
Cash for capital projects	-	-	-
	$ 1,301	$ 329	$ 382

The accompanying notes are an integral part of this statement.

Boulder Municipal Property Authority	Downtown Commercial District	Other Enterprise Fund University Hill Commercial District	Total	Governmental Activities Internal Service Funds
$ -	$ (4,610)	$ (908)	$ (131,734)	$ (54,635)
-	3,428	1,098	140,775	52,258
-	61	18	2,781	984
-	(1,121)	208	11,822	(1,393)
-	(48)	(4)	143	170
-	122	20	1,959	810
$ -	$ 74	$ 16	$ 2,102	$ 980
$ -	$ 74	$ 16	$ 2,102	$ 980
-	-	-	-	-
$ -	$ 74	$ 16	$ 2,102	$ 980

(continued)

CITY OF BOULDER, COLORADO

Combining Statement of Cash Flows,
continued

Proprietary Funds

Year ended December 31, 2008

(Amounts in 000's)

	Water Utility Fund	Wastewater Utility Fund	Stormwater and Flood Management Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 4,070	$ 1,707	$ 816
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization of deferred charges	4,806	2,374	980
Other nonoperating revenues (expenses)	(8)	70	68
Change in assets and liabilities:			
(Increase) decrease in assets:			
Accounts receivable	5	(39)	(47)
Charges for services receivable	158	146	56
Intergovernmental receivables	-	-	-
Due from other funds	-	-	-
Inventory of materials and supplies	(19)	-	-
Other assets - prepaid expenses	-	-	-
Increase (decrease) in liabilities:			
Vouchers and accounts payable	(208)	(124)	(33)
Accrued salaries, wages and amounts withheld from employees	71	46	17
Accrued insurance reimbursement	-	-	-
Other liabilities	12	1	438
Compensated absences	34	21	(38)
Retiree health care benefit	16	12	4
Rebatable arbitrage payable	1	(14)	-
Total adjustments	4,868	2,493	1,445
Net cash provided (used) by operating activities	$ 8,938	$ 4,200	$ 2,261
Noncash investing, capital and financing activities:			
Assets acquired through:			
Capital contributions:			
From governmental funds	$ -	$ -	$ 44
From proprietary funds	-	-	-
From internal service funds	329	235	282
Other	1,608	411	739
Financed through accounts, contracts and retainage payable	63	1,772	(21)
Assets transferred to other funds	-	-	-
Increase in fair value of investments	1,665	545	485
	$ 3,665	$ 2,963	$ 1,529

The accompanying notes are an integral part of this statement.

Boulder Municipal Property Authority	Downtown Commercial District	Other Enterprise Fund University Hill Commercial District	Total	Governmental Activities Internal Service Funds
$ 3,899	$ (890)	$ (215)	$ 9,387	$ 1,926
143	1,459	20	9,782	6,089
-	44	5	179	61
-	8	-	(73)	(14)
-	-	-	360	-
-	1	-	1	-
57	-	-	57	-
-	-	-	(19)	-
-	-	-	-	12
-	(23)	6	(382)	(3)
-	3	5	142	(21)
-	-	-	-	(468)
-	15	-	466	-
-	(24)	(1)	(8)	(25)
-	8	-	40	7
-	-	-	(13)	-
200	1,491	35	10,532	5,638
$ 4,099	$ 601	$ (180)	$ 19,919	$ 7,564
$ -	$ 3	$ -	$ 47	$ 1,042
-	-	-	-	6
-	49	-	895	106
-	-	-	2,758	575
-	-	-	1,814	-
(1,739)	-	-	(1,739)	(1,008)
-	85	19	2,799	1,166
$ (1,739)	$ 137	$ 19	$ 6,574	$ 1,887

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FIDUCIARY FUNDS

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

The City of Boulder has the following pension trust funds:

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

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

CITY OF BOULDER, COLORADO

Statement of Fiduciary Net Assets

Pension Trust Funds

December 31, 2008

(Amounts in 000's)

Assets:		
Equity in pooled cash and cash equivalents	$	13
Investments:		
U.S. Treasuries		324
U.S. Instrumentalities		1,392
Mutual Funds		10,184
Equity Securities		3,758
Local Government Investment Pools		26
Money Market Funds		190
Real Estate Investment Trust		506
Corporate Bonds		243
Other		755
Receivables:		
Accrued interest		21
Total assets		17,412
Liabilities:		
Accounts and accrued liabilities:		
Accrued pensions payable		122
Total liabilities		122
Net assets held in trust for pension benefits (a schedule of funding progress for each plan is presented in the Required Supplementary Information located after the Notes to the Financial Statements)	$	17,290

The accompanying notes are an integral part of this statement.

CITY OF BOULDER, COLORADO

Statement of Changes in Fiduciary Net Assets

Pension Trust Funds

Year ended December 31, 2008

(Amounts in 000's)

Additions:		
Pension contributions:		
City of Boulder	$	786
Employees		31
Total contributions		817
Investment earnings (loss)		(5,904)
Less investment expense		(64)
Net investment income (loss)		(5,968)
Total additions		(5,151)
Deductions:		
Benefits		3,036
Administrative		28
Total deductions		3,064
Net increase		(8,215)
Net assets held in trust for pension benefits:		
Beginning of year		25,505
End of year	$	17,290

The accompanying notes are an integral part of this statement.

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NOTES TO THE FINANCIAL STATEMENTS

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City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2008

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City of Boulder, Colorado

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2008

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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Reporting Entity (Continued)

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. Each of these component units has a December 31 year end and is included in the accompanying financial statements.

Blended Component Units

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Reporting Entity (Continued)

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.

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 assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Government-wide and Fund Financial Statements (Continued)

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

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

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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the city considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The city reports the following major governmental funds:

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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.

Boulder Municipal Property Authority – The Boulder Municipal Property Authority is responsible 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 is derived from the acquired or constructed assets.

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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their government-wide financial statements and their enterprise funds, subject to this same limitation. The city has elected not to follow subsequent private-sector guidance.

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.

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 revenues in the blended component unit Boulder Municipal Property Authority are received from the city in the form of base rentals on open space and parks property. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

4. Budgets

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

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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgets (Continued)

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. This provision does not apply to the Water Utility Fund, Permanent Parks and Recreation Fund or Library Fund. Available fund balances not required for operations and capital improvements during the year are included in the annual appropriations ordinance. This is done to ensure that excess funds are available for use if the need arises after the adoption of that ordinance. Council approval is still required to transfer unallocated amounts to active operating or capital improvement budgets.

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

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

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

At year-end, cash in bank accounts, cash on hand, cash held by trustees, certificates of deposit (with an original maturity date less than 90 days) and money market deposit accounts are classified as Equity in Pooled Cash and Cash Equivalents. All other securities within pooled cash are reclassified for reporting purposes to investments.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

6. Investments

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

- 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 AA by Standard & Poors or Aa2 by Moody's. Authorized corporates shall be limited to corporations organized and operated within the United States with a net worth in excess of $250,000,000.

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

6. Investments (Continued)

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

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

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., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Assets 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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

8. Inventories

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

9. Restricted Assets

Pooled and non-pooled investments restricted for specified uses by gift, fee, grant and retainage requirements are classified as "restricted assets" in the General, Special Revenue and Internal Service Funds. Pooled investments and cash held by paying agents have been restricted in the Capital Project and Enterprise Funds for future capital improvements in compliance with bond ordinances. Additional pooled investments in the Debt Service and Enterprise Funds have been restricted for debt service bond reserves in compliance with bond ordinances.

10. Capital Assets

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets, net of any related interest income, is included as part of the capitalized value of the assets constructed for business-type activities. Interest capitalized in 2008 totaled $1,736,446.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

10. Capital Assets (Continued)

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 to land other than buildings	20 years
Infrastructure	20-75 years
Utility plant in service	30-40 years
Undergrounds	30-75 years
Machinery and equipment	3-20 years
Vehicles	3-20 years

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

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

11. Compensated Absences

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

12. 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 assets. Bond premiums and discounts, losses on refunding, and issuance costs, are deferred and amortized over the life of the bonds using a method which approximates 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.

13. Fund Equity

In the *fund financial statements*, governmental funds report *reservations* of fund balance for amounts that are legally restricted by outside parties for specific purposes and for amounts that are not available for appropriation. *Designations* result from management's plans regarding future use. Proprietary funds report *restrictions* of net assets for those amounts that are legally restricted by outside parties for a specific purpose.

Reserves – Governmental fund reserves have been established to liquidate existing contracts and purchase orders, fund capital projects in future fiscal periods, and for gifts and memorials and other restricted purposes. Included in General Fund reserves are moneys collected under the Colorado Contraband Forfeiture Act. These funds will be used for the specific purpose of law enforcement activities.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

13. Fund Equity

Designations – Designations set aside portions of unreserved fund balances as determined by management and represent tentative plans for future use of financial resources. City management has determined the following designation of unreserved fund balances:

Special Purposes – The city has designated education excise tax revenues in the General Fund to promote the development of public educational facilities and services. The General Fund has also designated monies for economic vitality programs. Additional designations, including funds to cover liquidations of compensated absences, have been set aside in the Special Revenue and Capital Project Funds.

In the *government-wide financial statements*, applicable net assets are categorized as *restricted* rather than as reserved. 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).

Net assets invested in capital assets, net of related debt 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 assets invested in capital assets, net of related debt, excludes unspent bond proceeds. Unspent bond proceeds as of December 31, 2008 totaled $8,663,110, consisting of $3,068,830 for the Water Utility Fund, $4,304,178 for the Wastewater Utility Fund, $824,715 for the Stormwater and Flood Management Fund, $350,560 for the Downtown Commercial District Fund, and $114,827 for other governmental funds.

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

1. Explanation of Certain Differences Between the Government Fund Balance Sheet and the Government-wide Statement of Net Assets

The government fund balance sheet includes a reconciliation between fund balance-total governmental funds and net assets-governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation 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 the $79,325 difference are as follows (amounts in 000's):

General obligation bonds	$ 60,120
Revenue bonds	7,720
Compensated absences	10,067
Retiree health care benefits payable	522
Rebatable arbitrage payable	152
Total governmental activities long-term liabilities	78,581
Plus: interest payable	906
Less: internal service fund long-term liabilities	(162)
Governmental fund long-term liabilities	$ 79,325

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances-total governmental funds and changes in net assets 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 assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items."

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

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

The details of the $8,786 increase are as follow (amounts in 000's):

Debt issued or incurred:	
Increase in compensated absences	$(1,105)
Increase in retiree health care benefit	(265)
Increase in rebatable arbitrage payable	(6)
Total debt issued or incurred	(1,376)
Principal repayments:	
General obligation bonds:	
Repayments	7,704
Amortization of debt premium	38
Amortization of deferred loss on bond refundings	(107)
General obligation repayments	7,635
Revenue bonds	1,090
Loan payable	1,536
Compensated absences	860
Total principal repayments	11,121
Net change in governmental activities long-term liabilities	9,745
Other debt related items:	
Amortization of cost of issuance	(35)
Total change in governmental activities long-term liabilities	9,710
Less: change in accrued interest payable	(906)
Less: change in internal service fund long-term liabilities	(18)
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities – debt and related items	$ 8,786

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.

Budget amendments were not materially different from the original appropriations adopted by the City Council, except for the annual carryover ordinance and the following additional items:

1) $727,015 increase to the General Fund budget for the encumbrance carryover from 2007 for purchases that were ordered but not received before year end;
2) $454,227 increase in the General Fund due to capital carryover from 2007. These are projects that were started prior to year end of 2007 with expenditures in 2008;
3) $996,279 increase in the General Fund due to grant carryover from 2007. This is money that is restricted to the purpose of the grant and cannot be used for anything else;
4) $1,652,338 increase in the General Fund due to projects that are in progress and the funding was established in the prior year or for a large upcoming project that will take more funding than a single year will allow. These include the Boulder Community Media, several Environmental Affairs projects, and several smaller projects;
5) $600,000 increase in the General Fund for improvements to Bolder Mobile Manor which will target 30-50% average median income, greater livability through design, green space and playgrounds and a higher level of energy efficiency and green building;
6) $526,317 increase in the General Fund from additional revenue received from grants from various outside agencies;
7) $300,000 increase in the General Fund from Education Excise Tax revenues, to reimburse Boulder Valley School District for a portion of the cost of athletic field lights;
8) $1,800,000 increase in the General Fund from Education Excise Tax revenues for reconstruction costs associated with Casey Middle School;
9) $401,760 increase in the General Fund from Economic Vitality reserve , to cover the costs associated with several Economic Vitality programs during the year;
10) $1,610,644 increase in the General Fund from Asset Forfeiture reserve, additional revenue from outside entities and a transfer from other funds for assistance in the Police Communications Center project;
11) $431,152 increase in the Open Space Fund from additional revenue and fund balance for encumbrance carryover from 2007 for purchases that were ordered but not received before year end;

NOTE C - LEGAL COMPLIANCE – BUDGETS (CONTINUED)

12) $1,991,566 increase in the Open Space Fund from fund balance for capital project carryover. These are projects that were started prior to 2007 year end but not completed;
13) $3,477,778 increase in the Transportation Fund from additional revenue and fund balance for encumbrance carryover from 2007 for purchases that were ordered but not received before year end;
14) $11,251,117 increase in the Transportation Fund from additional revenue and fund balance for capital project carryover. These are projects that were started prior to 2007 year end but not completed;
15) $289,579 increase in the Transportation Fund from additional revenue from several outside entities for grant carryover. This is money that is restricted to the purpose of the grant and cannot be used for anything else;
16) $164,931 increase in the Transportation Fund from additional revenue for the purpose of the Boulder Transit Village Master and Site Planning.

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

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

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

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

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

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

- All fund types – fair market value adjustment to investments

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

- Proprietary fund types – long-term debt proceeds

As of December 31, 2008, the 1996 Parks Acquisition Bond Fund had expenditures in excess of appropriations by $3,000.

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 non-federal grants notwithstanding any TABOR restrictions.

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

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

NOTE D - LEGAL COMPLIANCE - TABOR (CONTINUED)

On November 4, 2008, the voters within the city of Boulder approved a ballot question which removed the remaining TABOR restriction on property tax revenues collected in 2009 and beyond. The increase in retained taxes starting in tax collection year 2009 will be limited to .5 mills per year until the full amount of the existing city property tax levy of 11.981 mills is restored and retained.

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

At December 31, 2008, the city believes it was in compliance with TABOR. (See Note L).

NOTE E - DEPOSITS AND INVESTMENTS

At December 31, 2008, the city had the following in cash and investments (in 000's):

Cash and Deposits	$ 5,449
Investments	210,081
Total	$ 215,530

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

Citywide Pool Investments	
Equity in pooled cash and cash equivalents	$ 5,421
Investments	181,497
Restricted cash and investments	11,221
	198,139
Fiduciary Fund Investments	
Equity in pooled cash and cash equivalents	13
Investments	17,378
Total	$ 215,530

NOTE E - DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits

Custodial Credit Risk – deposits. For deposits, this is the risk that in the event of a bank failure, the city's deposits may not be returned. Title 2, Chapter 10 of the Boulder Revised Code (1981) requires that depositories belong to the FDIC and qualify as a depository of public funds in the state under the Colorado Public Deposit Protection Act (PDPA) as defined in 24-75-603, C.R.S. As of December 31, 2008, 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, the city had $5,523,852 in deposits. These bank deposits include a certificate of deposit totaling $100,000, and a savings account held in lieu of retainage in the amount of $14,780. On October 3, 2008, the FDIC temporarily increased deposit insurance from $100,000 to $250,000. The FDIC will return deposit insurance to $100,000 per depositor on December 31, 2009. On December 31, 2008, the city had bank deposits of $250,000 insured by FDIC and $5,273,852 properly collateralized under the Public Deposit Protection Act.

Investments – Citywide Pool (excludes Fiduciary Funds)

As of December 31, 2008, the city had the following investments and maturities:

Investment Type	Fair Value (000's)
Local Government Investment Pools	$ 11,927
U.S. Treasuries	27,726
U.S. Instrumentalities	152,950
Certificate of Deposit	100
Total	$ 192,703

NOTE E - DEPOSITS AND INVESTMENTS (CONTINUED)

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

Credit Risk – investments. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Title 2, Chapter 10 of the Boulder Revised Code (1981) limits the city's investment activity to specific types of investments as disclosed in Note A6. Rating requirements for Federal Instrumentality securities are not addressed within the code but it does limit investments in commercial paper to issues with a credit rating of at least A-1 by Standard and Poor's or P-1 by Moody's. Credit rating requirements for eligible banker's acceptances are not addressed. Local government investment pools and money market mutual funds must have a rating at the time of purchase of at least AAAm by Standard and Poor's or Aaa by Moody's. Corporate bonds must have a credit rating of at least AA by Standard & Poors or Aa2 by Moody's. As of December 31, 2008, the city held investments with the following credit ratings:

		Ratings	
Issuer	Fair Value (000's)	Standard & Poors	Moody's
U.S. Instrumentalities			
FHLB	54,466	AAA	Aaa
FNMA	36,475	AAA	Aaa
FFCB	33,413	AAA	Aaa
FHLMC	28,596	AAA	Aaa
Local Government Investment Pools			
Colotrust	9,213	AAAm	Aaa
Csafe	2,714	AAAm	Aaa

Interest Rate Risk – investments. For investments, this is the risk that changes in interest rates will adversely affect fair market values. In accordance with Title 2, Chapter 10 of the Boulder Revised Code (1981) the weighted average maturity of the city's portfolio shall at no time exceed five years. As of December 31, 2008, the weighted average maturity of the city's pooled investment portfolio was 1.93 years as detailed in the following chart:

NOTE E - DEPOSITS AND INVESTMENTS (CONTINUED)

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

Investment Type	Fair Value (000's)	Weighted Average Maturity (years)
U.S. Treasuries	$ 27,726	1.01
FHLB	54,466	1.95
FNMA	36,475	1.95
FFCB	33,413	1.98
FHLMC	28,596	3.18
Local Government Investment Pools	11,927	.003
Total Fair Value	$ 192,603	
Portfolio weighted average maturity		1.93

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.

On December 31, 2008, the city invested in Colorado Government Liquid Asset Trust Plus (Colotrust Plus), Colorado Government Liquid Asset Trust Prime (Colotrust Prime) and the Colorado Surplus Asset Fund Trust (CSAFE), investment vehicles established for local government entities in Colorado to pool surplus funds. The pools are regulated by the Colorado Securities Commissioner. These pools operate similar to a money market fund and each share is equal in value to $1.00. Investments of the pools consist of U.S. Treasury bills, notes and note strips, commercial paper allowed by state statute and repurchase agreements collateralized by U.S. Treasury securities and or U.S. Instrumentalities. A designated custodial bank provides safekeeping and depository services to the pools in connection with the direct investment and withdrawal functions of the pools. Securities owned by the pools are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the specific pool.

NOTE E - DEPOSITS AND INVESTMENTS (CONTINUED)

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

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. Five percent or more of the city's investments were held by the following issuers as of December 31, 2008:

Issuer	Fair Market Value (in 000's)	Percentage of Total Portfolio
Federal Home Loan Bank	$ 54,466	28%
Federal National Mortgage Association	36,475	19%
Federal Farm Credit Bureau	33,413	17%
Federal Home Loan Mortgage Corporation	28,596	15%

Investments – Fiduciary Funds

As of December 31, 2008, the Police and Fire Pension Funds had the following investments:

		Maturities in Years				
Investment Type	Fair Value (in 000's)	<1	1-2	3-5	5-10	>10
Local Government Investment Pools	$ 26	$ 26	$ -	$ -	$ -	$ -
U.S. Treasuries	324	57	-	5	262	-
U.S. Instrumentalities and Agencies	1,392	254	467	473	-	198
Corporate Bonds	243	-	-	-	243	-
Subtotal	1,985	$ 337	$ 467	$ 478	$ 505	$ 198
Money Market Funds	190					
Mutual Funds	10,184					
Equities	3,758					
Real Estate Investment Trust	506					
Other Assets	755					
Total	$ 17,378					

NOTE E - DEPOSITS AND INVESTMENTS (CONTINUED)

Investments – Fiduciary Funds

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 revised on June 11, 2008 and adopted on August 18, 2008 has specific guidelines regarding purchases in the equities portfolio. For the fixed income portfolio, it requires that at least 90% of the securities must have a rating of no less than "BBB" by Moody's, Standard and Poors or Fitch and no more than 30% of the portfolio's market value shall be rated less than "A", unless the manager has specific written authorization. The "Old Hire" Fire Pension Fund investment policy was revised on September 26, 2008, and formally adopted on November 17, 2008. This newly adopted policy has specific guidelines regarding purchases of equities for the portfolio.

At December 31, 2008 the pension plans held investments with credit ratings as follows:

		Ratings	
Issuer	Fair Value (000's)	Standard & Poors	Moody's
Local Government Investment Pools	$ 26	AAAm	Aaa
U.S. Instrumentalities	1,194	AAA	Aaa
U.S. Agencies (GNMA)	198	not rated	not rated
Money Market Funds	190	not rated	not rated
Corporate Bonds	243	A	A2

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 the portfolio shall have between 15 – 85 percent in equities. The policy also states that equity holdings in any one company should not exceed more than 10% of the market 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, 2008, no single issuer held more than 10% of either pension fund's portfolio.

NOTE E - DEPOSITS AND INVESTMENTS (CONTINUED)

Investments – Fiduciary Funds (Continued)

In the revised investment policy, which was adopted on August 18, 2008, the "Old Hire" Police Pension Fund has also specified risk tolerance not to exceed a 8.6 percent loss in any year. To maintain a 95 percent 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 Balanced	44%	47%	50%
Domestic Large Cap Core	7%	10%	13%
Domestic Small Cap Core	1%	4%	7%
International Equity	11%	14%	17%
Real Estate	2%	5%	8%
Commodity Futures	2%	5%	8%
Global Fixed Income	2%	5%	8%
Hedge Funds	7%	10%	13%

The "Old Hire" Fire Pension Plan has specificed a risk tolerance not to exceed a 8 percent loss in any one year. To maintain a 95 percent 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	21%	24%	27%
Domestic Mid Cap	3.5%	6.5%	9.5%
Domestic Small Cap	3.5%	6.5%	9.5%
International Equity	11%	14%	17%
Domestic Fixed Income	28%	31%	33%
Global Fixed Income	2%	5%	8%
Commodities	2%	5%	8%
Bank Loans	2%	5%	8%
REITs	0%	3%	6%

At December 31, 2008 the asset class allocations were within the maximum limits.

NOTE E - DEPOSITS AND INVESTMENTS (CONTINUED)

Investments – Fiduciary Funds (Continued)

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 Fund investment policy states that a custodian bank will maintain possession of securities owned by the Fund. The "Old Hire" Fire Pension Plan's investment policy was revised to require a custodian bank to maintain possession of securities in September 2008. All of the pension securities, with the exception of the Principal RESA account, are held by the Fund's third party custodian Charles Schwab Institutional 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 5.00% over the Consumer Price Index, which was 3.81 in 2008. Due to unprecedented market declines the "Old Hire" Police pension portfolio decreased in value by 27.85% while the targeted rate of return was 8.80%. The Fire Pension Fund investment policy specifies a targeted rate of return of 7.50%. Due to unprecedented market conditions, the "Old Hire" Fire pension portfolio declined by 28.45%. See the above pension investment maturity schedule for additional information on fixed income security maturities.

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 2008 for collection in 2009 of $19,722,886 in the General Fund, $2,137,888 in the Special Revenue Funds, $1,691,646 in the Capital Projects Funds and $1,618,796 in the Enterprise Funds, are included in receivables and deferred revenue at December 31, 2008. These taxes are classified as deferred revenues since they are not normally available to the city until mid-2009 and are budgeted for in 2009.

NOTE G – NOTES RECEIVABLE

The December 31, 2008 balance in "notes receivable" include several long term notes receivable of various natures. The following summarizes the types of notes receivable and the amounts due within one year (amounts in 000's):

	Governmental Activities		Business-type Activities	
Type of note receivable	Current	Non-Current	Current	Non-Current
Land Sale to Boulder County	$ -	$ -	$ 109	$ 931
HHS Construction Loan	255	1,785	-	-
Special assessments	-	-	51	-
	$ 255	$ 1,785	$ 160	$ 931

NOTE H – OTHER RECEIVABLES

The city of Boulder recognizes various receivables when earned. Revenues are recognized as appropriate based on the measurement focus and basis of accounting as discussed in Note A. An allowance for doubtful accounts is recognized as appropriate based upon management's estimate of the collectibility of the various receivables. No allowance is provided for utility service charges since delinquent amounts are certified as a lien against the property billed. As of December 31, 2008, no allowance for doubtful accounts was recognized.

The December 31, 2008, balance in "other receivables" contains the following detail (amounts in 000's):

Type of receivable	Governmental Activities	Business-type Activities	Total
Accounts	$ 2,753	$ 353	$ 3,106
Charges for services	-	1,426	1,426
Accrued interest	866	629	1,495
Intergovernmental	2,709	31	2,740
Other	83	-	83
	$ 6,411	$ 2,439	$ 8,850

NOTE I - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2008, was as follows (amounts in 000's):

Governmental Activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and easements	$ 223,388	$ 6,066	$ -	$ 229,454
Construction in progress	21,209	6,495	(8,185)	19,519
Total capital assets, not being depreciated	244,597	12,561	(8,185)	248,973
Capital assets being depreciated:				
Buildings	76,209	2,103	(147)	78,165
Improvements other than buildings	39,511	1,282	-	40,793
Infrastructure	345,252	10,017	-	355,269
Machinery and equipment	36,379	5,105	(6,003)	35,481
Total capital assets, being depreciated	497,351	18,507	(6,150)	509,708
Less accumulated depreciation for:				
Buildings	33,384	3,377	(147)	36,614
Improvements other than buildings	13,847	1,741	-	15,588
Infrastructure	246,277	9,450	-	255,727
Machinery and equipment	21,368	3,010	(5,246)	19,132
Total accumulated depreciation	314,876	17,578	(5,393)	327,061
Total capital assets, being depreciated, net	182,475	929	(757)	182,647
Governmental Activities capital assets, net	$ 427,072	$ 13,490	$ (8,942)	$ 431,620

NOTE I - CAPITAL ASSETS (CONTINUED)

Business-type Activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and easements	$ 78,686	$ 3,247	$ (1,739)	$ 80,194
Construction in progress	47,208	1,591	(46,178)	2,621
Total capital assets, not being depreciated	125,894	4,838	(47,917)	82,815
Capital assets being depreciated:				
Buildings	47,762	186	-	47,948
Improvements other than buildings	5,794	439	-	6,233
Utility plant in service and undergrounds	358,041	62,602	-	420,643
Machinery and equipment	10,039	1,476	(1,050)	10,465
Total capital assets, being depreciated	421,636	64,703	(1,050)	485,289
Less accumulated depreciation for:				
Buildings	13,568	1,361	-	14,929
Improvements other than buildings	1,848	279	-	2,127
Utility plant in service and undergrounds	119,914	7,268	-	127,182
Machinery and equipment	4,700	813	(932)	4,581
Total accumulated depreciation	140,030	9,721	(932)	148,819
Total capital assets, being depreciated, net	281,606	54,982	(118)	336,470
Business-type Activities capital assets, net	$ 407,500	$ 59,820	$ (48,035)	$ 419,285.

NOTE I - CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:	
General Government	$ 18
Administrative Services	701
Public Safety	61
Public Works	15,243
Planning & Development Services	2
Culture and Recreation	1,284
Open Space and Mountain Parks	204
Housing & Human Services	65
Total depreciation expense – Governmental Activities	$ 17,578
Business-type Activities:	
Water Utility	$ 4,781
Wastewater Utility	2,364
Stormwater and Flood Management	978
Parking facilities and services	1,454
Property and facility acquisition	144
Total depreciation expense – Business-type Activities	$ 9,721

The Facility Renovation and Replacement Internal Service Fund collects replacement charges from participating city departments for the future renovation and replacement of facilities. Policy requires that assets for which this fund collects replacement charges be recorded in the fund. Facilities for which replacement charges were collected by, but the asset not purchased in the Facility Renovation and Replacement Fund must be contributed to this fund. In 2008, $872,085 of this type of asset was contributed from governmental funds to the Facility Renovation and Replacement Fund.

NOTE I - CAPITAL ASSETS (CONTINUED)

The Computer Replacement Internal Service Fund collects replacement charges from participating city departments as an effective approach for the collection of replacement charges for the funding of city-wide computer replacements. Computers for which replacement charges were collected by, but the asset not purchased in the Computer Replacement Fund must be contributed to this fund. In 2008, $165,644 of this type of asset was contributed from governmental funds to the Computer Replacement Fund.

NOTE J - RISK MANAGEMENT

Property and Casualty Insurance - The city has structured its property and casualty insurance as a self insurance program since April 15, 1986. The Plan included an Annual Aggregate and Specific Stop Loss coverage through April 15, 1990. Under the current structure, the city pays the first $100,000 of each loss on property claims with an annual aggregate of $200,000. Except for those which are Flood or Earthquake which have a $200,000 deductible and Utility Facilities which have a $500,000 deductible. The city pays $250,000 each claim on third party liability claims; and $10,000 each loss on crime. According to Colorado State law, the city has the protection of governmental immunity above $150,000 per person, $600,000 per occurance. Excess insurance coverage over this maximum had been purchased through a private insurance carrier in the amount of $3,000,000 per liability with an annual aggregate policy limit of $6,000,000, 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 funding the actuarially calculated liability at the end of the prior year at the 50% certainty level plus $537,500 for current and future year claims. As of December 31, 2008, the reserve exceeded this goal by $3,293,000.

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.

NOTE J - RISK MANAGEMENT (CONTINUED)

Changes in the estimated claims payable for all funds during the years ended December 31, 2007 and 2008, were as follows (amounts in 000's):

	2007	2008
Estimated claims payable January 1	$ 942	$ 848
Current year claims and changes in estimates	6	25
Claim payments	(100)	(101)
Estimated claims payable December 31	$ 848	$ 772

Workers' Compensation Insurance - Through December 31, 1992, the city purchased Workers' Compensation insurance through the Colorado Compensation Insurance Authority. The city received authorization to become self-insured effective January 1, 1993. In 1993, an Internal Service Fund was established to account for these insurance activities. The city hired a third-party administrator to handle claims and estimate reserves. Under the current structure, the city pays the first $350,000 of each workers compensation claim. The estimated reserves at December 31, 2008, 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 goal for the Workers' Compensation Insurance Fund to fully fund case loss reserves at the 50% confidence level and rate stabilization reserves at the industry standard reserve/retention of 8 to 1. At December 31, 2008, the reserve did not meet this goal by $7,000.

Changes in the estimated claims payable for all funds during the years ended December 31, 2007 and 2008, were as follows (amounts in 000's):

	2007	2008
Estimated claims payable January 1	$ 1,318	$ 1,119
Current year claims and changes in estimates	408	171
Claim payments	(607)	(563)
Estimated claims payable December 31	$ 1,119	$ 727

NOTE K – ACCRUED LIABILITIES

The December 31, 2008, 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	$ 4,433	$ 665	$ 5,098
Accrued interest	906	938	1,844
Accrued claims liability	1,499	-	1,499
Accrued liability – landfill cleanup	-	2,531	2,531
	$ 6,838	$ 4,134	$ 10,972

NOTE L - PROPERTY TAX OVERCOLLECTION LIABILITY

The 2007 mill levy for the city of Boulder for taxes collected in 2008, resulted in an excess of the Amendment One allowable property tax revenues by $15,109. The 2008 mill levy for taxes collected in 2009 was voluntarily reduced to compensate for this overcollection.

The balance of these overcollections are recorded as an "other liability" in the following funds:

Fund	Net Overcollection
Downtown Commercial District	$ 14,549
University Hill Commercial District	560

NOTE M - ACCRUED LIABILITY - LANDFILL CLEANUP (CONTINUED)

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 U.S. 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 $.8 million for engineering costs. Under the PRP agreement, which set forth the cost sharing arrangements for the cleanup, the city's share was estimated at 30% or approximately $1,740,000. This amount, plus $210,000 for project management, contingency, legal and miscellaneous costs, was recorded in the Wastewater Utility Fund. Bonds were issued in 1992, and the proceeds restricted, to pay these costs.

This judgment payable was satisfied in 1993 and an additional estimated liability equal to the net present value of average annual expenses of $250,000, or $2,926,595, was recorded for the city's estimated share of operating the treatment facility over the subsequent twenty 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.

NOTE M - ACCRUED LIABILITY - LANDFILL CLEANUP (CONTINUED)

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

Funds to pay off the accrued liability will be collected through user rate charges. The December 31, 2008, balance in the "accrued landfill cleanup liability" is $2,530,980.

NOTE N - DEFERRED CREDIT - 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 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.

NOTE N - DEFERRED CREDIT - FUTURE WATER RIGHTS (CONTINUED)

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

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

2009	$1,652,567
2010	1,652,531
2011	1,652,539
2012	1,653,910
2013	1,653,835
and 2014 through 2017	6,706,337

A "deferred credit" with an 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, 2008, deferred credit balance was $5,071,780.

NOTE O - LONG-TERM DEBT

The following balances and changes in long-term debt are for the year ended December 31, 2008 (amounts in 000's):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	$ 67,755	$ -	$ (7,635)	$ 60,120	$ 7,965
Revenue bonds	8,810	-	(1,090)	7,720	1,140
Total bonds payable	76,565	-	(8,725)	67,840	9,105
Loans payable	1,536	-	(1,536)	-	-
Compensated absences	9,822	1,105	(860)	10,067	855
Retiree health care benefit	257	265	-	522	-
Rebatable arbitrage payable	146	6	-	152	-
Governmental activity long-term debt	$ 88,326	$ 1,376	$ (11,121)	$ 78,581	$ 9,960

NOTE O - LONG-TERM DEBT (CONTINUED)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Bonds payable:					
General obligation bonds	$ 20,431	$ -	$ (1,172)	$ 19,259	$ 1,215
Revenue bonds	101,792	-	(6,399)	95,393	6,700
Total bonds payable	122,223	-	(7,571)	114,652	7,915
Certificates of participation	2,605	-	(475)	2,130	495
Lease purchase revenue notes	16,869	808	(2,559)	15,118	2,094
Compensated absences	1,503	182	(190)	1,495	137
Retiree health care benefit	37	40	-	77	-
Rebatable arbitrage payable	43	-	(13)	30	-
Business-type activities long-term debt	$ 143,280	$ 1,030	$ (10,808)	$ 133,502	$ 10,641

General Obligation Bonds

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

General obligation bonds outstanding at December 31, 2008, are as follows (amounts in 000's):

Purpose	Interest Rates Outstanding	Amount Outstanding	Original Amount
Governmental activities	4.00 – 5.05%	$ 19,845	$ 28,650
Governmental activities – refunding	3.50 – 5.375	40,675	76,905
Business-type activities	3.00 – 5.00	19,145	26,000
		$ 79,665	$ 131,555

NOTE O - LONG-TERM DEBT (CONTINUED)

General Obligation Bonds (Continued)

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

	Governmental Activities		Business-type Activities		Debt Requirements
Year ending December 31	Principal	Interest	Principal	Interest	to Maturity
2009	$ 7,965	$ 2,745	$ 1,215	$ 794	$ 12,719
2010	8,320	2,377	1,265	736	12,698
2011	7,615	1,990	1,320	687	11,612
2012	6,880	1,637	1,380	634	10,531
2013	6,840	1,323	1,445	577	10,185
2014-2018	20,955	2,847	8,300	1,891	33,993
2019-2023	1,945	80	4,220	534	6,779
Total liability	60,520	12,999	19,145	5,853	98,517
Plus bond premium	372	-	114	-	486
Less refunding bond charges	(772)	-	-	-	(772)
Net liability	$ 60,120	$ 12,999	$ 19,259	$ 5,853	$ 98,231

Revenue Bonds

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

Revenue bonds outstanding at December 31, 2008, are as follows (amounts in 000's):

Purpose	Interest Rates Outstanding	Amount Outstanding	Original Amount
Governmental activities – refunding	5.00 – 5.25%	$ 7,720	$ 15,835
Business-type activities	3.50 – 5.00	61,770	74,075
Business-type activities – refunding	3.50 – 5.10	33,845	44,625
		$ 103,335	$ 134,535

NOTE O - LONG-TERM DEBT (CONTINUED)

Revenue Bonds (Continued)

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

	Governmental Activities		Business-type Activities		Debt Requirements
Year ending December 31	Principal	Interest	Principal	Interest	to Maturity
2009	$ 1,140	$ 395	$ 6,700	$ 4,141	$ 12,376
2010	1,195	338	7,260	3,885	12,678
2011	1,250	275	6,165	3,594	11,284
2012	1,310	213	6,420	3,348	11,291
2013	1,380	145	6,510	3,093	11,128
2014-2018	1,445	74	35,105	11,077	47,701
2019-2023	-	-	21,095	4,110	25,205
2024-2027	-	-	6,360	448	6,808
Total liability	7,720	1,440	95,615	33,696	138,471
Plus bond premium	-	-	968	-	968
Less refunding bond charges	-	-	(1,190)	-	(1,190)
Total liability	$ 7,720	$ 1,440	$ 95,393	$ 33,696	$ 138,249

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 recreational property, to pay debt service. These certificates of participation are a debt of BMPA, not of the city of Boulder, but are included as a blended component unit of the city (Note A1).

Certificates of participation outstanding at December 31, 2008, are as follows (amounts in 000's):

Purpose	Interest Rates Outstanding	Amount Outstanding	Original Amount
Business-type activities	4.80 – 5.00%	$ 2,130	$ 5,750

NOTE O - LONG-TERM DEBT (CONTINUED)

Certificates of Participation (Continued)

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

	Business-type Activities		Debt Requirements
Year ending December 31	Principal	Interest	to Maturity
2009	$ 495	$ 105	$ 600
2010	515	81	596
2011	545	56	601
2012	575	29	604
Total liability	$ 2,130	$ 271	$ 2,401

Lease Purchase Revenue Notes

The Boulder Municipal Property Authority (BMPA) has issued notes where BMPA pledges income, received from the city of Boulder and derived from base rentals of open space and parks property, to pay debt service. These notes are a debt of BMPA, not of the city of Boulder, but are included as a blended component unit of the city (Note A.1). Lease purchase revenue notes outstanding at December 31, 2008, are as follows (amounts in 000's):

Purpose	Interest Rates Outstanding	Amount Outstanding	Original Amount
Business-type activities	4.75 – 7.00%	$ 15,118	$ 25,541

NOTE O - LONG-TERM DEBT (CONTINUED)

Lease Purchase Revenue Notes

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

	Business-type Activities		Debt Requirements
Year ending December 31	Principal	Interest	to Maturity
2009	$ 2,094	$ 827	$ 2,921
2010	2,215	706	2,921
2011	4,070	588	4,658
2012	1,426	352	1,778
2013	1,364	276	1,640
2014-2018	3,820	470	4,290
2019-2023	129	10	139
Total liability	$ 15,118	$ 3,229	$ 18,347

Loans Payable

Fannie Mae Revolving Credit Facility Agreement – In 2003, the city and Fannie Mae signed a revolving credit facility agreement whereby the city could borrow up to $3,000,000 to secure and promote the health, safety and general welfare of the city's inhabitants by assisting in the provision of adequate and affordable housing. Expenditures, in the form of loans to eligible projects, were recorded in the Affordable Housing Fund. These loans will be paid back to the city through owner equity, sale of land and/or future Housing Program Funds.

Payment terms required a minimum principal payment of 20% of the outstanding balance to be paid on each July 1, commencing July 1, 2004, at an interest rate obtained by adding 1.75% to the ninety-day LIBOR, adjusted quarterly. Fannie Mae's collateral requirement of 25% of the established line of credit, or $750,000, was satisfied by a letter of credit with JP Morgan Chase. The credit facility had a maximum term of five years, which expired in August 2008. The city decided not to renew the credit agreement. On February 5, 2008 the city paid off the remaining principal balance of $1,536,000.

NOTE O - LONG-TERM DEBT (CONTINUED)

Compensated Absences

The city has accrued, as a liability to current employees, the following amounts of accumulated unused vacation and sick pay, appreciation bonus and compensation time at December 31, 2008 (amounts in 000's):

	Governmental Activities	Business-type Activities
Accrued vacation	$ 5,817	$ 726
Accrued sick pay	1,687	285
Accrued appreciation bonus	2,382	484
Accrued compensation time	181	-
	$ 10,067	$ 1,495

The liability attributable to the governmental funds is recorded as a governmental activities noncurrent liability. It is estimated that $855,483 of governmental activities and $137,203 of business-type activities liabilities will be paid in 2009. 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.

Rebatable Arbitrage

Kutak Rock Arbitrage Consulting LLC made calculations for the city to determine if any of the bond issues dated since January 1, 1986, had a liability for rebatable arbitrage at December 31, 2008. 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, 2008, a liability of $152,020 was recognized in the Statement of Net Assets as a noncurrent liability for governmental activities. In the Proprietary Funds Statement of Net Assets, a liability of $31,103 was recognized as a noncurrent liability.

NOTE O - LONG-TERM DEBT (CONTINUED)

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, non-callable 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.

At December 31, 2008, the total of all refunded bonds that are outstanding is $36,500,000. Although the city is not legally released from the refunded bonds, such debt is considered to be, in substance, defeased debt. Accordingly, the escrow account's assets and the liability for the defeased debt are not included in the city's financial statements.

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 thirty 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.

NOTE O - LONG-TERM DEBT (CONTINUED)

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. This lease has a term of 20 (twenty) years commencing on July 11, 1989. Should Safeway or a comparable anchor tenant at the shopping center remain as a tenant after twenty years from the commencement date, the city has 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.

NOTE P - INTERFUND RECEIVABLES/PAYABLES, AND TRANSACTIONS

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

Due to/from other funds

The composition of interfund receivable and payable balances as of December 31, 2008, is as follows (amounts in 000's):

Receivable Fund	Payable Fund	Amount
General	CDBG	$ 4
	HOME	1
Boulder Municipal Property Authority	General	9
	Affordable Housing	2
	Open Space and Mountain Parks	412
	Transportation	1
Water Utility Fund	Stormwater and Flood Management Fund	580
		$ 1,009

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

Due to/from other funds (Continued)

One of the most significant interfund receivable/payable balances are amounts owed to the Boulder Municipal Property Authority for base rentals equal to accrued interest on debt at December 31, 2008. All balances will be repaid within one year.

Another significant interfund receivable/payable balance is the amount owed to the Water Utility Fund by the Stormwater and Flood Management Fund. This amount was repaid in January 2009.

Advances to/from other funds

The $357,970 owed the General Fund by the Downtown Commercial District is a loan to be used to cover a portion of the capital cost of a new parking facility. It was initiated in 2003 and will be repaid in 2009.

The $207,433 owed the Fleet Fund by the General Fund is for assistance in the implementation of new parking technology in 2007. This advance will be repaid in forty equal quarterly payments including 5% interest beginning in 2008.

The $150,000 owed the Property and Casualty Insurance Fund by the General Fund is for funding assistance provided to move the historic Jaycees/Union Pacific Depot from the location I the Crossroad Commons Shopping Center to a permanent location on the city-owned portion of the transit Village property at the intersection of 30th and Pearl streets. This advance will be repaid within five years including 3.48% interest beginning in 2009.

Interfund transactions

There are various types of interfund transactions which occur between funds. The following information describes the city's material 2008 transfers (amounts in 000's).

Cost Allocation Transfer – All funds made quarterly payments to the General Fund for indirect expenses, primarily administrative, such as human resources, finance and information technologies totaling:

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

Interfund transactions (Continued)

Receiving Fund	Paying Fund	Amount Transferred
General	Major governmental funds:	
	Open Space and Mountain Parks	$ 784
	Transportation	1,068
	Nonmajor governmental funds	1,433
	Enterprise funds:	
	Water Utility	1,149
	Wastewater Utility	787
	Stormwater and Flood Management	190
	Downtown Commercial District	129
	University Hill Commercial District	32
	Internal service funds	528

Library Revenue Transfer – The General Fund made quarterly payments totaling $5,949 to the Library Fund to subsidize library operations.

Parking Meter Revenue Transfer – The General Fund made monthly payments to the Downtown Commerical District and University Hill Commercial District totaling $1,941 and $246, respectively, for meter revenues collected in the General Fund.

Parks & Recreation Revenue Fund Transfer – The General Fund made quarterly payments totaling $1,785 to the Recreation Activity Fund to subsidize recreation activities.

Planning & Development Services Fund Transfer – The following funds made quarterly payments to cover the applicable share of development activities performed on each fund's behalf by the Planning & Development Services Fund. The General Fund share also includes a subsidy for general governance activities performed by the Planning & Development Services Fund. The total of the transfers is as follows:

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

Interfund transactions (Continued)

Receiving Fund	Paying Fund	Amount Transferred
Planning & Development Services	Major governmental funds:	
	General	$ 2,170
	Transportation	190
	Enterprise funds:	
	Water Utility	178
	Wastewater Utility	178
	Stormwater and Flood Management	108

Mountain Parks Transfer – The General Fund made quarterly payments totaling $1,057 to the Open Space and Mountain Parks Fund to subsidize Mountain Parks operations.

Excess Sales Tax Transfer – The .15 Cent Sales Tax Debt Service Fund made a $625 annual payment of sales tax in excess of debt service to the General Fund in accordance with the bond sale ordinance.

NOTE Q – RELATED PARTY TRANSACTIONS

Boulder Housing Partners is a separate related organization as explained in Note A1. During 2008, Boulder Housing Partners received grant funding of $1,802,678. 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 2008 totaling $151,185.

During 2008, Boulder Housing Partners participated in the city's employee benefit plans including health care, dental, life, and vision insurance options, etc. for the benefit of its employees. Boulder Housing Partners reimbursed the city for the full cost of these benefits. There was no receivable from Boulder Housing Partners at December 31, 2008.

NOTE Q – RELATED PARTY TRANSACTIONS (CONTINUED)

Downtown Boulder Business Improvement District (DBBID) is a separate related organization as explained in Note A1. During 2008, the city contracted with DBBID for Pearl Street Mall maintenance services in the amount of $104,556.

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 purchase a home 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 $609,654 in 2000 and 2001 as the original 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 ASSETS

At December 31, 2008, net assets of $130,143 and $4,497, respectively, were restricted in the Downtown Commercial District and University Hill Commercial District for TABOR emergency reserves.

Net assets in the CHAP, .15 Cent Sales Tax, .25 Cent Sales Tax, Climate Action Plan Tax, Open Space and Mountain Parks, and Transportation Special Revenue Funds, are restricted for special purposes by citizen vote. Net assets in the Library Special Revenue Fund are restricted for special purposes by city charter.

Net assets in the Airport Special Revenue Fund are restricted for airport operations by Federal grant requirements. Net assets are restricted for capital projects in the Capital Development, Transportation Development, and Transit Pass General Improvement District Special Revenue

NOTE S - RESTRICTED NET ASSETS (CONTINUED)

Funds by citizen vote. Net assets in the Fire Training Center and Parks Acquisition Bond Capital Project Funds are restricted for capital projects by citizen vote. Net assets are restricted for capital projects in the Lottery Special Revenue Fund by State requirement and in the Permanent Parks and Recreation Capital Project Fund by city charter.

NOTE T – DESIGNATED FUND BALANCES

At December 31, 2008, governmental fund balances were *designated for special purposes* as follows (amounts in 000's):

Fund	Education Excise Tax	Under-grounding Cost Share	Economic Vitality	Comp. Absences	Renew-able Energy	Cyber Cafe	Library Renova-tion	Rebatable Arbitrage	Total
Major governmental funds:									
General	$ 5,195	$ -	$ 318	$ -	$ 75	$ 114	$ 412	$ -	$ 6,114
Special revenue funds:									
Open Space & Mountain Parks	-	-	-	535	-	-	-	152	687
Transportation	-	0	-	182	-	-	-	-	182
Total major funds	5,195	0	318	717	75	114	412	152	6,983
Other governmental funds:									
Special revenue funds:									
Transportation Development	-	113	-	-	-	-	-	-	113
Planning and Development Services	-	-	-	328	-	-	-	-	328
Affordable Housing	-	-	-	15	-	-	-	-	15
CHAP	-	-	-	25	-	-	-	-	25
.15 Cent Sales Tax	-	-	-	43	-	-	-	-	43
.25 Cent Sales Tax	-	-	-	191	-	-	-	-	191
Airport	-	-	-	6	-	-	-	-	6
Capital project funds:									
Permanent Parks and Recreation	-	-	-	42	-	-	-	-	42
Total designated fund balance	$ 5,195	$ 113	$ 318	$ 1,367	$ 75	$ 114	$ 412	$ 152	$ 7,746

NOTE U - 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.

2. Boulder Shelter for the Homeless

The city entered into an agreement in 2002 with the Boulder Shelter for the Homeless, Inc. (Shelter) whereby the city has agreed to provide funding to the Shelter for the construction of a new building. Funding consists of $645,000 (plus interest) payable upon presentation of payment requests, and $1,260,000 to be paid in ten annual installments. As of December 31, 2008, the city has paid $1,453,662 to the Shelter under this agreement.

3. Single Audit

The city follows the single audit concept under the provisions of the Single Audit Act of 1984, as amended in 1999. 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.

NOTE U - COMMITMENTS AND CONTINGENCIES (CONTINUED)

4. Construction Commitments

At December 31, 2008, city funds were obligated under contractual commitments for various construction or equipment acquisition projects as follows:

Fund	Committed
General	$ 309
Capital Development	1
Lottery	66
.25 Sales Tax	863
Open Space Fund	86
Transportation	1,190
Transportation Development	1,747
Permanent Parks and Recreation	66
Fire Training Center Construction	345
Total Governmental Funds	$ 4,673
Water Utility	$ 1,231
Wastewater Utility	457
Stormwater and Flood Management	100
Downtown Commercial District	5
Total Enterprise Funds	$ 1,793
Computer Replacement	$ 12
Equipment Replacement	117
Facility Renovation and Replacement	502
Total Internal Service Funds	$ 631

NOTE V - PENSION AND RETIREMENT PLANS

The city's employees are covered under four separate retirement plans and two deferred compensation plans (Note W). Regular contributions (does not include 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 Dollars	Employee contributions Percentage	City contributions Dollars	City contributions Percentage
1,323	PERA	$ 4,694	8.000 %	$ 7,013	11.900 %
2	Old Hire Police	4	2.000	472	2.000
4	Old Hire Fire	27	7.833	314	7.833
169	Police and Fire Money Purchase – Police employees	686	6.200	1,533	13.800
96	Police and Fire Money Purchase – Fire employees – International Association of Firefighters	566	8.000	778	11.000
4	ICMA 401(a)	58	8.000	85	11.900
4	ICMA 457	2	8.000	3	10.000
	Totals	$ 6,037		$ 10,185	

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 pension plans, the Old Hire Police Defined Benefit Plan and the Old Hire Fire Defined Pension 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.

NOTE V - PENSION AND RETIREMENT PLANS (CONTINUED)

City Administered Pension Plans (Continued)

Membership of each plan consisted of the following at January 1, 2008, the date of the latest actuarial valuation:

	"Old Hire" Police Defined Benefit Plan	"Old Hire" Fire Defined Benefit Plan
Retirees receiving benefits	28	31
Beneficiaries receiving benefits	12	11
Disabled receiving benefits	4	4
Terminated plan members entitled to but not yet receiving benefits	8	6
Active plan members	2	2
Total	54	54

The city's annual pension costs and net pension obligation for the two plans for the year ended December 31, 2008 are as follows (amounts in 000's):

	"Old Hire" Police Defined Benefit Plan	"Old Hire" Fire Defined Benefit Plan
Annual required contributions (ARC)	$ 404	$ 197
Interest on net pension obligation (NPO)	(26)	(57)
Adjustment to ARC	44	88
Annual Pension Cost	422	228
City contributions	(472)	(314)
Increase (Decrease) in NPO	(50)	(86)
Net Pension Obligation (Prepaid) Beginning of Year	(355)	(762)
Net Pension Obligation (Prepaid) End of Year	$ (405)	$ (848)

NOTE V - PENSION AND RETIREMENT PLANS (CONTINUED)

City Administered Pension Plans (Continued)

Three Year Trend Information

Fiscal Year	Annual Pension Cost (APC)	City Contributions	Percentage of APC Contributed	Net Pension Obligation (Prepaid)
"Old Hire" Police Defined Benefit Plan				
2008	$ 422	$ 472	112%	$(405)
2007	306	474	155%	(355)
2006	303	370	122%	(187)
"Old Hire" Fire Defined Benefit Plan				
2008	$ 228	$ 314	138%	$ (848)
2007	144	314	218%	(762)
2006	143	141	98%	(592)

The "Old Hire" Police Defined Benefit Plan and the "Old Hire" Fire Defined Benefit Plan financial statements as of December 31, 2008, 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:

NOTE V - PENSION AND RETIREMENT PLANS (CONTINUED)

City Administered Pension Plans (Continued)

Plan net assets as of December 31, 2008, are as follows (amounts in 000's):

	"Old Hire" Police Defined Benefit Plan	"Old Hire" Fire Defined Benefit Plan
Assets:		
Equity in pooled cash and cash equivalents	$ 7	$ 6
Investments		
U.S. Treasuries	295	29
U.S. Instrumentalities	1,232	160
Mutual Funds	2,131	8,053
Equity Securities	3,758	-
Local Government Investment Pools	14	12
Money Market Funds	177	13
Real Estate Investment Trust	506	-
Corporate Bonds	243	-
Other	755	-
Accrued Interest	20	1
Total assets	9,138	8,274
Liabilities:		
Accrued pensions payable	69	53
Total liabilities	69	53
Net assets held in trust for pension benefits	$ 9,069	$ 8,221

NOTE V - PENSION AND RETIREMENT PLANS (CONTINUED)

City Administered Pension Plans (Continued)

The changes in plan net assets for December 31, 2008, 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	$ 472	$ 314
Employees	4	27
Total contributions	476	341
Investment earnings (loss)	(3,095)	(2,809)
Less investment expense	(32)	(32)
Net investment income (loss)	(3,127)	(2,841)
Total additions (reductions)	(2,651)	(2,500)
Deductions:		
Benefits	1,957	1,079
Administrative	13	15
Total deductions	1,970	1,094
Net increase (decrease)	(4,621)	(3,594)
Net assets held in trust for pension benefits:		
Beginning of year	13,690	11,815
End of year	$ 9,069	$ 8,221

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 city established this Plan by the adoption of a Trust Agreement on November 3, 1987, by the City Council by Ordinance 5086. This agreement was effective retroactive to January 1, 1987, and superseded and replaced the retirement benefits that had previously been provided under Colorado Revised Statutes, Title 31, Article 30.5 as modified by Chapter 9, Title 2 of the Boulder Revised Code, 1981. The provisions of this Plan apply solely to employees whose employment with the employer terminates on or after January 1, 1987.

NOTE V - PENSION AND RETIREMENT PLANS (CONTINUED)

1. "Old Hire" Police Defined Benefit Plan (Continued)

Benefits - For members retiring or terminating after January 1, 1996, the retirement pension is equal to 2.56% 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.

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 5 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, 2008, no employees had elected the DROP.

Death and Disability Benefits - If an active member dies or becomes disabled (if 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). These benefits are described below under Fire and Police Pension Association. When any member dies, regardless of whether active, retired or terminated, the surviving spouse or the estate of the deceased member shall received a death benefit of $100.

NOTE V - PENSION AND RETIREMENT PLANS (CONTINUED)

1. "Old Hire" Police Defined Benefit Plan (Continued)

Contributions and Funding Policy - The Plan is a joint-contributory retirement plan operating on an actuarial reserve basis. Per the Old Hire Police Defined Benefit Pension Plan, 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 2008, the city contributed $471,474 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 to 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, 2008. 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.

NOTE V - 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, 2008, included the following:

- Actuarial cost method – entry age normal actuarial cost method.
- Actuarial Value of Assets – Determined by calculating an expected value equal to the prior year's market value of assets, plus cash flows of contributions and benefit payments for the year and assuming a 7.50% interest return. The difference between this expected value and the actuarial market value is recognized over 3 years. The resulting value is limited to between 80% and 120% of the market value of assets.
- Annual Required Contribution – Closed, level dollar amortization of unfunded actuarial liability over the remaining amortization period which is 18 years.
- Investment Earnings – 7.5% compounded annually, net of expenses
- Expenses – None assumed
- Cost of Living Adjustments – None assumed
- Retirement – Participants are assumed to retire upon age 50 with 20 years of service, or upon attainment of 25 years of service if earlier.
- Retiree Mortality – 1994 Group Annuity Mortality Tables for males and females are used.
- Minimum Death Benefit – A minimum death benefit of $280 per pay period is used.
- 1st Class Firefighter Salary – The highest negotiation 1st Class Firefighter Salary is used to calculate death benefits. For 2008, this is projected to be $2,562 per pay period.
- Marriage Rates – 90% active participants are assumed to be married. Male spouses are assumed to be three years older than their female spouses. Actual marital status is used for retirees.
- Form of Payment – All active participants are assumed to elect the normal form of payment.

The significant changes in actuarial assumptions and methods as of January 1, 2008 included the following:

- 1st Class Firefighter Salary was increased from $2,487 to $2,562 per pay period to reflect the current highest negotiated rate.

NOTE V - PENSION AND RETIREMENT PLANS (CONTINUED)

1. "Old Hire" Police Defined Benefit Plan (Continued)

Funded Status and Funding Progress – As of January 1, 2008, the most recent actuarial valuation date, the plan was 75.9% funded. The actuarial accrued liability for benefits was $17,462,836 and the actuarial value of assets was $13,254,129, resulting in an unfunded actuarial accrued liability (UAAL) of $4,208,707. The covered payroll (annual payroll of active employees covered by the plan) was $184,130 and the ratio of the UAAL to the covered payroll was 2,287.0%.

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

2. "Old Hire" Fire Pension 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 City established this Plan by approval of a Trust Agreement in 2002. This agreement 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 provision of this Plan apply solely to employees whose employment with the employer terminates on or after January 1, 2000.

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 provides for an additional retirement benefit of two percent 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 percent 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.

NOTE V - PENSION AND RETIREMENT PLANS (CONTINUED)

2. "Old Hire" Fire Pension Plan (Continued)

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

Deferred Retirement Option Plan (DROP) Program – During 2000, a DROP provision was added to the Plan. This enables an active member, who is eligible to retire, to elect to have their employee contributions, annual pension benefits and interest thereon, directed to a separate account for up to 5 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, 2008, two members have elected the DROP option. For Note V purposes (unless otherwise stated), these employees are shown as active members and included in covered payroll.

Death and Disability Benefits - If an active member dies or becomes disabled (but is not eligible for an age and service pension) 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.

Effective January 1, 2007, the widow of a retiree who retired prior to January 1, 1990, is eligible for a benefit of the lessor of (a) one-third of the monthly salary paid by the city to a first-class firefighter at the date of the member's death or (b) one-third of the monthly salary paid by the city to a first-class firefighter at the date of the employee's termination or (c) the Board established minimum widow benefit which is currently $500. Benefits for normal or disability retirees who retired prior to January 1, 2000, are eligible for a minimum benefit of $850. 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.

NOTE V - PENSION AND RETIREMENT PLANS (CONTINUED)

2. "Old Hire" Fire Pension Plan (Continued)

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

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

Contributions and Funding Policy - The Plan is a joint-contributory retirement plan operating on an actuarial reserve basis. Per the Old Hire Fire Defined Benefit Pension Plan, the contribution requirements of the plan members and the city are established and may be amended by the International Association of Fire Fighters, Local #900 collective bargaining agreement in effect for the payroll period concerned. Contribution rates during 2008 were 2.451% and 7.833% of covered payroll for the city and employees, respectively. City contributions must be at least equal to employee contributions. The city must also contribute an additional annual payment necessary to make the plan actuarially sound as defined by Section 3.02 of the plan document with no maximum specified. In 2008, the city contributed $314,422 to meet the actuarially calculated contribution requirement which exceeded the state mandated requirement. Administrative expenditures are recorded when incurred and are financed by the Plan.

Actuarial Present Value of Accumulated Plan Benefits - An actuarial study was prepared at January 1, 2008. 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, 2008 included the following:

- Actuarial cost method – entry age normal actuarial cost method.
- Actuarial Value of Assets – market value
- Annual Required Contribution – Closed, level dollar amortization of unfunded actuarial liability over the remaining amortization period which is 18 years.
- Investment Earnings – 7.5% compounded annually, net of expenses
- Expenses – None assumed
- Cost of Living Adjustments – None assumed
- Retirement – Participants are assumed to retire upon age 50 with 20 years of service.

NOTE V - PENSION AND RETIREMENT PLANS (CONTINUED)

2. "Old Hire" Fire Pension Plan (Continued)

- Retiree Mortality – 1994 Group Annuity Mortality Tables for males and females are used. For disabled retirees, 1983 Railroad Retirement Board Disabled Mortality tables are used.
- Minimum Death Benefit – A minimum death benefit of $500 per pay period is used.
- 1st Class Firefighter Salary – The highest negotiation 1st Class Firefighter Salary is used to calculate death benefits. For 2008, this is projected to be $2,562 per pay period.
- Marriage Rates – 90% active participants are assumed to be married. Male spouses are assumed to be three years older than their female spouses. Actual marital status is used for retirees.

The significant changes in actuarial assumptions and methods as of January 1, 2008 included the following:

- 1st Class Firefighter Salary was increased from $2,487 to $2,562 to reflect the current highest negotiated rate.
- The minimum Death Benefit was increased from $280 to $500 to reflect plan amendments.

Funded Status and Funding Progress – As of January 1, 2008, the most recent actuarial valuation date, the plan was 85.2% funded. The actuarial accrued liability for benefits was $13,870,522 and the actuarial value of assets was $11,814,000, resulting in an unfunded actuarial accrued liability (UAAL) of $2,056,522. The covered payroll (annual payroll of active employees covered by the plan) was $161,644 and the ratio of the UAAL to the covered payroll was 1269.8%.

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.

NOTE V - PENSION AND RETIREMENT PLANS (CONTINUED)

3. Public Employees Retirement Association (PERA)

Plan Description - The city of Boulder contributes to the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The LGDTF provides retirement and disability, post-retirement annual increases, and death benefits for members and their beneficiaries. All employees, except firefighters, police officers and certain management employees that work directly for the City Manager are members of the LGDTF. Those employees excepted from PERA are covered by other plans described in this Note. Title 24, Article 51 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the LGDTF. That report may be obtained online at www.copera.org or by writing to Colorado PERA, 1300 Logan Street, Denver, Colorado, 80203, or by calling PERA at (303) 832-9550 or 1-800-759-PERA(7372).

Funding Policy - The city of Boulder is required to contribute member and employer contributions to PERA at a rate set by statute. The contribution requirements of plan members and the city of Boulder are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate for members is 8.0% and for the city of Boulder is 10.0% of covered salary. A portion of the city of Boulder's contribution (1.02% of covered salary) is allocated for the Health Care Trust Fund (HCTF) (See Note W - Postemployment Healthcare Benefits). The city of Boulder is also required to pay an amortization equalization disbursement (AED) equal to 1.4% of the total payroll for the calendar year 2008 (1.00 percent of total payroll for the calendar year 2007, and 0.50 percent of total payroll for the calendar year 2006). Additionally, the city of Boulder is required to pay a supplemental amortization equalization disbursement (SAED) equal to 0.50 percent of total payroll for the calendar year 2008. The city's total contribution rates, including the AED and the SAED were 11.90%, 11.00% and 10.50% for 2008, 2007 and 2006, respectively.

NOTE V - PENSION AND RETIREMENT PLANS (CONTINUED)

3. Public Employees Retirement Association (PERA)

If the city of Boulder rehires a PERA retiree as an employee or under any other work arrangement, it is required to report and pay employer contributions (including the AED and SAED) on the amounts paid for the retiree; however no member contributions are required. For the years ending December 31, 2008, 2007 and 2006, the city of Boulder's contributions to the LGDTF, including the amounts allocated to the HCTF, were $7,013,000, $6,146,000 and $5,824,000, respectively, equal to the required contributions for each year.

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, 2009. The city's contribution requirement for the year ended December 31, 2008, was 13.8% of covered payroll. The employee contributions were 6.2% of covered payroll.

The International Association of Firefighters, Local 900, negotiated an economic agreement with the city, which is in effect through December 31, 2008. The city's contribution requirement for the year ended December 31, 2008, was 11% of covered payroll. The employee contributions were 8% of covered payroll.

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.

NOTE V - PENSION AND RETIREMENT PLANS (CONTINUED)

4. Police and Fire Money Purchase Pension Plan (Continued)

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 ten 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 St., Boulder, Colorado, 80301.

5. Fire and Police Pension Association (FPPA)

All full-time police officers and firefighters are covered by the Fire and Police Pension Association (FPPA), a multiple-employer cost-sharing plan for preretirement death and disability. To date contributions to the plan have been determined and budgeted by the State legislature. State law provided that these contributions would continue in diminishing amounts until 1994. The State requires employees hired on or after January 1, 1997, to contribute 2.6% of salary. The city pays the 2.6% for all affected police officers. The city pays 1.30% for the affected firefighters. In 2008, 2007, and 2006, the city paid $189,000, $176,000, and $158,000, respectively, equal to their required contributions for each year.

NOTE V - PENSION AND RETIREMENT PLANS (CONTINUED)

5. Fire and Police Pension Association (FPPA) (Continued)

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, CO 80111-2721 or by calling FPPA at (303) 770-3772 or 1-800-332-3772.

NOTE W - DEFERRED COMPENSATION PLANS

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

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

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

NOTE X – OTHER POST EMPLOYMENT BENEFIT PLANS (OPEB) THAN PENSIONS

Public Employees Retirement Association (PERA) Health Care Trust Fund

Plan Description – The city of Boulder contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit postemployment healthcare trust administered by the Public Employees' Retirement Association of Colorado (PERA). The HCTF provides a health care premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCTF benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the MCTF. That report may be obtained online at www.copera.org or by writing to Colorado PERA, 1300 Logan Street, Denver, Colorado, 80203 or by calling PERA at (303) 832-9550 or 1-800-759-PERA(7372).

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

The city of Boulder's contributions to HCTF for the years ending December 31, 2008, 2007, and 2006 were $601,000, $570,000 and $566,000, respectively, equal to the required contributions for each year.

City of Boulder Retiree Health Care Benefit Plan

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

NOTE X – OTHER POST EMPLOYMENT BENEFIT PLANS (OPEB) THAN PENSIONS (CONTINUED)

City of Boulder Retiree Health Care Benefit Plan (Continued)

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

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

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

Annual required contribution (ARC)	$ 586,859
Interest on prior year net OPEB obligation	13,213
Adjustment to ARC	(11,713)
Annual OPEB cost	588,359
Contributions made	281,518
Increase in net OPEB obligation	306,841
Net OPEB obligation – beginning of year	293,628
Net OPEB obligation – end of year	$ 600,469

The city's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2008 and the two preceding years were as follows:

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2006	n/a	n/a	n/a
2007	$ 575,146	48.9%	$ 293,628
2008	$588,359	47.8%	$600,469

NOTE X – OTHER POST EMPLOYMENT BENEFIT PLANS (OPEB) THAN PENSIONS (CONTINUED)

City of Boulder Retiree Health Care Benefit Plan (Continued)

Funded Status and Funding Progress – As of January 1, 2007, the most recent actuarial evaluation date, the actuarial accrued liability for benefits was $7,294,969, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was $74,595,860, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 9.7 percent.

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 multiyear trend information about whether the actuarial value of plan assets is increasing or decresing 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.

NOTE X – OTHER POST EMPLOYMENT BENEFIT PLANS (OPEB) THAN PENSIONS (CONTINUED)

City of Boulder Retiree Health Care Benefit Plan (Continued)

In the January 1, 2007 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses), which is based on the employer's own investments at the valuation date, and an annual healthcare cost trend rate beginning in 2008 of 9.5%, reduced by decrements to an ultimate rate of 5 percent after 10 years. For 2007, a healthcare cost trend rate of 7.78% was used based on actual health insurance premium increases effective January 1, 2007. The unfunded actuarial accrued liability is being amortized over 30 years as a level percentage of projected payroll on an open basis. For this purpose, the assumed salary growth rate is 3.3%. The rate of inflation is assumed to be the same as the salary growth rate. The remaining amortization period at December 31, 2007, the date of the last actuarial valuation, was 29 years.

NOTE Y – PLEDGED REVENUES

Water and Sewer Revenues Pledged

The city has pledged future water and sewer customer revenues, net of specified operating expenses, to repay $90,935,000 in outstanding water and sewer system revenue bonds. Proceeds from the bonds provided financing for the construction of capital assets or refunded other revenue bonds issued for that purpose. The bonds are payable solely from water and sewer customer net revenues and are payable through 2025. Annual principal and interest payments on the bonds are expected to require approximately 50 percent of net revenues (as defined by the bond ordinances). The total principal and interest remaining to be paid on the bonds at December 31, 2008 is $123,431,063. Principal and interest paid for the current year and total customer net revenues were $10,037,266 and $20,054,000, respectively.

NOTE Y – 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 $4,680,000 in outstanding stormwater and flood management revenue bonds. Proceeds from the bonds provided financing for the construction of capital assets or refunded other revenue bonds issued for that purpose. The bonds are payable solely from stormwater and flood management fund revenues and are payable through 2018. Annual principal and interest payments on the bonds are expected to require less than 42 percent of net revenues (as defined by the bond ordinances). The total principal and interest remaining to be paid on the bonds at December 31, 2008 is $5,879,538. Principal and interest paid for the current year and total customer net revenues were $808,450 and $2,751,000, 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 $49,460,000 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 $49,460,000 in bonds are payable from the Open Space Fund sales tax revenues and $41,740,000 of those bonds are also backed with a pledge of the full faith and credit of the city. These bonds mature through 2019, the year .48% of the total .88% sales tax levy expires. Annual principal and interest payments on the bonds are expected to require less than 39 percent of pledged sales tax revenues. The total principal and interest remaining to be paid on the bonds at December 31, 2008 is $60,421,869. Principal and interest paid for the current year and total pledged sales tax revenues were $8,237,535 and $21,803,761, respectively.

NOTE Y – PLEDGED REVENUES (CONTINUED)

25 Cent Parks Acquisition and Recreation Sales Tax Revenues Pledged

The city has pledged future sales and use tax revenues of the .25 Cent Sales Tax Fund to repay $13,755,000 in outstanding bonds. Proceeds from the bonds provided financing to refund the Parks Acquisition Bonds, Series 1996 used to acquire and develop park lands. The bonds are payable from the sales tax revenues of the .25 Cent Sales Tax Fund and are also backed with a pledge of the full faith and credit of the city. These bonds mature through 2015, the year the .25% sales tax levy expires. Annual principal and interest payments on the bonds are expected to require less than 40 percent of pledged sales tax revenues. The total principal and interest remaining to be paid on the bonds at December 31, 2008 is $16,767,684. Principal and interest paid for the current year and total pledged sales tax revenues were $2,421,453 and $6,194,250, respectively.

15 Cent Parks Acquisition and Recreation Sales Tax Revenues Pledged

The city has pledged future sales and use tax revenues of the .15 Cent Sales Tax Debt Service Fund to repay $2,020,000 in outstanding bonds. Proceeds from the bonds provided financing to refund the City of Boulder, Colorado, Parks, Recreation and Municipal Capital Improvement Bonds, Series 1993. The bonds are payable from the sales tax revenues of the .15 Cent Sales Tax Debt Service Fund and are also backed with a pledge of the full faith and credit of the city. These bonds mature through 2012, the year the .15% sales tax levy expires. Annual principal and interest payments on the bonds are expected to require less than 39 percent of pledged sales tax revenues. The total principal and interest remaining to be paid on the bonds at December 31, 2008 is $2,234,500. Principal and interest paid for the current year and total pledged sales tax revenues were $561,570 and $1,486,619, respectively.

NOTE Y – PLEDGED REVENUES (CONTINUED)

38 Cent General Fund Sales Tax Revenues Pledged

The city has pledged future sales and use tax revenues generated by the .38% sales tax levy, a portion of the total General Fund sales tax levy of 1.53%, to repay $3,005,000 in outstanding bonds. Proceeds from the bonds provided financing to refund the City of Boulder, Colorado, Library Capital Improvement and Refunding Bonds, Series 1992. The bonds are payable from the sales tax revenues generated by the .38% sales tax and are also backed with a pledge of the full faith and credit of the city. These bonds mature through 2011. Annual principal and interest payments on the bonds are expected to require less than 12 percent of pledged sales tax revenues. The total principal and interest remaining to be paid on the bonds at December 31, 2008 is $3,256,640. Principal and interest paid for the current year and total pledged sales tax revenues were $1,132,080 and $9,517,539, respectively.

Downtown Commercial District Revenues Pledged

The city has pledged a portion of future sales tax revenues to repay $10,510,000 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 Blvd (TIF bonds). These TIF bonds are payable from the Parking Garage Net Revenues, incremental property tax revenues of the tax increment area and incremental sales and accommodations tax revenues.

In addition, the city has pledged future net revenue derived by CAGID from the operation of its properties to repay $8,635,000 in other general obligation bonds outstanding. These bonds are payable from the net operating revenues generated by operations of the District's parking structures.

Both the TIF bonds and the other general obligation bonds are backed with a pledge of the full faith and credit of CAGID. These bonds mature through 2023. Annual principal and interest payments on the outstanding bonds are expected to require less than 39 percent of pledged revenues. The total principal and interest remaining to be paid on the bonds at December 31, 2008 is $24,997,191. Principal and interest paid for the current year and total pledged revenues were $2,016,285 and $5,374,855, respectively.

NOTE Y – PLEDGED REVENUES (CONTINUED)

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, 2008, BMPA currently has $17,247,817 in outstanding debt used primarily to provide funding for acquisition of land for Parks and Open Space purposes. The city appropriates each year, from various revenue sources, base rental expenses in amounts sufficient to cover the principal and interest requirements on BMPA's debt. In accordance with state statutes, the appropriation by the city is subject to annual renewal at discretion of the City Council. BMPA has pledged, as the sole security for the bonds, the annual base rental revenues received from the city. Total principal and interest remaining on the debt is $20,746,511 with annual requirements ranging from $3,520,428 in 2009 to $69,366 in 2020. The base rental revenues received each year equal the debt service requirements on BMPA's debt, averaging $4,655,266 over the last eight years. For the current year, principal and interest incurred by BMPA and the total base rental revenues pledged were $4,041,553 and $4,041,553, respectively.

NOTE Z – SUBSEQUENT BOND REFUNDINGS

In May 2009, the Central Area General Improvement District General Obligation Bonds, Series 1998 outstanding in the amount of $8,635,000 were refunded by issuance of Central Area General Improvement District General Obligation Refunding Bonds Series 2009. The purpose of the refunding was to realize general interest savings over the remaining term of the bonds. The series 2009 refunding bonds have an average interest rate of 3.56% and a scheduled final maturity date of August 15, 2018. The refunding resulted in a net present value benefit to the Downtown Commercial District of $698,444 from interest savings.

In May 2009, the City Council approved the notice of sale for two Open Space refunding bond issues. The general obligation bond issue, the City of Boulder Open Space Acquisition Refunding Bonds Series 2009, will refund the Open Space Acquisition Refunding Bonds Series 1999 currently outstanding in the amount of $7,745,000. The sales tax revenue bond issue, City of Boulder Sales Tax Revenue Refunding Bonds (Open Space Acquisition) Series 2009, will refund the City of Boulder Sales Tax Revenue Refunding Bonds (Open Space Acquisition) Series 1999 currently outstanding in the amount of $7,720,000. The bid opening date for these two refunding bond issues is scheduled for May 26, 2009. The purpose of the refunding was to realize general interest savings over the remaining terms of the bonds.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BOULDER, COLORADO

Required Supplementary Information

Schedule of Funding Progress

Police Pension Fund

(Amounts in 000's)

Fiscal Year (1)	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age (b)	Total Unfunded (Overfunded) Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2003	1/1/2002	12,744	17,974	5,230	70.9	452	1,157.1
2004	1/1/2004	13,502	16,411	2,909	82.3	164	1,773.8
2005	1/1/2004	12,504	16,411	3,907	76.2	168	2,325.6
2006	1/1/2006	13,077	15,890	2,813	82.3	172	1,635.5
2007	1/1/2006	13,690	15,890	2,200	86.2	181	1,215.5
2008	1/1/2008	13,254	17,462	4,208	75.9	184	2,287.0

(1) The Board of Trustees' policy is to have actuarial studies performed biannually. Prior to 2002, the Aggregate Actuarial Cost Method was used. Beginning January 1, 2002, the Entry Age Actuarial method is being used.

CITY OF BOULDER, COLORADO

Required Supplementary Information

Schedule of Funding Progress

Fire Pension Fund

(Amounts in 000's)

Fiscal Year (2)	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age (b)	Total Unfunded (Overfunded) Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2003	1/1/2002	11,777	12,562	785	93.8	358	219.3
2004	1/1/2004	11,311	13,027	1,716	86.8	380	451.6
2005	1/1/2004	11,038	13,027	1,989	84.7	262	759.2
2006	1/1/2006	11,423	12,504	1,081	91.4	231	468.0
2007	1/1/2006	11,815	12,504	689	94.5	151	456.3
2008	1/1/2008	11,814	13,871	2,057	85.2	162	1,269.8

(1) The Board of Trustees' policy is to have actuarial studies performed biannually. Prior to 2002, the Aggregate Actuarial Cost Method was used. Beginning January 1, 2002, the Entry Age Actuarial method is being used.

CITY OF BOULDER, COLORADO

Required Supplementary Information

Schedule of Employer Contributions -
Police and Fire Pension Funds

(Amounts in 000's)

	Police Pension Fund (Note 1)			Fire Pension Fund (Note 2)		
Fiscal year	Annual Required Contributions	Actual City Contributions	Percentage Contributed	Annual Required Contributions	Actual City Contributions	Percentage Contributed
2003	147	165	112%	37	108	292%
2004	363	371	102%	110	125	114%
2005	363	370	102%	110	118	107%
2006	303	370	122%	134	141	105%
2007	303	473	156%	134	314	234%
2008	404	472	117%	197	314	159%

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

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

CITY OF BOULDER, COLORADO

Required Supplementary Information

Schedule of Funding Progress

Boulder Retiree Health Care Benefit Plan

(Amounts in 000's)

Fiscal Year (1)	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age (b)	Total Unfunded (Overfunded) Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2006	NA	NA	NA	NA	NA	NA	NA
2007	1/1/2007	$ -	$ 7,295	$ 7,295	-	$ 79,577	9.2
2008	1/1/2007	$ -	$ 7,295	$ 7,295	-	$ 85,011	8.6

(1) The City implement GASB 45 beginning in fiscal year ending December 31, 2007. Actuarial information is not available for prior periods. Actuarial studies will be performed biannually.

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COMBINING and INDIVIDUAL STATEMENTS

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 used to construct, purchase and maintain permanently affordable housing units in Boulder.

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.

.15 Cent Sales Tax Fund - to account for earmarked sales tax authorized by the voters in 1992 for parks and recreation and general municipal purposes.

.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 and General Fund contributions.

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.

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.

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NONMAJOR SPECIAL REVENUE FUNDS, (CONTINUED)

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

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

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

NONMAJOR DEBT SERVICE FUNDS

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

General Obligation Debt Service Fund - Financing is provided by investments accumulated for the retirement of specific notes payable that were retired in 1999. Earnings on those investments continue to fund paying agent and other debt administration fees.

.15 Cent Sales Tax Debt Service Fund - Financing is provided by earmarked sales tax.

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:

1996 Parks Acquisition Bond Fund - to account for 1996 bond proceeds to be utilized for the acquisition of park properties and the construction of parks and recreation facilities.

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.

CITY OF BOULDER, COLORADO

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2008

(Amounts in 000's)

Assets	Special Revenue	Debt Service	Capital Project	Total
Equity in pooled cash and cash equivalents	$ 807	$ 6	$ 431	$ 1,244
Investments	26,932	189	14,433	41,554
Receivables:				
General property taxes	2,138	-	1,692	3,830
Sales and use taxes	922	159	-	1,081
Accounts	215	-	-	215
Notes	2,040	-	-	2,040
Accrued interest	210	2	111	323
Intergovernmental	624	-	-	624
Other	64	-	-	64
	6,213	161	1,803	8,177
Inventory of materials and supplies	65	-	-	65
Restricted assets:				
Investments for special purposes	777	-	-	777
Investments for capital projects	-	-	68	68
Investments for debt service	-	47	-	47
Total restricted assets	777	47	68	892
Other assets	10	-	-	10
Total assets	$ 34,804	$ 403	$ 16,735	$ 51,942
Liabilities and Fund Equity				
Liabilities:				
Accounts and accrued liabilities:				
Vouchers and accounts payable	$ 852	$ -	$ 69	$ 921
Contracts and retainage payable	198	-	-	198
Accrued salaries, wages and amounts withheld from employees	1,001	-	27	1,028
Due to other funds	7	-	-	7
Other liabilities	27	-	-	27
Deferred revenue:				
General property taxes	2,138	-	1,692	3,830
Other	469	-	-	469
Total liabilities	4,692	-	1,788	6,480
Fund equity:				
Fund balances:				
Reserved for:				
Encumbrances	3,615	-	456	4,071
Grantor Limitation	777	-	-	777
Debt service	-	47	-	47
Notes receivable	2,040	-	-	2,040
Inventories	65	-	-	65
Other assets	10	-	-	10
Unreserved:				
Designated:				
Special purposes	721	-	42	763
Undesignated	22,884	356	14,449	37,689
Total fund equity	30,112	403	14,947	45,462
Total liabilities and fund equity	$ 34,804	$ 403	$ 16,735	$ 51,942

CITY OF BOULDER, COLORADO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year ended December 31, 2008

(Amounts in 000's)

	Special Revenue	Debt Service	Capital Project	Total
Revenues:				
Taxes:				
Sales and use taxes	$ 8,424	$ 1,486	$ -	$ 9,910
General property taxes	1,949	-	1,543	3,492
Franchise taxes	877		-	877
Specific own & tobacco taxes	1		-	1
Excise taxes	1,319		587	1,906
Charges for services	12,640	-	-	12,640
Sale of goods and capital assets	257	-	-	257
License, permits and fines	4,271	-	-	4,271
Intergovernmental	5,639	-	54	5,693
Leases, rents and royalties	1,636	-	4	1,640
Interest and investment earnings	1,959	39	997	2,995
Other	430	-	1	431
Total revenues	39,402	1,525	3,186	44,113
Expenditures:				
Current:				
General Government	1,214	-	-	1,214
Administrative Services	-	17	-	17
Public Works	3,740	-	-	3,740
Planning & Development Services	7,822	-	-	7,822
Culture and Recreation	21,724	-	-	21,724
Open Space and Mountain Parks	275	-	-	275
Housing and Human Services	7,383	-	-	7,383
Capital outlay	-	-	1,840	1,840
Debt service payments:				
Principal	3,156	460	-	3,616
Interest	776	93	-	869
Base rentals to Boulder Municipal Property Authority Debt Service Fund	398	-	-	398
Total expenditures	46,488	570	1,840	48,898
Excess (deficiency) of revenues over (under) expenditures	(7,086)	955	1,346	(4,785)
Other financing sources (uses):				
Transfers in	11,738	-	-	11,738
Transfers out	(1,619)	(933)	(55)	(2,607)
Total other financing sources (uses)	10,119	(933)	(55)	9,131
Net change in fund balances	3,033	22	1,291	4,346
Fund balances, beginning of year	27,079	381	13,656	41,116
Fund balances, end of year	$ 30,112	$ 403	$ 14,947	$ 45,462

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CITY OF BOULDER, COLORADO

Combining Balance Sheet

Nonmajor Special Revenue Funds

December 31, 2008

(Amounts in 000's)

Assets	Capital Development Fund	Lottery Fund	Planning & Development Services Fund	Affordable Housing Fund	CHAP Fund
Equity in pooled cash and cash equivalents	$ 130	$ 54	$ 202	$ 49	$ 51
Investments	4,345	1,811	6,778	1,644	1,727
Receivables:					
General property taxes	-	-	-	-	1,504
Sales and use taxes	-	-	-	-	-
Accounts	-	-	77	-	8
Notes	-	-	-	204	1,836
Accrued interest	33	14	52	12	13
Intergovernmental	-	-	49	-	-
Other	15	-	-	-	11
	48	14	178	216	3,372
Inventory of materials and supplies	-	-	-	-	-
Restricted assets - investments for special purposes	-	-	7	-	-
Other assets	-	-	-	-	-
Total assets	$ 4,523	$ 1,879	$ 7,165	$ 1,909	$ 5,150
Liabilities and Fund Equity					
Liabilities:					
Accounts and accrued liabilities:					
Vouchers and accounts payable	$ -	$ 68	$ 53	$ 10	$ 2
Contracts and retainage payable	-	11	-	-	-
Accrued salaries, wages and amounts withheld from employees	-	5	320	12	9
Due to other funds	-	-	-	2	-
Other liabilities	-	-	8	-	-
Deferred revenue:					
General property taxes	-	-	-	-	1,504
Other	-	-	40	-	-
Total liabilities	-	84	421	24	1,515
Fund equity:					
Fund balances:					
Reserved for:					
Encumbrances	1	68	613	-	-
Grantor Limitation	-	-	7	-	-
Notes receivable	-	-	-	204	1,836
Inventories	-	-	-	-	-
Other assets	-	-	-	-	-
Unreserved:					
Designated:					
Special purposes	-	-	328	15	25
Undesignated	4,522	1,727	5,796	1,666	1,774
Total fund equity	4,523	1,795	6,744	1,885	3,635
Total liabilities and fund equity	$ 4,523	$ 1,879	$ 7,165	$ 1,909	$ 5,150

(continued)

CITY OF BOULDER, COLORADO

Combining Balance Sheet,
continued

Nonmajor Special Revenue Funds

December 31, 2008

(Amounts in 000's)

Assets	.15 Cent Sales Tax Fund	.25 Cent Sales Tax Fund	Library Fund	Recreation Activity Fund	Climate Action Plan Tax Fund
Equity in pooled cash and cash equivalents	$ 55	$ 99	$ 13	$ 56	$ 4
Investments	1,838	3,325	389	1,751	147
Receivables:					
General property taxes	-	-	625	-	-
Sales and use taxes	256	666	-	-	-
Accounts	-	-	-	32	77
Notes	-	-	-	-	-
Accrued interest	14	27	3	14	1
Intergovernmental	1	11	-	-	18
Other	-	-	-	-	-
	271	704	628	46	96
Inventory of materials and supplies	-	-	-	65	-
Restricted assets - investments for special purposes	-	267	-	31	-
Other assets	-	-	10	-	
Total assets	$ 2,164	$ 4,395	$ 1,040	$ 1,949	$ 247
Liabilities and Fund Equity					
Liabilities:					
Accounts and accrued liabilities:					
Vouchers and accounts payable	$ 102	$ 225	$ 43	$ 102	$ 77
Contracts and retainage payable	-	11	-	-	-
Accrued salaries, wages and amounts withheld from employees	31	57	236	298	12
Due to other funds	-	-	-	-	-
Other liabilities	-	-	-	16	-
Deferred revenue:					
General property taxes	-	-	625	-	-
Other	-	-	-	28	-
Total liabilities	133	293	904	444	89
Fund equity:					
Fund balances:					
Reserved for:					
Encumbrances	-	904	30	-	-
Grantor Limitation	-	267	-	31	-
Notes receivable	-	-	-	-	-
Inventories	-	-	-	65	-
Other assets	-	-	10	-	
Unreserved:					
Designated:					
Special purposes	43	191	-	-	-
Undesignated	1,988	2,740	96	1,409	158
Total fund equity	2,031	4,102	136	1,505	158
Total liabilities and fund equity	$ 2,164	$ 4,395	$ 1,040	$ 1,949	$ 247

Airport Fund	Trans-portation Development Fund	Transit Pass General Improvement District	Gifts and Contributions Fund	Community Development Fund	HOME Fund	Total
$ 14	$ 80	$ -	$ -	$ -	$ -	$ 807
484	2,689	4	-	-	-	26,932
-	-	9	-	-	-	2,138
-	-	-	-	-	-	922
21	-	-	-	-	-	215
-	-	-	-	-	-	2,040
4	20	-	3	-	-	210
206	277	-	-	57	5	624
-	38	-	-	-	-	64
231	335	9	3	57	5	6,213
-	-	-	-	-	-	65
-	-	-	472	-	-	777
-	-	-	-	-	-	10
$ 729	$ 3,104	$ 13	$ 475	$ 57	$ 5	$ 34,804
$ 13	$ 107	$ -	$ 3	$ 47	$ -	$ 852
127	49	-	-	-	-	198
6	5	-	-	6	4	1,001
-	-	-	-	4	1	7
3	-	-	-	-	-	27
-	-	9	-	-	-	2,138
124	277	-	-	-	-	469
273	438	9	3	57	5	4,692
58	1,941	-	-	-	-	3,615
-	-	-	472	-	-	777
-	-	-	-	-	-	2,040
-	-	-	-	-	-	65
-	-	-	-	-	-	10
6	113	-	-	-	-	721
392	612	4	-	-	-	22,884
456	2,666	4	472	-	-	30,112
$ 729	$ 3,104	$ 13	$ 475	$ 57	$ 5	$ 34,804

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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, 2008

(Amounts in 000's)

	Capital Development Fund	Lottery Fund	Planning & Development Services Fund	Affordable Housing Fund	CHAP Fund
Revenues:					
Taxes:					
Sales and use taxes	$ -	$ -	$ -	$ -	$ -
General property taxes	-	-	-	-	1,372
Franchise taxes	-	-	-	-	-
Specific ownership & tobacco taxes	-	-	-	-	-
Excise taxes	401	-	-	-	203
Charges for services	-	-	2,080	3,235	-
Sale of goods and capital assets	-	-	4	-	-
Licenses, permits and fines	-	-	4,242	-	-
Intergovernmental	-	991	13	-	-
Leases, rents and royalties	-	-	-	156	-
Interest and investment earnings	292	125	467	125	122
Other	-	-	8	31	-
Total revenues	693	1,116	6,814	3,547	1,697
Expenditures:					
Current:					
General Government	-	-	-	-	-
Public Works	33	-	-	-	-
Planning & Development Services	-	-	7,822	-	-
Culture and Recreation	-	391	-	-	-
Open Space and Mountain Parks	-	275	-	-	-
Housing and Human Services	-	-	-	1,953	721
Debt service payments:					
Principal	-	-	-	1,536	-
Interest	-	-	-	10	-
Base rentals to Boulder Municipal Property Authority Debt Service Fund	-	169	-	229	-
Total expenditures	33	835	7,822	3,728	721
Excess (deficiency) of revenues over (under) expenditures	660	281	(1,008)	(181)	976
Other financing sources (uses):					
Transfers in	-	-	2,999	406	-
Transfers out	(32)	-	(1,161)	(11)	(22)
Total other financing sources (uses)	(32)	-	1,838	395	(22)
Net change in fund balances	628	281	830	214	954
Fund balances, beginning of year	3,895	1,514	5,914	1,671	2,681
Fund balances, end of year	$ 4,523	$ 1,795	$ 6,744	$ 1,885	$ 3,635

(continued)

CITY OF BOULDER, COLORADO

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

Nonmajor Special Revenue Funds

Year ended December 31, 2008

(Amounts in 000's)

	.15 Cent Sales Tax Fund	.25 Cent Sales Tax Fund	Library Fund	Recreation Activity Fund	Climate Action Plan Tax Fund
Revenues:					
Taxes:					
Sales and use taxes	$ 2,230	$ 6,194	$ -	$ -	$ -
General property taxes	-	-	570	-	-
Franchise taxes	-	-	-	-	877
Specific ownership & tobacco taxes	-	-	-	-	-
Excise taxes	-	-	-	-	-
Charges for services	-	19	146	7,158	-
Sale of goods and capital assets	-	-	-	253	-
Licenses, permits and fines	-	29	-	-	-
Intergovernmental	23	46	-	59	91
Leases, rents and royalties	-	21	16	1,052	-
Interest and investment earnings	121	283	32	125	8
Other	1	76	47	149	2
Total revenues	2,375	6,668	811	8,796	978
Expenditures:					
Current:					
General Government	383	-	-	-	831
Public Works	-	450	-	-	-
Planning & Development Services	-	-	-	-	-
Culture and Recreation	582	3,464	6,927	10,275	-
Open Space and Mountain Parks	-	-	-	-	-
Housing and Human Services	1,922	-	-	-	-
Debt service payments:					
Principal	-	1,620	-	-	-
Interest	-	766	-	-	-
Base rentals to Boulder Municipal Property Authority Debt Service Fund	-	-	-	-	-
Total expenditures	2,887	6,300	6,927	10,275	831
Excess (deficiency) of revenues over expenditures	(512)	368	(6,116)	(1,479)	147
Other financing sources (uses):					
Transfers in	426	-	5,976	1,928	-
Transfers out	(69)	(158)	-	(71)	-
Total other financing sources (uses)	357	(158)	5,976	1,857	-
Net change in fund balances and other sources over	(155)	210	(140)	378	147
Fund balances, beginning of year	2,186	3,892	276	1,127	11
Fund balances, end of year	$ 2,031	$ 4,102	$ 136	$ 1,505	$ 158

Airport Fund	Trans-portation Development Fund	Transit Pass General Improvement District	Gifts and Contributions Fund	Community Development Fund	HOME Fund	Total
$ -	$ -	$ -	$ -	$ -	$ -	$ 8,424
-	-	7	-	-	-	1,949
-	-	-	-	-	-	877
-	-	1	-	-	-	1
-	715	-	-	-	-	1,319
2	-	-	-	-	-	12,640
-	-	-	-	-	-	257
-	-	-	-	-	-	4,271
939	668	-	-	1,335	1,474	5,639
391	-	-	-	-	-	1,636
30	197	-	32	-	-	1,959
-	-	-	116	-	-	430
1,362	1,580	8	148	1,335	1,474	39,402
-	-	-	-	-	-	1,214
1,369	1,880	8	-	-	-	3,740
-	-	-	-	-	-	7,822
-	-	-	85	-	-	21,724
-	-	-	-	-	-	275
-	-	-	-	1,317	1,470	7,383
-	-	-	-	-	-	3,156
-	-	-	-	-	-	776
-	-	-	-	-	-	398
1,369	1,880	8	85	1,317	1,470	46,488
(7)	(300)	-	63	18	4	(7,086)
-	-	3	-	-	-	11,738
(61)	(12)	-	-	(18)	(4)	(1,619)
(61)	(12)	3	-	(18)	(4)	10,119
(68)	(312)	3	63	-	-	3,033
524	2,978	1	409	-	-	27,079
$ 456	$ 2,666	$ 4	$ 472	$ -	$ -	$ 30,112

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, 2008

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with final budget - Positive
	Original	Final	amounts	(Negative)
Revenues:				
Taxes:				
Excise taxes	$ 250	$ 250	$ 401	$ 151
Interest and investment earnings	178	178	163	(15)
Total revenues	428	428	564	136
Expenditures:				
Current:				
Public Works	80	1,664	34	1,630
Total expenditures	80	1,664	34	1,630
Excess (deficiency) of revenues over (under) expenditures	348	(1,236)	530	1,766
Other financing uses - transfers out	(32)	(32)	(32)	-
Total other financing sources (uses)	(32)	(32)	(32)	-
Net change in fund balance	$ 316	$ (1,268)	498	$ 1,766
Encumbrances, end of year			1	
Fund balance, beginning of year, basis of budgeting			3,870	
Fund balance, end of year, basis of budgeting			4,369	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			154	
Fund balance, end of year, GAAP basis			$ 4,523	

CITY OF BOULDER, COLORADO

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

Lottery Fund

Year ended December 31, 2008

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with final budget - Positive
	Original	Final	amounts	(Negative)
Revenues:				
Intergovernmental	$ 926	$ 926	$ 991	$ 65
Interest and investment earnings	60	60	71	11
Total revenues	986	986	1,062	76
Expenditures:				
Current:				
Culture and Recreation	830	1,359	421	938
Open Space and Mountain Parks	-	365	310	55
Authority Debt Service Fund	170	170	170	-
Total expenditures	1,000	1,894	901	993
Excess (deficiency) of revenues over (under) expenditures	$ (14)	$ (908)	161	$ 1,069
Encumbrances, end of year			68	
Fund balance, beginning of year, basis of budgeting			1,507	
Fund balance, end of year, basis of budgeting			1,736	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			64	
Accrued salaries, wages and amounts withheld from employees			(5)	
Change in accrued interest payable			-	
Fund balance, end of year, GAAP basis			$ 1,795	

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, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Charges for services	$ 1,456	$ 1,596	$ 2,080	$ 484
Sale of goods and capital assets	8	8	4	(4)
Licenses, permits and fines	3,951	3,951	4,242	291
Intergovernmental	-	73	13	(60)
Interest and investment earnings	171	171	266	95
Other	-	-	8	8
Total revenues	5,586	5,799	6,613	814
Expenditures:				
Current:				
Planning & Development Services	7,605	8,949	8,349	600
Total expenditures	7,605	8,949	8,349	600
Excess (deficiency) of revenues over (under) expenditures	(2,019)	(3,150)	(1,736)	1,414
Other financing sources (uses):				
Transfers in	2,850	3,000	2,999	(1)
Transfers out	(1,080)	(1,161)	(1,161)	-
Total other financing sources (uses)	1,770	1,839	1,838	(1)
Net change in fund balance	$ (249)	$ (1,311)	102	$ 1,413
Encumbrances, end of year			613	
Fund balance, beginning of year, basis of budgeting			6,085	
Fund balance, end of year, basis of budgeting			6,800	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			241	
Accrued salaries, wages and amounts withheld from employees			(297)	
Fund balance, end of year, GAAP basis			$ 6,744	

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, 2008

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with final budget - Positive
	Original	Final	amounts	(Negative)
Revenues:				
Charges for services	$ 2,900	$ 2,900	$ 3,235	$ 335
Leases, rents and royalties	156	156	156	-
Interest and investment earnings	35	35	78	43
Other	-	-	31	31
Total revenues	3,091	3,091	3,500	409
Expenditures:				
Current:				
Housing and Human Services	1,710	3,357	2,147	1,210
Debt service payments:				
Principal	1,536	1,536	1,536	-
Interest	10	10	10	-
Base rentals to Boulder Municipal Property Authority Debt Service Fund	229	229	229	-
Total expenditures	3,485	5,132	3,922	1,210
Excess (deficiency) of revenues over (under) expenditures	(394)	(2,041)	(422)	1,619
Other financing sources (uses):				
Transfers in	406	406	406	-
Transfers out	(11)	(11)	(11)	-
Total other financing sources (uses)	395	395	395	-
Net change in fund balance	$ 1	$ (1,646)	(27)	$ 1,619
Encumbrances, end of year			-	
Fund balance, beginning of year, basis of budgeting			1,662	
Fund balance, end of year, basis of budgeting			1,635	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			56	
Notes Receivable			194	
Fund balance, end of year, GAAP basis			$ 1,885	

CITY OF BOULDER, COLORADO

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

CHAP Fund

Year ended December 31, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Taxes:				
General property taxes	$ 1,350	$ 1,350	$ 1,372	$ 22
Excise taxes	250	250	203	(47)
Interest and investment earnings	35	35	72	37
Total revenues	1,635	1,635	1,647	12
Expenditures:				
Current:				
Housing and Human Services	1,612	3,090	1,380	1,710
Excess (deficiency) of revenues over (under) expenditures	23	(1,455)	267	1,722
Other financing uses -				
transfers out	(22)	(22)	(22)	-
Payment to refunding bond escrow agent	-	-	-	-
Total other financing sources (uses)	(22)	(22)	(22)	-
Net change in fund balance	$ 1	$ (1,477)	245	$ 1,722
Encumbrances, end of year			-	
Fund balance, beginning of year, basis of budgeting			1,502	
Fund balance, end of year, basis of budgeting			1,747	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			61	
Notes Receivable			1,836	
Accrued salaries, wages and amounts withheld from employees			(9)	
Fund balance, end of year, GAAP basis			$ 3,635	

CITY OF BOULDER, COLORADO

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

.15 Cent Sales Tax Fund

Year ended December 31, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Taxes:				
Sales and use taxes	$ 2,384	$ 2,384	$ 2,230	$ (154)
Intergovernmental	-	25	23	(2)
Interest and investment earnings	-	75	69	(6)
Other	-	-	1	1
Total revenues	2,384	2,484	2,323	(161)
Expenditures:				
Current:				
General Government	298	462	383	79
Culture and Recreation	547	775	582	193
Housing and Human Services	1,788	1,958	1,917	41
Total expenditures	2,633	3,195	2,882	313
Excess (deficiency) of revenues over (under) expenditures	(249)	(711)	(559)	152
Other financing sources (uses):				
Transfers in	-	435	464	29
Transfers out	(38)	(112)	(107)	5
Total other financing sources (uses)	(38)	323	357	34
Net change in fund balance	$ (287)	$ (388)	(202)	$ 186
Encumbrances, end of year			-	
Fund balance, beginning of year, basis of budgeting			2,199	
Fund balance, end of year, basis of budgeting			1,997	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			65	
Accrued salaries, wages and amounts withheld from employees			(31)	
Fund balance, end of year, GAAP basis			$ 2,031	

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, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Taxes:				
Sales and use taxes	$ 6,392	$ 6,392	$ 6,194	$ (198)
Charges for services	-	-	19	19
Licenses, permits and fines	-	33	29	(4)
Intergovernmental	-	65	46	(19)
Leases, rents and royalties	-	-	21	21
Interest and investment earnings	155	155	178	23
Other	12	27	76	49
Total revenues	6,559	6,672	6,563	(109)
Expenditures:				
Current:				
Public Works	441	451	451	-
Culture and Recreation	3,617	6,223	4,359	1,864
Debt service payments:				
Principal	1,620	1,620	1,620	-
Interest	801	801	801	-
Total expenditures	6,479	9,095	7,231	1,864
Excess (deficiency) of revenues over (under) expenditures	80	(2,423)	(668)	1,755
Other financing uses - transfers out	(158)	(158)	(158)	-
Total other financing sources (uses)	(158)	(158)	(158)	-
Net change in fund balance	$ (78)	$ (2,581)	(826)	$ 1,755
Encumbrances, end of year			904	
Fund balance, beginning of year, basis of budgeting			3,911	
Fund balance, end of year, basis of budgeting			3,989	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			132	
Change in accrued interest payable			35	
Accrued salaries, wages and amounts withheld from employees			(54)	
Fund balance, end of year, GAAP basis			$ 4,102	

CITY OF BOULDER, COLORADO

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

Library Fund

Year ended December 31, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Taxes:				
General property taxes	$ 550	$ 550	$ 570	$ 20
Charges for services	102	120	146	26
Leases, rents and royalties	30	30	16	(14)
Interest and investment earnings	15	15	22	7
Other	-	31	47	16
Total revenues	697	746	801	55
Expenditures:				
Current:				
Culture and Recreation	6,716	6,924	6,916	8
Cost of issuance - refunding bonds	-	-	-	-
Total expenditures	6,716	6,924	6,916	8
Excess (deficiency) of revenues over (under) expenditures	(6,019)	(6,178)	(6,115)	63
Other financing sources - transfers in	6,019	6,046	5,976	(70)
Total other financing sources (uses)	6,019	6,046	5,976	(70)
Net change in fund balance	$ -	$ (132)	(139)	$ (7)
Encumbrances, end of year			30	
Fund balance, beginning of year, basis of budgeting			451	
Fund balance, end of year, basis of budgeting			342	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			14	
Accrued salaries, wages and amounts withheld from employees			(220)	
Fund balance, end of year, GAAP basis			$ 136	

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, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Charges for services	$ 7,308	$ 7,311	$ 7,158	$ (153)
Sale of goods and capital assets	199	199	253	54
Intergovernmental	-	60	59	(1)
Leases, rents and royalties	364	364	1,052	688
Interest and investment earnings	-	71	71	-
Other	112	178	149	(29)
Total revenues	7,983	8,183	8,742	559
Expenditures:				
Current:				
Culture and Recreation	9,917	10,189	10,210	(21)
Total expenditures	9,917	10,189	10,210	(21)
Excess (deficiency) of revenues over (under) expenditures	(1,934)	(2,006)	(1,468)	538
Other financing sources (uses):				
Transfers in	1,878	1,928	1,928	-
Transfers out	-	(71)	(71)	-
Total other financing sources (uses)	1,878	1,857	1,857	-
Net change in fund balance	$ (56)	$ (149)	389	$ 538
Encumbrances, end of year			-	
Fund balance, beginning of year, basis of budgeting			1,330	
Fund balance, end of year, basis of budgeting			1,719	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			64	
Accrued salaries, wages and amounts withheld from employees			(278)	
Fund balance, end of year, GAAP basis			$ 1,505	

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, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Taxes:				
Franchise taxes	$ 875	$ 875	$ 877	$ 2
Intergovernmental	-	69	91	22
Interest and investment earnings	-	-	3	3
Other	-	16	2	(14)
Total revenues	875	960	973	13
Expenditures:				
Current:				
General Government	875	978	828	150
Total expenditures	875	978	828	150
Net change in fund balance	$ -	$ (18)	145	$ 163
Encumbrances, end of year			-	
Fund balance, beginning of year, basis of budgeting			21	
Fund balance, end of year, basis of budgeting			166	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			5	
Accrued salaries, wages and amounts withheld from employees			(13)	
Fund balance, end of year, GAAP basis			$ 158	

CITY OF BOULDER, COLORADO

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

Airport Fund

Year ended December 31, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Charges for services	$ 7	$ 7	$ 2	$ (5)
Intergovernmental	619	1,181	939	(242)
Leases, rents and royalties	412	412	391	(21)
Interest and investment earnings	27	27	18	(9)
Total revenues	1,065	1,627	1,350	(277)
Expenditures:				
Current:				
Public Works	1,048	1,682	1,425	257
Total expenditures	1,048	1,682	1,425	257
Excess (deficiency) of revenues over (under) expenditures	17	(55)	(75)	(20)
Other financing uses - transfers out	(61)	(61)	(61)	-
Total other financing sources (uses)	(61)	(61)	(61)	-
Net change in fund balance	$ (44)	$ (116)	(136)	$ (20)
Encumbrances, end of year			58	
Fund balance, beginning of year, basis of budgeting			524	
Fund balance, end of year, basis of budgeting			446	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			16	
Accrued salaries, wages and amounts withheld from employees			(6)	
Fund balance, end of year, GAAP basis			$ 456	

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, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Taxes:				
Excise taxes	$ 600	$ 600	$ 715	$ 115
Intergovernmental	-	4,296	668	(3,628)
Interest and investment earnings	120	140	112	(28)
Other	100	100	-	(100)
Total revenues	820	5,136	1,495	(3,641)
Expenditures:				
Current:				
Public Works	886	7,960	3,817	4,143
Total expenditures	886	7,960	3,817	4,143
Excess (deficiency) of revenues over (under) expenditures	(66)	(2,824)	(2,322)	502
Other financing uses - transfers out	(12)	(12)	(12)	-
Total other financing sources (uses)	(12)	(12)	(12)	-
Net change in fund balance	$ (78)	$ (2,836)	(2,334)	$ 502
Encumbrances, end of year			1,941	
Fund balance, beginning of year, basis of budgeting			2,968	
Fund balance, end of year, basis of budgeting			2,575	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			96	
Accrued salaries, wages and amounts withheld from employees			(5)	
Fund balance, end of year, GAAP basis			$ 2,666	

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, 2008

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with final budget - Positive
	Original	Final	amounts	(Negative)
Revenues:				
Taxes:				
General property taxes	$ 7	$ 7	$ 7	$ -
Specific ownership & tobacco taxes	1	1	1	-
Total revenues	8	8	8	-
Expenditures:				
Current:				
Public Works	11	11	8	3
Total expenditures	11	11	8	3
Excess (deficiency) of revenues over (under) expenditures	(3)	(3)	-	3
Other financing sources - transfers in	3	3	3	-
Total other financing sources (uses)	3	3	3	-
Net change in fund balance	$ -	$ -	3	$ 3
Encumbrances, end of year			-	
Fund balance, beginning of year, basis of budgeting			1	
Fund balance, end of year, basis of budgeting			4	
Basis of budgeting to GAAP basis reconciliation			-	
Fund balance, end of year, GAAP basis			$ 4	

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, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Intergovernmental	$ 909	$ 2,203	$ 1,335	$ (868)
Total revenues	909	2,203	1,335	(868)
Expenditures:				
Current:				
Housing and Human Services	891	2,185	1,317	868
Total expenditures	891	2,185	1,317	868
Excess (deficiency) of revenues over (under) expenditures	18	18	18	-
Other financing uses -				
transfers out	(18)	(18)	(18)	-
Payment to refunding bond escrow agent	-	-	-	-
Total other financing sources (uses)	(18)	(18)	(18)	-
Net change in fund balance	$ -	$ -	-	$ -
Encumbrances, end of year			-	
Fund balance, beginning of year, basis of budgeting			-	
Fund balance, end of year, basis of budgeting			-	
Basis of budgeting to GAAP basis reconciliation			-	
Change in accrued interest payable			-	
Fund balance, end of year, GAAP basis			$ -	

CITY OF BOULDER, COLORADO

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

HOME Fund

Year ended December 31, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Intergovernmental	$ 1,300	$ 2,645	$ 1,474	$ (1,171)
Total revenues	1,300	2,645	1,474	(1,171)
Expenditures:				
Current:				
Housing and Human Services	1,296	2,641	1,470	1,171
Total expenditures	1,296	2,641	1,470	1,171
Excess (deficiency) of revenues over (under) expenditures	4	4	4	-
Other financing uses -				
transfers out	(4)	(4)	(4)	-
Payment to refunding bond escrow agent	-	-	-	-
Total other financing sources (uses)	(4)	(4)	(4)	-
Net change in fund balance	$ -	$ -	-	$ -
Encumbrances, end of year			-	
Fund balance, beginning of year, basis of budgeting			-	
Fund balance, end of year, basis of budgeting			-	
Basis of budgeting to GAAP basis reconciliation			-	
Fund balance, end of year, GAAP basis			$ -	

CITY OF BOULDER, COLORADO

Combining Balance Sheet

Nonmajor Debt Service Funds

December 31, 2008

(Amounts in 000's)

Assets	General Obligation Debt Service Fund	.15 Cent Sales Tax Debt Service Fund	Total
Equity in pooled cash and cash equivalents	$ 1	$ 5	$ 6
Investments	27	162	189
Receivables:			
Sales and use taxes	-	159	159
Accrued interest	-	2	2
	-	161	161
Restricted assets - investments for debt service	-	47	47
Total assets	$ 28	$ 375	$ 403
Liabilities and Fund Equity			
Liabilities:			
Accounts and accrued liabilities - accrued interest	$ -	$ -	$ -
Fund equity:			
Fund balances:			
Reserved:			
Debt service	-	47	47
Unreserved:			
Undesignated	28	328	356
Total fund equity	28	375	403
Total liabilities and fund equity	$ 28	$ 375	$ 403

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CITY OF BOULDER, COLORADO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Debt Service Funds

Year ended December 31, 2008

(Amounts in 000's)

	General Obligation Debt Service Fund	.15 Cent Sales Tax Debt Service Fund	Total
Revenues:			
Sales and use taxes	$ -	$ 1,486	$ 1,486
Interest and investment earnings	1	38	39
Total revenues	1	1,524	1,525
Expenditures:			
Current:			
Administrative Services	17	-	17
Debt service payments:			
Principal	-	460	460
Interest	-	93	93
Total expenditures	17	553	570
Excess (deficiency) of revenues over (under) expenditures	(16)	971	955
Other financing uses - transfers out	-	(933)	(933)
Net change in fund balances	(16)	38	22
Fund balances, beginning of year	44	337	381
Fund balances, end of year	$ 28	$ 375	$ 403

CITY OF BOULDER, COLORADO

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

General Obligation Debt Service Fund

Year ended December 31, 2008

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with final budget - Positive
	Original	Final	amounts	(Negative)
Revenues:				
Interest and investment earnings	$ -	$ -	$ 1	$ 1
Total revenues	-	-	1	1
Expenditures:				
Current:				
Administrative Services	25	25	17	8
Total expenditures	25	25	17	8
Excess (deficiency) of revenues over expenditures - basis of budgeting	(25)	(25)	(16)	9
Excess (deficiency) of revenues over (under) expenditures	$ (25)	$ (25)	(16)	$ 9
Fund balance, beginning of year, basis of budgeting			43	
Fund balance, end of year, basis of budgeting			27	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			1	
Fund balance, end of year, GAAP basis			$ 28	

CITY OF BOULDER, COLORADO

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

.15 Cent Sales Tax Debt Service Fund

Year ended December 31, 2008

(Amounts in 000's)

	Budgeted amounts Original	Budgeted amounts Final	Actual amounts	Variance with final budget - Positive (Negative)
Revenues:				
Taxes:				
Sales and use taxes	$ 1,451	$ 1,760	$ 1,486	$ (274)
Interest and investment earnings	-	32	32	-
Total revenues	1,451	1,792	1,518	(274)
Expenditures:				
Debt service payments:				
Principal	460	460	460	-
Interest	102	102	102	-
Total expenditures	562	562	562	-
Excess (deficiency) of revenues over (under) expenditures	889	1,230	956	(274)
Other financing uses - transfers out	(602)	(943)	(933)	10
Payment to refunding bond escrow agent	-	-	-	-
Total other financing sources (uses)	(602)	(943)	(933)	10
Net change in fund balance	$ 287	$ 287	23	$ (264)
Fund balance, beginning of year, basis of budgeting			344	
Fund balance, end of year, basis of budgeting			367	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			8	
Fund balance, end of year, GAAP basis			$ 375	

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CITY OF BOULDER, COLORADO

Combining Balance Sheet

Nonmajor Capital Project Funds

December 31, 2008

(Amounts in 000's)

Assets	1996 Parks Acquisition Bond Fund	Permanent Parks and Recreation Fund	Fire Training Center Construction Fund	Total
Equity in pooled cash and cash equivalents	$ -	$ 193	$ 238	$ 431
Investments	-	6,456	7,977	14,433
Receivables:				
General property taxes	-	1,692	-	1,692
Accrued interest	1	49	61	111
	1	1,741	61	1,803
Restricted assets:				
Investments for capital projects	68	-	-	68
Total assets	$ 69	$ 8,390	$ 8,276	$ 16,735
Liabilities and Fund Equity				
Liabilities:				
Accounts and accrued liabilities:				
Vouchers and accounts payable	$ 24	$ 12	$ 33	$ 69
Accrued salaries, wages and amounts withheld from employees	-	26	1	27
Deferred revenue - general property taxes	-	1,692	-	1,692
Total liabilities	24	1,730	34	1,788
Fund equity:				
Fund balances:				
Reserved for:				
Encumbrances	45	66	345	456
Unreserved:				
Designated - Special purposes	-	42	-	42
Undesignated	-	6,552	7,897	14,449
Total fund equity	45	6,660	8,242	14,947
Total liabilities and fund equity	$ 69	$ 8,390	$ 8,276	$ 16,735

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CITY OF BOULDER, COLORADO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Project Funds

Year ended December 31, 2008

(Amounts in 000's)

	1996 Parks Acquisition Bond Fund	Permanent Parks and Recreation Fund	Fire Training Center Construction Fund	Total
Revenues:				
Taxes:				
General property taxes	$ -	$ 1,543	$ -	$ 1,543
Excise taxes	-	587	-	587
Intergovernmental	-	2	52	54
Leases, rents and royalties	-	4	-	4
Interest and investment earnings	6	447	544	997
Other	-	1	-	1
Total revenues	6	2,584	596	3,186
Expenditures:				
Capital outlay	52	1,712	76	1,840
Excess (deficiency) of revenues over (under) expenditures	(46)	872	520	1,346
Other financing uses - transfers out	-	(55)	-	(55)
Net change in fund balances	(46)	817	520	1,291
Fund balances, beginning of year	91	5,843	7,722	13,656
Fund balances, end of year	$ 45	$ 6,660	$ 8,242	$ 14,947

CITY OF BOULDER, COLORADO

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

1996 Parks Acquisition Bond Fund

Year ended December 31, 2008

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with final budget - Positive
	Original	Final	amounts	(Negative)
Revenues:				
Interest and investment earnings	$ -	$ -	$ 4	$ 4
Total revenues	-	-	4	4
Expenditures:				
Capital outlay	-	133	97	36
Debt service payments:				
Interest	-	-	38	(38)
Total expenditures	-	133	135	(2)
Excess (deficiency) of revenues over expenditures - basis of budgeting	-	(133)	(131)	2
Excess (deficiency) of revenues over (under) expenditures	$ -	$ (133)	(131)	$ 2
Encumbrances, end of year			45	
Fund balance, beginning of year, basis of budgeting			130	
Fund balance, end of year, basis of budgeting			44	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			1	
Fund balance, end of year, GAAP basis			$ 45	

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, 2008

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with final budget - Positive
	Original	Final	amounts	(Negative)
Revenues:				
Taxes:				
General property taxes	$ 1,497	$ 1,497	$ 1,543	$ 46
Excise taxes	475	475	587	112
Licenses, permits and fines	-	-	2	2
Leases, rents and royalties	-	-	4	4
Interest and investment earnings	221	221	256	35
Other	14	14	1	(13)
Total revenues	2,207	2,207	2,393	186
Expenditures:				
Capital outlay	1,829	6,286	1,766	4,520
Excess (deficiency) of revenues over (under) expenditures	378	(4,079)	627	4,706
Other financing uses - transfers out	(55)	(55)	(55)	-
Net change in fund balance	$ 323	$ (4,134)	572	$ 4,706
Encumbrances, end of year			66	
Fund balance, beginning of year, basis of budgeting			5,819	
Fund balance, end of year, basis of budgeting			6,457	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			229	
Accrued salaries, wages and amounts withheld from employees			(26)	
Fund balance, end of year, GAAP basis			$ 6,660	

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, 2008

(Amounts in 000's)

	Budgeted amounts		Actual	Variance with final budget - Positive
	Original	Final	amounts	(Negative)
Revenues:				
Intergovernmental	$ -	$ 52	$ 52	$ -
Interest and investment earnings	-	-	309	309
Total revenues	-	52	361	309
Expenditures:				
Capital outlay	-	7,602	420	7,182
Excess (deficiency) of revenues over (under) expenditures	$ -	$ (7,550)	$ (59)	$ 7,491
Encumbrances, end of year			345	
Fund balance, beginning of year, basis of budgeting			7,674	
Fund balance, end of year, basis of budgeting			7,960	
Basis of budgeting to GAAP basis reconciliation:				
Fair market value adjustment to investments			283	
Accrued salaries, wages and amounts withheld from employees			(1)	
Fund balance, end of year, GAAP basis			$ 8,242	

INTERNAL SERVICE FUNDS

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

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

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

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

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

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

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

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

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

CITY OF BOULDER, COLORADO

Combining Statement of Net Assets

Internal Service Funds

December 31, 2008

(Amounts in 000's)

	Telecom-munications Fund	Property and Casualty Insurance Fund	Workers Compensation Insurance Fund	Compensated Absences Fund
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	$ 80	$ 150	$ 127	$ 66
Investments	2,689	5,038	4,302	2,178
Receivables, net:				
Accounts	-	-	-	-
Accrued interest	21	38	33	17
	21	38	33	17
Advances to other funds	-	150	-	-
Other assets - prepaid expenses	-	198	-	-
Total current assets	2,790	5,574	4,462	2,261
Noncurrent assets:				
Restricted assets:				
Investments for capital projects	-	-	-	-
Total restricted assets	-	-	-	-
Advances to other funds, less current	-	-	-	-
Capital assets:				
Land and easements	-	-	-	-
Buildings	208	-	-	-
Improvements other than buildings	-	-	-	-
Vehicles	-	-	-	-
Machinery and equipment	1,163	-	-	-
	1,371	-	-	-
Less accumulated depreciation	(752)	-	-	-
	619	-	-	-
Construction in progress	-	-	-	-
Total capital assets, net of accumulated depreciation	619	-	-	-
Total noncurrent assets	619	-	-	-
Total assets	3,409	5,574	4,462	2,261
Liabilities:				
Current liabilities:				
Accounts and accrued liabilities:				
Vouchers and accounts payable	77	-	110	-
Contracts and retainage payable	-	-	-	-
Accrued salaries, wages and amounts withheld from employees	-	11	12	48
Accrued claims liability	-	772	727	-
Total current liabilities	77	783	849	48
Non-current liabilities:				
Compensated absences payable	-	-	-	-
Retiree health care benefit	1	1	1	-
Total non-current liabilities	1	1	1	-
Total liabilities	78	784	850	48
Net assets:				
Invested in capital assets, net of related debt	619	-	-	-
Unrestricted	2,712	4,790	3,612	2,213
Total net assets	$ 3,331	$ 4,790	$ 3,612	$ 2,213

Fleet Fund	Computer Replacement Fund	Equipment Replacement Fund	Facility Renovation and Replacement Fund	Total
$ 189	$ 119	$ 123	$ 126	$ 980
6,324	3,995	4,111	4,232	32,869
593	-	-	1	594
48	31	31	32	251
641	31	31	33	845
19	-	-	-	169
-	-	-	-	198
7,173	4,145	4,265	4,391	35,061
-	-	14	-	14
-	-	14	-	14
188	-	-	-	188
-	-	-	102	102
2,382	-	-	65,391	67,981
1,437	-	-	6,897	8,334
24,580	-	-	-	24,580
52	3,296	3,036	7	7,554
28,451	3,296	3,036	72,397	108,551
(14,286)	(2,027)	(1,598)	(32,799)	(51,462)
14,165	1,269	1,438	39,598	57,089
-	-	-	857	857
14,165	1,269	1,438	40,455	57,946
14,353	1,269	1,452	40,455	58,148
21,526	5,414	5,717	44,846	93,209
281	69	-	283	820
-	-	60	-	60
48	-	1	4	124
-	-	-	-	1,499
329	69	61	287	2,503
152	-	-	-	152
7	-	-	-	10
159	-	-	-	162
488	69	61	287	2,665
14,165	1,269	1,438	40,455	57,946
6,873	4,076	4,218	4,104	32,598
$ 21,038	$ 5,345	$ 5,656	$ 44,559	$ 90,544

CITY OF BOULDER, COLORADO

Combining Statement of Revenues, Expenses and Changes in Net Assets

Internal Service Funds

Year ended December 31, 2008

(Amounts in 000's)

	Telecom-munications Fund	Property and Casualty Insurance Fund	Workers Compensation Insurance Fund	Compensated Absences Fund
Operating revenues:				
Charges for services	$ 868	$ 1,767	$ 1,546	$ 311
Operating expenses:				
Personnel	34	231	291	747
Non-personnel	598	813	554	-
Depreciation	165	-	-	-
Total operating expenses	797	1,044	845	747
Operating income (loss)	71	723	701	(436)
Nonoperating revenues (expenses):				
Interest and investment earnings	166	338	287	150
Leases, rents and royalties	-	-	-	-
Gain (loss) on sale of capital assets	212	-	-	-
Other (net)	-	26	18	-
Total nonoperating revenues (expenses)	378	364	305	150
Income (loss) before capital contributions and transfers	449	1,087	1,006	(286)
Capital contributions	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(10)	(68)	(113)	(13)
Changes in net assets	439	1,019	893	(299)
Total net assets, beginning of year	2,892	3,771	2,719	2,512
Total net assets, end of year	$ 3,331	$ 4,790	$ 3,612	$ 2,213

Fleet Fund	Computer Replacement Fund	Equipment Replacement Fund	Facility Renovation and Replacement Fund	Total
$ 6,598	$ 1,682	$ 741	$ 1,808	$ 15,321
1,029	-	21	50	2,403
1,615	1,020	190	113	4,903
1,879	351	356	3,338	6,089
4,523	1,371	567	3,501	13,395
2,075	311	174	(1,693)	1,926
433	255	268	280	2,177
-	-	-	20	20
478	(191)	(116)	-	383
13	-	-	15	72
924	64	152	315	2,652
2,999	375	326	(1,378)	4,578
349	166	10	1,204	1,729
-	-	-	102	102
(1,183)	(15)	(91)	(502)	(1,995)
2,165	526	245	(574)	4,414
18,873	4,819	5,411	45,133	86,130
$ 21,038	$ 5,345	$ 5,656	$ 44,559	$ 90,544

CITY OF BOULDER, COLORADO

Combining Statement of Cash Flows

Internal Service Funds

Year ended December 31, 2008

(Amount in 000's)

	Telecom-munications Fund	Property and Casualty Insurance Fund	Workers Compensation Insurance Fund	Compensated Absences Fund
Cash flows from operating activities:				
Receipts from customers and users	$ 223	$ -	$ -	$ -
Receipts from interfund services provided	649	1,767	1,546	311
Other receipts	-	15	18	-
Payments to suppliers	(594)	(885)	(923)	-
Payments to employees	(33)	(222)	(287)	(753)
Net cash provided (used) by operating activities	245	675	354	(442)
Cash flows from noncapital financing activities:				
Payments from (to) other funds on due from (due to) balances	-	-	-	-
Payments from (to) other funds on advances	-	(150)	-	-
Leases, rents and royalties	-	-	-	-
Intergovernmental revenue	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(10)	(68)	(113)	(13)
Net cash provided (used) by noncapital financing activities	(10)	(218)	(113)	(13)
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	-	-	-	-
Proceeds from sale of capital assets	472	-	-	-
Proceeds from insurance claims	-	11	-	-
Net cash provided (used) for capital and related financing activities	472	11	-	-
Cash flows from investing activities:				
Purchase of investment securities	(4,470)	(8,374)	(7,150)	(3,621)
Proceeds from sale and maturities of investment securities	3,728	7,784	6,801	3,999
Interest on investments	64	154	130	75
Net cash provided (used) in investing activities	(678)	(436)	(219)	453
Net increase (decrease) in cash and cash equivalents	29	32	22	(2)
Equity in pooled cash and cash equivalents, January 1	51	118	105	68
Equity in pooled cash and cash equivalents, December 31	$ 80	$ 150	$ 127	$ 66
Reconciliation of cash and cash equivalents to balance sheet amounts:				
Equity in pooled cash and cash equivalents	$ 80	$ 150	$ 127	$ 66

Fleet Fund	Computer Replacement Fund	Equipment Replacement Fund	Facility Renovation and Replacement Fund	Total
$ 85	$ 16	$ -	$ -	$ 324
6,495	1,666	741	1,808	14,983
13	-	-	15	61
(1,567)	(1,052)	(233)	(140)	(5,394)
(1,045)	-	(21)	(49)	(2,410)
3,981	630	487	1,634	7,564
450	-	-	-	450
19	-	-	-	(131)
-	-	-	20	20
24	-	-	-	24
-	-	-	102	102
(287)	(15)	(91)	(502)	(1,099)
206	(15)	(91)	(380)	(634)
(4,144)	(698)	(355)	(702)	(5,899)
47	2	-	-	521
-	-	-	-	11
(4,097)	(696)	(355)	(702)	(5,367)
(10,512)	(6,641)	(6,833)	(7,034)	(54,635)
10,244	6,624	6,689	6,389	52,258
206	111	120	124	984
(62)	94	(24)	(521)	(1,393)
28	13	17	31	170
161	106	106	95	810
$ 189	$ 119	$ 123	$ 126	$ 980
$ 189	$ 119	$ 123	$ 126	$ 980

(continued)

CITY OF BOULDER, COLORADO

Combining Statement of Cash Flows,
continued

Internal Service Funds

Year ended December 31, 2008

(Amount in 000's)

	Telecom-munications Fund	Property and Casualty Insurance Fund	Workers Compensation Insurance Fund	Compensated Absences Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ 71	$ 723	$ 701	$ (436)
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	165	-	-	-
Other nonoperating revenues (expenses)	-	15	18	-
Change in assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	4	-	-	-
Other assets - prepaid expenses	-	12	-	-
Increase (decrease) in liabilities:				
Vouchers and accounts payable	4	(8)	23	-
Accrued salaries, wages and amounts withheld from employees	-	8	3	(6)
Accrued insurance reimbursement	-	(76)	(392)	-
Compensated absences	-	-	-	-
Retiree health care accrual	1	1	1	-
Total adjustments	174	(48)	(347)	(6)
Net cash provided (used) by operating activities	$ 245	$ 675	$ 354	$ (442)
Noncash investing, capital and financing activities:				
Assets acquired through:				
Capital contributions:				
From governmental funds	-	-	-	-
From proprietary funds	-	-	-	-
From internal service funds	-	-	-	-
Other	-	-	-	-
Assets transferred to Other Funds	-	-	-	-
Increase (decrease) in fair value of investments	95	179	153	77
	$ 95	$ 179	$ 153	$ 77

Fleet Fund	Computer Replacement Fund	Equipment Replacement Fund	Facility Renovation and Replacement Fund	Total
$ 2,075	$ 311	$ 174	$ (1,693)	$ 1,926
1,879	351	356	3,338	6,089
13	-	-	15	61
(18)	-	-	-	(14)
-	-	-	-	12
48	-	(43)	(27)	(3)
5	(32)	-	1	(21)
-	-	-	-	(468)
(25)	-	-	-	(25)
4	-	-	-	7
1,906	319	313	3,327	5,638
$ 3,981	$ 630	$ 487	$ 1,634	$ 7,564
-	166	4	872	1,042
-	-	6	-	6
106	-	-	-	106
243	-	-	332	575
(896)	-	(112)	-	(1,008)
224	142	146	150	1,166
$ (323)	$ 308	$ 44	$ 1,354	$ 1,887

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SUPPLEMENTARY SCHEDULE

Supplementary Schedule

Combined Schedule of Long-Term Debt Payable

December 31, 2008

(Amounts in 000's)

	Interest rates	Dates Issued	Dates Maturity	Authorized and issued	Outstanding	Current portion
Governmental Activities:						
Supported by sales tax revenues and other financing sources:						
General Obligation Bonds:						
Open Space Acquisition Refunding	4.35 - 4.55 %	8/11/98	8/15/10	$ 10,185	$ 2,075	$ 1,020
Open Space Acquisition Refunding	3.50 - 5.00	7/06/99	8/15/13	17,485	7,745	1,370
Parks Acquisition Refunding	4.50-5.375	9/07/99	12/15/15	22,385	13,755	1,665
Open Space Acquisition	5.00 - 7.50	4/25/00	8/15/18	8,535	2,195	1,070
Open Space Acquisition	4.00 - 5.50	6/20/06	8/15/19	20,115	17,650	1,310
Premium on Refunding Bonds					296	
Open Space Acquisition	3.50 - 4.00	6/26/07	8/15/18	12,345	12,075	90
Premium on Refunding Bonds					61	
Refunding Bond Charges					(649)	
Parks, Recreation, Muni.,Cap., Imp., Ref.	4.00 - 4.30	9/11/01	12/1/12	5,255	2,020	475
Premium on Refunding Bonds				-	8	-
Refunding Bond Charges				-	(50)	-
Library Capital Improvement Refunding	3.50 - 4.20	1/08/02	10/01/11	9,250	3,005	965
Premium on Refunding Bonds				-	7	-
Refunding Bond Charges				-	(73)	-
				105,555	60,120	7,965
Sales Tax Revenue Bonds:						
Open Space Acquisition Sales Tax Revenue Refunding Bonds	4.75 - 5.25	7/15/99	8/15/14	15,835	7,720	1,140
Compensated Absences				-	10,067	855
Retiree Health Care Benefit (OPEB)				-	522	-
Rebatable Arbitrage				-	152	-
Total Governmental Activities and total supported by sales tax revenues and other financing sources				$ 121,390	$ 78,581	$ 9,960
Business-type Activities:						
Supported by utility revenues:						
Revenue Bonds:						
Water and Sewer	4.00 - 5.50	12/19/01	12/01/21	28,830	21,280	1,265
Water and Sewer Revenue Refunding Bonds	3.00 - 3.75	5/01/05	12/01/16	7,900	5,840	640
Refunding Bond Charges				-	(142)	-
Water and Sewer Revenue Refunding Bonds	4.00 - 4.125	7/10/07	12/01/19	25,935	22,700	2,350
Refunding Bond Charges					(1,048)	-
Water and Sewer	3.50 - 5.00	11/15/05	12/01/25	45,245	40,490	1,715
Premium on Bonds				-	968	-
Water and Sewer Revenue Refunding Bonds	3.00 - 3.50	5/01/05	12/01/12	1,110	625	150
Storm Water & Flood Mgmt Rev. Rfdg.	3.65 - 5.10	6/09/98	12/01/18	9,680	4,680	580
				118,700	95,393	6,700
Compensated Absences				-	1,397	137
Retiree Health Care Benefit (OPEB)				-	63	-
Rebatable Arbitrage				-	30	-
Total supported by utility revenues				118,700	96,883	6,837

(continued)

CITY OF BOULDER, COLORADO

Supplementary Schedule

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

December 31, 2008

(Amounts in 000's)

		Interest rates	Dates Issued	Dates Maturity	Authorized and issued	Outstanding	Current portion
Business-type Activities (Continued):							
Supported by parking revenues:							
General Obligation General Improvement District Bonds:							
Downtown Commercial District:							
Parking Facilities		2.50 - 4.20	6/17/03	8/15/23	12,500	10,510	535
Premium on Bonds						114	-
Parking Facilities		4.00 - 5.00	6/23/98	6/15/18	13,500	8,635	680
					26,000	19,259	1,215
Compensated Absences					-	98	-
Retiree Health Care Benefit (OPEB)					-	14	-
Total supported by parking revenues					26,000	19,371	1,215
Supported by base rentals:							
Refunding Certificates of Participation Series :							
Boulder Municipal Property Authority:							
East Boulder Community Center		4.125 - 5.00	1/08/98	12/01/12	5,750	2,130	495
Lease Purchase Revenue Notes:							
Boulder Municipal Property Authority:							
Open space acquisition:							
K-Investments	Note 1990C	7.00	4/10/90	4/10/10	574	98	47
Mardick	Note 1991G	7.00	10/03/91	10/03/11	225	56	17
Stepanek	Note 1995A	6.00	6/07/95	6/07/10	249	47	23
Joder	Note 1996A	6.00	4/22/96	4/22/11	1,400	385	121
Lousberg	Note 1996B	6.00	5/30/96	6/01/11	850	234	73
Henrikson	Note 1997C	6.00	6/25/97	6/25/12	383	137	31
Foothills	Note 1997G	7.00	7/16/97	7/16/17	1,095	673	56
Van Vleet	Note 1999B	6.00	3/5/99	3/5/14	2,500	1,266	182
Wright	Note 2000B	6.00	2/18/00	2/18/10	450	112	54
Dexter	Note 2000C	6.00	2/01/00	2/01/10	750	187	91
Johnson, Family	Note 2001A-R1	6.00	1/10/01	1/10/11	245	89	28
Johnson, Wife	Note 2001A-R2	6.00	1/10/01	1/10/11	300	108	34
Hester	Note 2001B	6.00	6/01/01	6/01/11	580	211	66
Suitts	Note 2001C	6.00	10/31/01	10/31/11	1,675	1,675	-
Abbott	Note 2001D	6.00	12/05/01	1/14/13	430	238	34
William & Assoc.	Note 2001E-R1	6.00	11/21/01	11/21/11	230	230	-
Suitts, Enterprises	Note 2001E-R2	6.00	11/21/01	11/21/11	420	420	-
Edward H. Kolb	Note 2002A-R1	6.00	8/15/02	8/15/12	242	114	26
John B. Kolb	Note 2002A-R2	6.00	8/15/02	8/15/12	242	114	26
Frederick M. Kolb	Note 2002A-R3	6.00	8/15/02	8/15/12	242	114	26
Helayne B. Jones	Note 2003A	6.00	6/20/03	6/20/13	715	409	73
Dagle	Note 2004A	4.75	12/1/2004	12/1/2014	770	504	75
Gisle	Note 2005A	4.75	2/18/05	2/18/17	1,180	943	87
Hill	Note 2005B	4.75	4/05/05	4/05/15	910	680	84
Luchetta	Note 2005C	5.00	8/05/05	8/05/20	720	615	39
Boulder Valley	Note 2006A	5.00	6/16/06	6/16/06	3,550	2,971	311
Eisenberg	Note 2006B	5.00	6/07/06	6/07/16	1,206	1,009	106
Kolb, Edward H.	Note 2008AR-1	5.00	4/22/08	4/22/18	404	404	32
Vigil	Note 2008AR-2	5.00	4/22/08	4/22/18	404	404	32
					22,941	14,447	1,774
Boulder Transit Village acquisition:							
30th & Pearl, LLC	Note 2004B	6.50	10/14/04	11/01/14	2,600	671	320
					25,541	15,118	2,094
Total supported by base rentals					31,291	17,248	2,589
Total Business-type Activities					$ 175,991	$ 133,502	$ 10,641

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STATISTICAL SECTION

CITY OF BOULDER, COLORADO

Statistical Section

Index

December 31, 2008

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.

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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.

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual report for the relevant year. The City implemented GASB 34 in Fiscal Year 2002, however, Fiscal Year 2001 amounts were recalculated using GASB 34 to allow for comparison. Schedules presenting government-wide information include information beginning in that year.

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CITY OF BOULDER, COLORADO

Statistical Data

Net Assets By Component

Last Eight Fiscal Years

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

	Fiscal Year							
	2001	2002	2003	2004	2005	2006	2007	2008
Governmental activities:								
Invested in capital assets, net of related debt	$ 141,073	$ 167,654	$ 187,518	$ 200,574	$ 329,926	$ 343,319	$ 350,644	$ 363,896
Restricted	61,887	50,206	44,692	41,906	47,497	63,452	56,833	59,456
Unrestricted	28,068	30,829	31,408	34,929	39,282	20,955	45,771	51,761
Total governmental activities net assets	$ 231,028	$ 248,689	$ 263,618	$ 277,409	$ 416,705	$ 427,726	$ 453,248	$ 475,113
Business-type activities:								
Invested in capital assets, net of related debt	$ 229,880	$ 250,463	$ 258,051	$ 266,227	$ 267,873	$ 269,527	$ 283,633	$ 295,936
Restricted	92	97	103	208	213	220	228	234
Unrestricted	35,670	29,094	32,991	32,862	32,291	53,147	57,233	65,263
Total business-type activities net assets	$ 265,642	$ 279,654	$ 291,145	$ 299,297	$ 300,377	$ 322,894	$ 341,094	$ 361,433
Primary government:								
Invested in capital assets, net of related debt	$ 370,953	$ 418,117	$ 445,569	$ 466,801	$ 597,799	$ 612,846	$ 634,277	$ 659,832
Restricted	61,979	50,303	44,795	42,114	47,710	63,672	57,061	59,690
Unrestricted	63,738	59,923	64,399	67,791	71,573	74,102	103,004	117,024
Total primary government net assets	$ 496,670	$ 528,343	$ 554,763	$ 576,706	$ 717,082	$ 750,620	$ 794,342	$ 836,546

Note: The City implemented GASB Statement No. 34 in Fiscal Year 2002, however, Fiscal Year 2001 amounts were recalculated using GASB 34 to allow for comparison.

CITY OF BOULDER, COLORADO

Statistical Data

Changes In Net Assets

Last Eight Fiscal Years

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

	Fiscal Year							
	2001	2002	2003	2004	2005	2006	2007	2008
Expenses:								
Governmental activities:								
General Government	$ 7,705	$ 10,271	$ 8,073	$ 7,803	$ 7,632	$ 8,429	$ 9,846	$ 10,227
Administrative Services	3,222	4,072	3,907	2,541	2,708	3,337	3,182	2,951
Public Safety	32,384	35,127	35,741	37,941	38,091	37,942	42,221	44,479
Public Works	22,658	18,720	19,073	19,156	28,773	32,657	36,030	30,966
Planning & Development Services	7,660	7,688	7,345	7,021	7,180	7,476	7,657	8,966
Culture and Recreation	21,625	22,231	25,113	24,170	24,357	25,901	26,573	27,961
Open Space and Mountain Parks	11,752	10,724	9,135	10,425	11,023	12,299	13,156	13,360
Housing and Human Services	12,351	10,344	10,452	10,926	11,692	14,720	10,420	13,983
Interest on long-term debt	5,126	4,732	4,666	4,496	4,016	4,137	3,872	3,530
Total governmental activities expenses	124,483	123,909	123,505	124,479	135,472	146,898	152,957	156,423
Business-type activities:								
Water utility	16,835	18,370	18,923	19,058	20,657	21,711	20,767	21,713
Wastewater utility	7,075	8,607	8,165	8,352	9,043	10,362	10,849	11,693
Stormwater and flood management	2,867	2,823	3,722	4,162	3,891	3,963	4,197	4,407
Parking facilities and services	4,571	4,224	4,212	4,478	5,223	5,374	5,549	6,228
Property and facility acquisition	1,884	1,852	1,701	1,559	1,460	1,411	1,316	1,150
Total business-type activities expenses	33,232	35,876	36,723	37,609	40,274	42,821	42,678	45,191
Total primary government expenses	157,715	159,785	160,228	162,088	175,746	189,719	195,635	201,614
Program revenue:								
Governmental activities:								
Charges for services:								
General Government	1,608	1,465	1,646	1,788	1,826	1,783	2,009	2,832
Administrative Services	258	393	188	281	116	98	112	268
Public Safety	476	678	742	1,043	1,075	990	1,426	1,640
Public works	749	950	904	835	928	719	890	909
Planning & Development Services	4,549	4,214	4,917	4,622	5,298	6,289	6,803	6,327
Culture and Recreation	6,329	6,232	7,173	7,090	7,341	8,057	8,589	9,069
Open Space and Mountain Parks	269	288	376	386	369	405	374	367
Housing and Human Services	741	532	730	1,642	1,529	1,527	1,328	3,671
Operating grants and contributions:	12,421	4,046	4,291	4,805	3,887	7,039	7,522	8,500
Capital grants and contributions	7,169	7,567	10,498	5,900	9,991	6,514	13,521	6,886
Total governmental activities program revenue	34,569	26,365	31,465	28,392	32,360	33,421	42,574	40,469
Business-type activities:								
Charges for services:								
Water utility	18,501	16,855	20,063	18,180	21,055	23,570	21,175	21,123
Wastewater utility	7,431	7,905	8,346	8,488	10,002	12,126	12,596	12,606
Stormwater and flood management	3,960	4,248	4,115	4,317	4,402	4,607	4,796	4,959
Parking facilities and services	2,777	2,876	2,953	3,193	3,607	3,808	4,231	4,319
Property and facility acquisition	4,890	5,063	4,527	4,647	5,090	4,444	4,540	4,042
Operating grants and contributions:	535	764	265	148	196	140	210	168
Capital grants and contributions:	7,028	8,555	4,478	6,091	6,738	6,618	4,812	10,703
Total business-type activities program revenues	45,122	46,266	44,747	45,064	51,090	55,313	52,360	57,920
Total primary government program revenues	79,691	72,631	76,212	73,456	83,450	88,734	94,934	98,389
Net (expense) revenue:								
Governmental activities	(89,914)	(97,544)	(92,040)	(96,087)	(103,112)	(113,477)	(110,383)	(115,954)
Business-type activities	11,890	10,390	8,024	7,455	10,816	12,492	9,682	12,729
Total primary government net expense	(78,024)	(87,154)	(84,016)	(88,632)	(92,296)	(100,985)	(100,701)	(103,225)

(continued)

CITY OF BOULDER, COLORADO

Statistical Data

Changes In Net Assets (Continued)

Last Eight Fiscal Years

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

	Fiscal Year							
	2001	2002	2003	2004	2005	2006	2007	2008
General revenues and other changes in net assets:								
Governmental activities:								
Taxes:								
*Sales and use taxes	$ 72,374	$ 71,624	$ 67,891	$ 71,688	$ 76,624	$ 80,057	$ 88,403	$ 84,867
*Property taxes	16,467	17,528	18,432	19,275	19,391	19,854	20,475	21,865
**Other taxes	13,430	12,652	13,229	13,799	15,686	14,053	14,791	-
Accomodation taxes								3,389
Franchise Taxes								9,131
Specific Ownership & Tobacco taxes								1,705
Excise Taxes								2,748
Interest and investment earnings	7,416	3,641	1,685	1,348	2,315	4,869	6,594	7,875
***Miscellaneous	5,403	5,077	6,230	4,312	5,125	5,002	6,752	5,025
Gain on Sale of Capital Assets								627
Transfers	(654)	(213)	(498)	(544)	3,439	663	(1,110)	587
Special item	-	2,942	-	-	-	-	-	-
Total governmental activities	114,436	113,251	106,969	109,878	122,580	124,498	135,905	137,819
Business-type activities:								
Taxes:								
*Sales and use tax increment	-	-	-	-	46	85	99	94
*Property taxes	719	731	763	805	839	874	912	1,578
*Property tax increment	-	-	-	-	44	500	563	-
**Other taxes	68	68	58	68	433	664	766	-
Accomodation taxes								714
Franchise Taxes								-
Specific Ownership & Tobacco taxes								63
Excise Taxes								-
Excess tax increment	-	-	-	-	-	(245)	(703)	-
Interest and investment earnings	4,637	2,536	1,262	1,167	1,585	5,215	5,796	5,583
Miscellaneous	(16)	74	886	(1,887)	(390)	(159)	(25)	165
Transfers	654	213	498	544	(3,439)	(663)	1,110	(587)
Extraordinary item	-	-	-	-	-	3,754	-	
Total business-type activities	6,062	3,622	3,467	697	(882)	10,025	8,518	7,610
Total primary government	120,498	116,873	110,436	110,575	121,698	134,523	144,423	145,429
Changes in net assets:								
Governmental activities	24,522	15,707	14,929	13,791	19,468	11,021	25,522	21,865
Business-type activities	17,952	14,012	11,491	8,152	9,934	22,517	18,200	20,339
Total primary government	$ 42,474	$ 29,719	$ 26,420	$ 21,943	$ 29,402	$ 33,538	$ 43,722	$ 42,204

Note: The City implemented GASB Statement No. 34 in Fiscal Year 2002, however, Fiscal Year 2001 amounts were recalculated using GASB 34 to allow for comparison.

*Starting in 2008, Sales and use tax is combined with Sales and use tax increment. The same applies to Property tax and Property tax increment.
** Starting in 2008, Other Taxes is reported separately as follows: Accomodation taxes, Franchise Taxes, Specific Ownership & Tobaco Taxes and Excise Taxes
*** Starting in 2008, Gain on Sale of Capital Assets is reported separately from Governmental Activities Miscellaneous

CITY OF BOULDER, COLORADO

Statistical Data

Fund Balances - Governmental Funds

Last Ten Fiscal Years

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

	Fiscal Year				
	1999	2000	2001	2002	2003
General Fund:					
Reserved	$ 2,311	$ 2,463	$ 2,035	$ 3,296	$ 3,586
Unreserved	10,716	16,172	17,885	15,359	13,172
Total General Fund	$ 13,027	$ 18,635	$ 19,920	$ 18,655	$ 16,758
All Other Governmental Funds:					
Reserved	$ 19,382	$ 28,666	$ 16,310	$ 17,590	$ 9,157
Unreserved, reported in:					
Special revenue funds	38,413	49,942	49,892	33,915	35,907
Debt service funds	326	307	279	343	329
Capital projects funds	1,169	1,404	2,005	2,498	2,965
Total all other government funds	$ 59,290	$ 80,319	$ 68,486	$ 54,346	$ 48,358

Fiscal Year				
2004	2005	2006	2007	2008
$ 3,037	$ 2,706	$ 2,784	$ 2,953	$ 2,928
13,826	16,631	18,466	17,600	18,524
$ 16,863	$ 19,337	$ 21,250	$ 20,553	$ 21,452
$ 9,496	$ 10,228	$ 32,671	$ 10,662	$ 9,857
35,739	37,616	29,772	38,995	57,409
297	301	303	334	356
3,549	3,870	4,675	13,112	14,449
$ 49,081	$ 52,015	$ 67,421	$ 63,103	$ 82,071

CITY OF BOULDER, COLORADO

Statistical Data

Changes In Fund Balances - Governmental Funds

Last Ten Fiscal Years

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

	Fiscal Year			
	1999	2000	2001	2002
Revenues:				
Taxes:				
Sales and use taxes	$ 73,592	$ 69,429	$ 72,374	$ 71,624
General property taxes	15,857	15,244	16,467	17,528
*Other taxes	13,965	13,875	13,430	12,652
Accomodation taxes				
Franchise taxes				
Specific Ownership & Tobacco taxes				
Excise taxes				
Charges for services	7,842	7,372	8,390	7,886
Sale of goods and capital assets	1,229	453	1,235	1,017
License, permits and fines	7,081	7,276	7,149	7,375
Intergovernmental	16,594	16,562	18,339	10,710
Leases, rents and royalties	7,490	6,777	6,368	1,487
Interest and investment earnings	6,689	2,531	6,136	2,700
Other	1,821	2,180	2,639	4,950
Total revenues	152,160	141,699	152,527	137,929
Expenditures:				
General Government	9,113	7,854	8,868	11,505
Administrative Services	7,917	8,512	8,489	9,235
Public Safety	30,198	26,950	30,685	32,441
Public Works	24,150	23,466	27,482	27,347
Planning & Development Services	23,310	23,413	6,235	6,728
Culture and Recreation	17,934	19,635	23,385	28,765
Open Space and Mountain Parks	9,531	7,951	27,243	11,534
Housing and Human Services	1,971	1,882	11,381	9,477
Rebate of Charges for Services	(795)	-	-	(810)
Capital outlay	3,184	4,914	3,222	2,231
Debt service payments:				
Principal	7,963	6,206	7,861	5,160
Interest	6,442	5,827	7,267	4,679
Base rentals to Boulder Municipal Property Authority Debt Service Fund	6,092	5,657	4,899	5,063
Cost of issuance - refunding bonds	-	-	-	76
Total expenditures	147,010	142,267	167,017	153,431
Excess of revenues (under) expenditures	5,150	(568)	(14,490)	(15,502)
Other financing sources (uses):				
Long term bonds issued	20,095	55,810	5,276	9,275
Notes / loans payable issued	1,600	2,800	3,880	-
Capitalized lease inception revenue	-	-	-	-
Transfers in	9,925	10,207	18,837	18,862
Transfers from component unit	43	42	51	-
Transfers out	(10,176)	(10,085)	(18,912)	(16,662)
Assumption of advance from other funds	-	(113)	-	-
Payment to refunding bond escrow agent	-	(61,574)	(5,190)	(9,194)
Total other financing sources (uses)	21,487	(2,913)	3,942	2,281
Net changes in fund balance	$ 26,637	$ (3,481)	$ (10,548)	$ (13,221)
Debt service as a percentage of noncapital expenditures	16.6%	15.3%	15.2%	11.5%

* Starting in 2008, Other Taxes is reported separately as follows:
Accomodation taxes, Franchise Taxes, Specific Ownership & Tobaco Taxes and Excise Taxes
** Starting in 2008, Gain on Sale of Capital Assets is reported separately from Governmental Activities Miscellaneous

Fiscal Year					
2003	2004	2005	2006	2007	2008
$ 67,891	$ 71,688	$ 76,624	$ 80,057	$ 88,403	$ 84,867
18,432	19,275	19,391	19,854	20,475	21,865
13,229	13,799	15,686	14,053	14,791	-
					3,389
					9,131
					1,705
					2,748
9,560	10,229	10,493	11,375	12,080	16,115
1,816	5,598	1,635	738	2,993	329
8,916	8,884	9,337	9,830	10,259	9,910
13,882	8,788	9,956	14,252	19,842	15,192
1,575	2,182	1,993	1,976	329	2,278
1,587	1,073	1,748	3,760	9,910	5,698
2,453	957	1,648	1,335	15,192	1,567
139,341	142,473	148,511	157,230	194,274	174,794
9,767	9,206	9,291	9,722	11,705	11,838
9,358	7,981	8,021	8,473	8,599	8,773
33,837	34,599	35,105	36,738	40,327	42,882
29,952	23,234	23,374	27,950	34,479	29,204
6,329	5,825	6,057	6,352	6,796	7,849
24,425	21,509	22,977	23,412	24,179	26,195
7,121	9,809	11,726	17,616	29,919	13,579
12,738	14,362	9,925	13,602	10,431	12,736
-	-	-	-	-	-
1,961	1,826	1,390	1,729	1,254	1,840
6,996	8,857	8,322	8,439	8,899	10,331
4,613	4,447	3,961	4,102	3,817	2,552
4,527	4,647	5,090	4,444	4,540	4,042
-	-	-	-	-	-
151,624	146,302	145,239	162,579	184,945	171,821
(12,283)	(3,829)	3,272	(5,349)	9,329	2,973
-	-	-	20,482	12,416	-
1,940	2,520	-	-	-	-
-	-	-	-	-	-
24,735	18,805	18,188	18,540	20,259	20,795
-	-	-	-	-	-
(22,277)	(16,668)	(16,052)	(16,354)	(17,948)	(18,706)
-	-	-	-	-	-
-	-	-	-	(12,311)	-
4,398	4,657	2,136	22,668	2,416	2,089
$ (7,885)	$ 828	$ 5,408	$ 17,319	$ 11,745	$ 5,062
11.0%	13.2%	13.0%	11.9%	5.6%	4.2%

CITY OF BOULDER, COLORADO

Statistical Data

Taxable Sales by Market Sector

Last Ten Fiscal Years

(Amounts in 000's)

Market Sector	1999**	2000	2001	2002	2003
Food Stores	$ 255,290	$ 253,714	$ 262,668	$ 286,291	$ 266,587
Eating Places	216,001	237,054	236,480	249,040	231,091
Apparel Stores	93,156	88,267	74,632	72,272	60,280
Home Furnishings	153,967	91,285	82,357	86,034	77,585
General Retail	471,583	499,756	438,619	418,072	388,291
Transportation/Utilities	174,312	192,710	201,209	182,449	179,423
Automotive Trade	155,960	175,328	175,261	184,510	166,499
Building Material-Retail	60,634	58,951	52,829	54,365	50,528
Construction Use Tax	71,128	98,571	87,505	127,219	92,890
Construction Sales Tax	13,242	10,551	9,569	9,406	9,086
Consumer Electronics	-	73,998	45,614	42,258	37,928
Computer Related Business Sector	-	159,616	206,557	156,316	117,945
All Other	472,820	325,893	351,210	334,898	325,301
Refunds	(8,370)	(8,270)	(4,450)	(6,075)	(12,494)
Total Taxable Sales	$ 2,129,723	$ 2,257,424	$ 2,220,060	$ 2,197,055	$ 1,990,940
Direct city sales tax rate	3.26%	3.26%	3.26%	3.26%	3.41%
Food service sales tax	0.15%	0.15%	0.15%	0.15%	0.15%
Total direct city sales tax	3.41%	3.41%	3.41%	3.41%	3.56%

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

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

** Beginning in 2000, new categories for consumer electronics, computer related business sector and unclassified refunds were created and reported. These had been included in other categories for 1999.

2004	2005	2006	2007	2008
$ 298,690	$ 295,719	$ 305,797	$ 315,876	$ 329,727
254,215	264,788	281,966	306,927	321,062
65,694	69,535	71,349	79,051	82,966
79,635	81,784	80,872	85,709	80,115
415,652	429,372	453,235	508,536	532,688
192,758	203,096	211,510	208,719	231,463
170,452	164,197	161,209	173,982	151,612
55,579	58,356	87,678	91,274	90,428
89,565	132,227	133,395	136,291	103,986
8,335	8,126	8,602	11,751	11,960
41,570	49,663	54,812	69,954	61,953
139,012	162,849	145,538	153,321	158,410
292,985	330,152	354,847	344,405	335,698
(1,856)	(2,827)	(3,098)	(2,565)	(3,300)
$ 2,102,286	$ 2,247,037	$ 2,347,712	$ 2,483,231	$ 2,488,768
3.41%	3.41%	3.41%	3.56%	3.41%
0.15%	0.15%	0.15%	0.15%	0.15%
3.56%	3.56%	3.56%	3.71%	3.56%

CITY OF BOULDER, COLORADO

Statistical Data

Direct and Overlapping Sales Tax Rates

Last Ten Fiscal Years

	City Direct Rates								
Tax Year Levied	General Fund Sales Tax No Expiration	General Fund Sales Tax Expires 12/31/11	General Fund Sales Tax Expires 12/31/24	Public Safety Sales Tax Expires 12/31/04	Open Space Sales Tax No Expiration	Open Space Sales Tax Expires 12/31/18	Open Space Sales Tax Expires 12/31/19	Transportation Sales Tax No Expiration	Parks & Rec & General Muni Sales Tax Expires 12/31/12
1999	1.00%	0.38%	-	0.15%	0.40%	0.33%	-	0.60%	0.15%
2000	1.00%	0.38%	-	0.15%	0.40%	0.33%	-	0.60%	0.15%
2001	1.00%	0.38%	-	0.15%	0.40%	0.33%	-	0.60%	0.15%
2002	1.00%	0.38%	-	0.15%	0.40%	0.33%	-	0.60%	0.15%
2003	1.00%	0.38%	-	0.15%	0.40%	0.33%		0.60%	0.15%
2004	1.00%	0.38%	0.15%	-	0.40%	0.33%	0.15%	0.60%	0.15%
2005	1.00%	0.38%	0.15%	-	0.40%	0.33%	0.15%	0.60%	0.15%
2006	1.00%	0.38%	0.15%	-	0.40%	0.33%	0.15%	0.60%	0.15%
2007	1.00%	0.38%	0.15%	-	0.40%	0.33%	0.15%	0.60%	0.15%
2008	1.00%	0.38%	0.15%	-	0.40%	0.33%	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.

				Overlapping Rates						
Parks Acquisition & Recreation Sales Tax Expires 12/31/15	Food Service Establishments Sales Tax No Expiration	Fire Training Center Sales Tax 2007 only	Total Direct	State of Colorado	Regional Transportation District	Cultural District	Ball Stadium District	Boulder County	Total Overlapping	Total Direct and Overlapping
0.25%	0.15%	-	3.41%	3.00%	0.60%	0.10%	0.10%	0.40%	4.20%	7.61%
0.25%	0.15%	-	3.41%	3.00%	0.60%	0.10%	0.10%	0.40%	4.20%	7.61%
0.25%	0.15%	-	3.41%	2.90%	0.60%	0.10%	0.10%	0.40%	4.10%	7.51%
0.25%	0.15%	-	3.41%	2.90%	0.60%	0.10%	0.10%	0.55%	4.25%	7.66%
0.25%	0.15%	-	3.41%	2.90%	0.60%	0.10%	0.10%	0.55%	4.25%	7.66%
0.25%	0.15%	-	3.56%	2.90%	0.60%	0.10%	0.10%	0.55%	4.25%	7.81%
0.25%	0.15%	-	3.56%	2.90%	1.00%	0.10%	0.10%	0.65%	4.75%	8.31%
0.25%	0.15%	-	3.56%	2.90%	1.00%	0.10%	0.10%	0.65%	4.75%	8.31%
0.25%	0.15%	0.15%	3.71%	2.90%	1.00%	0.10%	0.10%	0.65%	4.75%	8.46%
0.25%	0.15%	-	3.56%	2.90%	1.00%	0.10%	0.10%	0.65%	4.75%	8.31%

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CITY OF BOULDER, COLORADO

Statistical Data

Largest Sales Tax Remitters by Market Sector

Current Year and Nine Years Ago

(Amounts in 000's)

	2008				1999			
Market Sector	Number Of Filers		Tax Liability	Percentage Of Total	Number Of Filers		Tax Liability	Percentage Of Total
Food Stores	4	$	6,263	7.38%	3	$	3,726	5.37%
Automotive Trade	1		1,897	2.24%	1		2,323	3.35%
Computer Related Business Sector	2		3,533	4.16%	2		4,948	7.13%
General Retail, Utilities, & Other	3		7,622	8.98%	4		7,674	11.05%
Total	10	$	19,315	22.76%	10	$	18,671	26.89%

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

(Amounts in 000's)
(Unaudited)

	Governmental Activities					Business-Type Activities		
Fiscal Year	General Obligation Bonds	Revenue Bonds	Revenue Notes Payable	Capitalized Lease Obligations	Loans Payable	General Obligation Bonds	Revenue Bonds	Lease Purchase Revenue Bonds
1999	64,990	15,835	2,108	411	4,200	23,863	36,305	-
2000	82,695	15,200	1,612	302	4,200	22,523	58,760	-
2001	79,840	14,410	998	216	3,985	20,992	85,250	-
2002	76,264	13,580	767	233	3,635	19,747	81,860	-
2003	71,214	12,710	1,885	98	3,475	30,457	78,240	-
2004	65,929	11,800	317	34	5,000	28,492	74,445	-
2005	60,375	10,850	69	-	3,500	25,643	116,899	-
2006	75,082	9,855	-	-	1,920	23,143	111,120	-
2007	67,755	8,810	-	-	1,536	20,431	101,792	-
2008	60,120	7,720	-	-	-	19,259	95,393	-

(1) Population information is presented in the Demographic and Economic Statistics schedule.

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

Business-Type Activities							
Revenue Notes Payable	Certificates Of Participation	Lease Purchase Revenue Notes	Capitalized Lease Obligations	Total Primary Government	Market Value of Taxable Property	Percentage of Property Values	Per Capita (1)
2,334	8,495	21,110	-	179,651	8,808,855	2.04%	1,891.06
2,449	7,705	19,087	-	214,533	9,746,376	2.20%	2,167.00
2,107	6,880	20,505	145	235,328	9,888,073	2.38%	2,377.05
1,500	6,025	18,592	50	222,253	13,111,076	1.70%	2,222.53
320	5,130	14,093	-	217,622	13,178,606	1.65%	2,133.55
219	4,190	18,033	-	208,459	15,002,072	1.39%	2,043.72
113	3,485	17,776	-	238,710	15,071,496	1.58%	2,340.29
-	3,055	19,787	-	243,962	15,963,605	1.53%	2,391.78
-	2,605	16,869	-	219,798	16,088,279	1.37%	2,133.96
-	2,130	15,118	-	199,740	46,900,892	0.43%	1,920.58

CITY OF BOULDER, COLORADO

Statistical Data

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

(Amounts in 000's)
(Unaudited)

Fiscal Year	Governmental Activities General Obligation Bonds	Business-Type Activities General Obligation Bonds	Total	Taxable Sales	Percentage of Taxable Sales (1)	Per Capita
1998	71,035	24,603	95,638	1,937,761	4.94%	1,017.43
1999	64,990	23,863	88,853	2,129,723	4.17%	935.29
2000	82,695	22,523	105,218	2,257,424	4.66%	1,062.81
2001	79,840	20,992	100,832	2,220,060	4.54%	1,018.51
2002	76,264	19,747	96,011	2,197,055	4.37%	960.11
2003	71,214	30,457	101,671	1,990,940	5.11%	996.77
2004	65,929	28,492	94,421	2,102,286	4.49%	925.70
2005	60,375	25,643	86,018	2,247,037	3.83%	843.31
2006	75,082	23,143	98,225	2,347,712	4.18%	962.99
2007	67,755	20,431	88,186	2,483,231	3.55%	856.17
2008	60,120	19,259	79,379	2,488,768	3.19%	763.26

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

(1) General bonded debt is repaid with sales tax revenues instead of property taxes. Taxable sales is used as a relevant basis for comparison.

CITY OF BOULDER, COLORADO

Statistical Data

Direct and Overlapping Debt

December 31, 2008

(Amounts in 000's)

Jurisdiction	Par value of net General Obligation debt outstanding (1)	Percentage applicable to City of Boulder (2)	Amount applicable to City of Boulder (3)
Boulder Valley School District RE-2	$ 220,600	52.21 %	$ 115,186
Boulder Central Area General Improvement District	19,259	100.00	19,259
Northern Colorado Water Conservancy District (NCWCD)	4,288	17.94	769
Boulder County	-	43.17	-
Urban Drainage and Flood Control District	-	6.47	-
Total Overlapping Debt			135,214
City Direct Governmental Activity Debt			67,840
Total Direct and Overlapping Debt			$ 203,054

(1) Source for net General Obligation debt outstanding: Boulder Valley School District, NCWCD, Boulder County, and Urban Drainage and Flood Control District

(2) Source for percentage applicable to City of Boulder: 2008 Abstract of Assessment and Summary of Levies (Boulder County Assessor's Office), NCWCD, UDFC and Boulder Valley School District RE-2.

(3) 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 2008, each jurisdiction had the following valuations (in 000's):

The City of Boulder	$	2,416,542
Boulder Valley School District		4,628,082
NCWCD		13,470,992
Boulder County		5,597,603
Urban Drainage & Flood Control		37,327,743

CITY OF BOULDER, COLORADO

Statistical Data

Legal Debt Margin Information

Last Ten Fiscal Years

(Amounts in 000's)
(Unaudited)

	1999	2000	2001	2002	2003
Debt limit	$ 40,593	$ 45,254	$ 45,899	$ 57,372	$ 57,886
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	$ 40,593	$ 45,254	$ 45,899	$ 57,372	$ 57,886
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

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.)

(continued)

Legal Debt Margin Calculation for Fiscal Year 2008

Assessed value	$ 2,416,542
Debt limit - 3% of assessed value	72,496
Debt applicable to limit:	
Total bonded debt	2,483,231
Deductions allowed by law:	
Self-supporting General Obligation bonds	(2,483,231)
Total net debt applicable to limit	-
Legal debt margin	$ 72,496

2004	2005	2006	2007	2008
$ 59,129	$ 59,120	$ 62,759	$ 62,838	$ 72,496
-	-	-	-	-
$ 59,129	$ 59,120	$ 62,759	$ 62,838	$ 72,496
0.00%	0.00%	0.00%	0.00%	0.00%

CITY OF BOULDER, COLORADO

Statistical Data

Pledged Revenue Coverage

Last Ten Years

(Amounts in 000's)

Cross - Pledged Water and Sewer Bonds

Fiscal year	Gross revenue(1)	Direct operating expense(2)	Net revenue available for debt service	Maximum annual debt service requirement	Coverage (3)
1999	26,965	15,315	11,650	2,361	4.93
2000	29,733	16,128	13,605	4,640	2.93
2001	33,244	16,241	17,003	6,856	2.48
2002	29,763	16,639	13,124	6,856	1.91
2003	33,672	17,669	16,003	6,856	2.33
2004	31,978	18,830	13,148	6,856	1.92
2005	37,657	19,633	18,024	10,325	1.75
2006	43,761	20,657	23,104	10,325	2.24
2007	42,081	21,205	20,876	10,037	2.08
2008	43,394	23,340	20,054	10,029	2.00

(1) 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.

(2) Direct operating expense equals Total Operating Expenses less Depreciation and Amortization Expense. In 2004, all prior year direct operating expense totals were restated to include the portion of the annual payment to the Municipal Subdistrict, Northern Colorado Water Conservancy District, that reduces the deferred credit for future water rights in the Water Utility Fund.

(3) 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. (Per Section 7.03(b) of the 1999 Water and Sewer Revenue Bond Ordinance #6068, Section 7.03(b) of the 2000 Water and Sewer Revenue Bond Ordinance #7058, Section 7.03(b) of the 2001 Water and Sewer Revenue Bond Ordinance #7170, and Section 7.03(b) of the 2005 Water and Sewer Revenue Bond Ordinance # 7421, and Section 7.03(b) of the 2005 Water and Sewer Revenue Bond Ordinance #7440.)

CITY OF BOULDER, COLORADO

Statistical Data

Pledged Revenue Coverage

Last Ten Years

(Amounts in 000's)

Stormwater and Flood Management Bonds

Fiscal year	Gross income(4)	Operating and Maintenance expense(5)	Net revenue available for debt service	Average annual debt service requirement total	Coverage (6)
1999	3,859	1,935	1,924	694	2.77
2000	4,486	3,016	1,470	687	2.14
2001	4,298	1,591	2,707	679	3.99
2002	4,050	1,421	2,629	671	3.92
2003	4,315	2,365	1,950	662	2.95
2004	4,693	2,854	1,839	651	2.82
2005	4,734	2,586	2,148	639	3.36
2006	5,215	2,751	2,464	625	3.94
2007	5,537	2,969	2,568	625	4.11
2008	5,988	3,237	2,751	608	4.52

(4) 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.

(5) 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.

(6) 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.

(1998 Storm Water and Flood Management Revenue Refunding and Improvement Bond Ordinance #5981.)

CITY OF BOULDER, COLORADO

Statistical Data

Demographic and Economic Statistics

Last Ten Fiscal Years

(Amounts in 000's)
(Unaudited)

Fiscal Year Ended April 30	City of Boulder Population (1)	Boulder, Colorado Metropolitan Statistical Area			Unemployment Rate (5)
		Population (2) (6) (7)	Total Personal Income (3)(6)	Per Capita Income (4) (6)	
1999	95	285,901	10,304,130	36.041	2.9%
2000	99	293,398	11,825,466	40.305	2.6%
2001	99	300,789	12,085,925	40.181	3.0%
2002	100	280,298	11,274,957	40.225	6.1%
2003	102	279,933	11,384,857	40.670	6.1%
2004	102	281,838	12,038,153	42.713	5.7%
2005	102	283,026	13,311,221	47.032	5.1%
2006	102	286,125	14,199,700	49.628	4.3%
2007	103	302,525	14,393,232	47,577	3.9%
2008	104	302,525	15,960,916	52,759	4.6%

(1) Source: The City of Boulder Challenged the 2000 U.S. Census and in 2004, the State Demographer's Office and the Denver Regional Council of Governments (DRCOG) accepted Boulder's Challenge, revising their 2000 population number for Boulder from 94,673 to 99,093. The U.S. Census Bureau will not change its number. The new number will be used for statewide and local planning purposes.

The City Planning Department projects population using certificates of occupancy issued by the Department of Building Services.

(2) Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, Population by Metropolitan Statistical Areas

(3) Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, Personal Income by Metropolitan Statistical Areas

(4) Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, Per Capita Income by Metropolitan Statistical Areas

(5) Source: Colorado Department of Labor and Employment (average annual rate for the City of Boulder).

(6) Source: Amounts for 2008 were based on Boulder Economic Council estimates

(7) Source: Amounts for 2007 were based on Denver Regional Council of Governments (DRCoG) estimates

Note: Personal income information is not available for the City of Boulder. Boulder, Colorado Metropolitan Statistical Area population and personal income information was used.

CITY OF BOULDER, COLORADO

Statistical Data

Principal Employers

Current Year and Nine Years Ago

(Unaudited)

	2008			1999		
Employer	Employees	Rank	**Percentage of Total County Employment	Employees	Rank	**Percentage of Total County Employment
University of Colorado at Boulder	6,902	1	4.26%	4,913	1	3.19%
Boulder Valley School District	4,296	2	2.65%			
IBM Corp	3,400	3	2.10%	4,100	2	2.67%
Sun Microsystems Inc	3,400	4	2.10%	1,600	6	1.04%
St. Vrain Valley School District	3,164	5	1.95%			
Ball Corp	3,100	6	1.91%	2,127	5	1.38%
State of Colorado	2,881	7	1.78%			
Boulder Community Hospital	2,374	8	1.46%			
Level 3 Communications Inc.	2,100	9	1.30%			
Boulder County	1,700	10	1.05%	1,226	7	0.80%
City of Boulder				1,221	8	0.79%
Storage Technology Corp				3,600	3	2.34%
Cencorp				2,700	4	1.76%
Longmont Foods				900	10	0.59%
Exabyte Corp				950	9	0.62%
	33,317		20.55%	23,336		15.17%

Source: The Boulder County Business Report Book of Lists and Colorado Department of Labor and Employment.

The Boulder County Business Report did not include public-sector employers prior to 2004.

Note:
** This list is the 10 largest employers in Boulder and Broomfield counties. Employment information specific to the City of Boulder is not available for the years presented.

CITY OF BOULDER, COLORADO

Statistical Data

Full-Time Equivalent City Employees By Functions/Programs

Last Ten Fiscal Years

(Unaudited)

Functions/Program	Full-Time Equivalent Employees 2008	2007	2006	2005	2004
General Government:					
City Council	1.00	1.00	1.00	1.00	1.00
Municipal Court	18.50	18.50	17.00	17.00	17.00
City Attorney	18.65	19.70	18.75	18.75	20.00
City Manager- Administration	13.50	10.00	10.00	10.00	10.00
City Manager- Environmental Affairs	9.50	5.50	6.00	6.00	4.00
City Manager- Downtown & University Hill Mgt	42.25	42.25	40.50	40.50	40.50
City Manager- Communications	6.00	11.50	11.50	11.50	11.00
City Manager- Urban Renewal Authority	-	-	-	-	-
Administrative Services:					
Human Resources	16.38	14.63	14.25	13.75	15.25
Finance	29.37	28.87	27.25	27.25	30.25
Information Technology	35.25	32.75	32.75	32.75	35.50
Public Safety:					
Police	273.25	269.25	263.25	263.25	256.25
Fire	111.33	111.33	111.33	111.33	108.33
Planning & Development Services:	72.56	69.36	64.74	64.71	65.00
Public Works:					
Administration	-	-	-	-	4.05
Fleet	16.87	16.87	16.90	16.90	17.25
Transportation	68.24	65.99	62.97	62.97	64.08
Utilities	155.18	154.93	150.44	150.44	148.67
Facility / Asset Management	14.58	13.58	13.51	13.51	13.10
Culture and Recreation:					
Parks and Recreation	145.82	144.62	145.25	149.22	144.50
Library	80.20	79.45	78.95	78.35	71.40
Arts	1.50	1.50	1.50	1.50	1.00
Open Space / Mountain Parks:	92.00	83.25	77.58	69.00	70.50
Housing and Human Services:	56.24	56.51	53.42	52.43	54.55
Total	1,278.17	1,251.34	1,218.84	1,212.11	1,203.18

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

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

(Continued)

Full-Time Equivalent Employees				
2003	2002	2001	2000	1999
1.00	1.00	1.00	1.00	1.00
19.90	19.90	19.90	20.90	14.90
20.00	20.00	20.00	20.00	19.00
10.00	13.00	13.00	13.00	5.00
5.00	5.00	4.00	4.00	5.00
38.00	37.50	39.00	39.00	38.05
11.50	11.50	10.50	10.50	11.50
3.00	3.00	3.00	3.00	3.00
18.25	18.25	18.25	18.25	18.27
31.25	30.25	30.25	30.25	37.00
36.50	36.50	36.50	33.50	33.50
276.50	280.50	279.50	252.50	250.00
112.33	113.33	112.33	112.33	100.33
73.58	78.08	73.20	73.20	71.00
13.22	14.22	16.15	16.15	23.15
17.05	17.05	17.00	17.00	17.00
64.33	66.33	67.30	64.80	64.50
142.42	141.42	140.00	138.00	133.00
15.80	15.80	15.75	12.75	12.75
159.25	159.25	169.75	149.75	152.00
88.01	91.39	91.14	90.89	90.39
1.00	1.00	1.00	0.50	0.50
77.00	75.00	66.50	66.50	66.50
55.80	55.42	51.68	51.71	53.17
1,290.69	1,304.69	1,296.70	1,239.48	1,220.51

CITY OF BOULDER, COLORADO

Statistical Data

Operating Indicators By Function/Program

Last Ten Fiscal Years

(Unaudited)

Function/Program	1999	2000	2001	2002
General Government:				
Municipal Court				
Traffic tickets processed	13,076	11,399	11,850	8,489
General summons processed	2,560	2,971	3,069	3,187
Animal summons processed	882	605	452	490
Arraignments	6,046	5,710	5,483	4,432
Court trials	247	226	255	329
Jury trials	7	12	16	10
Public Safety:				
Police				
Number of police officers	169	173	173	176
DUI arrests	847	1,184	1,369	1,028
Traffic summons	20,717	23,875	21,816	14,278
Total traffic accidents	4,233	4,380	4,433	4,298
Total calls for service	55,518	64,289	72,277	66,896
Fire				
Number of firefighters	96	106	104	103
Total annual responses	7,514	7,957	8,370	8,283
Percentage of responses within 6 minutes	72%	75%	71%	73%
Planning & Development Services:				
Number of applications received	**	5,451	5,891	5,727
Number of zoning and environmental code enforcement cases	**	3,872	1,853	1,958
Public Works				
Transportation				
Daily vehicle miles of travel in Boulder Valley	**	2.61 million	2.65 million	2.76 million
Culture and Recreation:				
Parks and Recreation				
Recreation center attendance	**	468,395	397,828	298,325
Outdoor pool attendance	**	51,474	49,052	33,402
Adult athletics participation	**	116,624	118,216	212,201
Recreation class enrollment	**	25,226	25,434	23,401
Reservoir attendance	**	199,000	184,000	198,000
Rounds of golf	**	52,238	50,195	51,740
Library				
Circulation of books, videos, tapes	**	1,202,766	1,212,046	1,288,814
Remote use of library resources online	**	141,570	152,854	254,756
Adults participating in cultural and educational programs	**	62,642	80,561	66,560
Attendance at outreach program activities	**	9,733	10,660	7,023
Arts				
Participants in Boulder Arts Resource	**	78	216	250
Housing and Human Services:				
Number of permanently affordable housing units added on an annual basis	**	122	148	152

Source: City of Boulder departmental records.

** Indicator not available

2003	2004	2005	2006	2007	2008
11,738	13,554	11,928	12,554	11,204	13,782
2,917	3,079	3,306	4,249	3,760	4,099
598	752	707	1,459	1,366	986
5,192	4,595	4,986	5,030	3,974	4,716
219	194	185	150	114	93
6	2	6	4	6	9
176	171	171	171	171	171
748	919	1,115	1,163	989	1,089
17,275	19,336	18,226	17,914	19,554	21,205
4,159	4,180	3,644	3,552	3,641	3,242
79,738	77,392	79,354	84,747	87,320	78,204
92	95	95	95	95	95
8,015	7,735	8,327	8,679	8,943	8,943
**	84%	85%	69%	80%	80%
5,911	5,698	5,689	5,642	5,920	5,781
2,594	2,921	3,920	3,260	4,515	3,000
2.63 million	2.63 million	2.62 million	2.61 million	2.57 million	2.49 million
421,713	416,370	412,049	432,901	464,432	453,248
39,570	34,160	41,406	41,558	58,954	58,643
204,335	198,944	198,944	201,040	216,550	234,567
25,757	25,311	24,966	25,818	27,791	26,583
200,000	200,000	117,194	91,207	57,408	48,713
45,445	42,955	48,052	47,966	48,384	49,360
1,138,367	1,058,470	1,088,504	1,109,619	1,183,717	1,274,299
306,965	562,819	737,227	1,630,945	2,028,526	1,792,633
65,760	48,802	54,136	62,211	65,455	66,994
6,054	5,237	5,424	8,647	7,554	14,569
275	310	456	523	555	625
192	202	61	117	147	163

CITY OF BOULDER, COLORADO

Statistical Data

Capital Asset Statistics By Function/Program

Last Ten Fiscal Years

(Unaudited)

Function/Program	1999	2000	2001	2002
Public Safety:				
Police				
Number of stations and annexes	3	4	4	4
Fire				
Number of stations	6	7	7	7
Public Works:				
Fleet Services				
Cars, Pickups and Vans	**	**	**	**
Fire Apparatus	11	11	11	11
Other Heavy Trucks and Equipment	**	**	**	**
Total Equipment in Fleet	801	766	780	787
Transportation				
Miles of streets	275	290	290	290
Number of street lights	4,170	4,258	4,274	4,430
Utilities - Water				
Number of water accounts	27,400	27,890	27,958	28,147
Average daily water production (000's)	20,715	21,844	20,932	18,545
Miles of water mains	415	425	430	439
Utilities - Sewer				
Miles of sanitary sewer mains	338	343	344	346
Miles of storm sewers	113	120	151	124
Culture and Recreation:				
Parks and Recreation				
Acres of urban parks	8,392	1,814 (1)	1,911	1,880
Library				
Number of libraries	4	4	4	4
Number of library items in collection	438,212	444,499	430,764	441,656
Open Space / Mountain Parks:				
Acres of mountain parks and open space	28,907	39,677 (1)	41,158	42,635

Source: City of Boulder departmental records.

(1) 6,578 acres of mountain parks were transferred from Parks to Open Space in 2000
(2) Vehicle records were not available prior to 2003

** Indicator not available

2003	2004	2005	2006	2007	2008
4	3	3	3	3	3
7	7	7	7	7	7
286	280	282	281	297	311
11	11	11	11	11	11
494	503	493	490	477	658
791	794	786	782	785	980
290	294	285	287	288	289
4,517	4,546	4,525	4,562	4,567	4,608
28,273	28,303	28,426	28,555	28,578	28,359
17,529	17,055	17,326	18,187	16,458	16,900
440	440	441	449	451	451
345	346	348	349	349	351
124	121	138	138	138	150
1,880	1,880	1,880	1,880	1,880	1,880
4	4	4	4	4	4
435,090	408,163	418,417	419,339	389,805	389,805
42,766	42,873	43,221	43,497	44,921	45,090

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COMPLIANCE SECTION

CITY OF BOULDER, COLORADO

Schedule of Expenditures of Federal Awards

For the year ended December 31, 2008

(Amounts in 000's)

Agency/Program Grant Title	Federal CFDA Number	2008 Expenditures
Department of Housing and Urban Development:		
Direct Programs:		
Community Development Block Grant	14.218	1,304
HOME Investment Partnerships Program	14.239	1,474
		2,778
Department of Interior:		
Direct Program:		
Historic Preservation Fund Grants-In-Aid:		
Colorado Historical Society 2007 CLG	15.904	4
Colorado Historical Society Architecture Grant	15.904	40
Colorado Historical Society 2007 CLG	15.904	9
		53
Department of Justice:		
Direct Program:		
Bulletproof Vest Partnership Program	16.607	2
Bulletproof Vest Partnership Program - 2006	16.607	7
Bulletproof Vest Partnership Program - 2007	16.607	3
Edward Byrne Memorial Justice Assistance Grant Program - 2005	16.738	10
Edward Byrne Memorial Justice Assistance Grant Program - 2007	16.738	17
Edward Byrne Memorial Justice Assistance Grant Program - 2008	16.738	4
Passed through Colorado Department of Revenue:		
Enforcing Underage Drinking Laws Program - 2007	16.727	15
Enforcing Underage Drinking Laws Program - 2008	16.727	3
		61
Department of Transportation:		
Direct Programs:		
Airport Improvement Program	20.106	421
Airport Improvement Program	20.106	500
Airport Improvement Program	20.106	56
Passed through Colorado Department of Transportation:		
Highway Planning and Construction:		
Transportation Equity Act	20.205	3,570
Safe Routes to School	20.205	116
Congestion Mitigation Air Quality - BikeQuest	20.205	16
Congestion Mitigation Air Quality - BusinessEcoPass Grant	20.205	28
		4,707
Environmental Protection Agency:		
Direct Programs;		
Solid Waste Management Assistance Grant	66.808	106
EPA TMDL Grant	66.436	25
		131
Department of Health and Human Services:		
Passed through Colorado Department of Human Services:		
Temporary Assistance for Needy Families:		
2008 Boulder County FF&N Grant	93.558	163
2008 Boulder County Comp Sys Dev Grant	93.558	94
Boulder County Resource and Referral	93.558	18
Boulder County Recruitment & Training	93.558	3
Boulder County Latina ChildCare Licensing	93.558	15
Boulder County Quality Initiatives	93.558	2
Child Care & Development Block Grant:		
School Readiness Grant - ECEC	93.575	86
Passed through Qualistar Early Learning:		
Child Care Mandatory & Matching Funds of the Child Care & Development Fund	93.596	107
		488
		$ 8,218

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, 2008

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards included the federal grant activity of the City of Boulder, Colorado for year ended December 31, 2008. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other governmental agencies is included in the schedule. The information in this schedule is presented in accordance with requirements of OMB Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations.* Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the basic financial statements.

Note 2. Significant Accounting Policies

Revenue from federal awards is recognized when the City has done everything necessary to establish its right to revenue. For governmental funds, revenue from federal grants is recognized when they become both measurable and available. Expenditures of federal awards are recognized in the accounting period when the liability is incurred.

Note 3. Subrecipients

Of the federal expenditures presented in the schedule, the City provided federal awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided to Subrecipient
Community Development Block Grant	14.218	$1,024,650
HOME Investment Partnerships Program	14.239	$1,334,699

City of Boulder, Colorado

Summary Schedule of Prior Audit Findings
Year Ended December 31, 2008

Number	Comment	Status	Corrective Action or Other Explanation
Findings Related to Federal Awards:			
Instances of noncompliance:			
07-III-A	The City did not maintain a copy of the Federal Cash Transaction Report (SF-272) that are submitted quarterly to the Department of Housing and Urban Development.	Corrected	

McGladrey & Pullen
Certified Public Accountants

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*

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Boulder, Colorado as of and for the year ended December 31, 2008, and have issued our report thereon dated June 2, 2009. 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.

Internal Control Over Financing Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we considered to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs as 08-II-A to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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an affiliation of separate and independent legal entities.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above is not a material weakness.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the City of Boulder, Colorado in a separate letter dated June 2, 2009.

The City of Boulder, Colorado's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City of Boulder, Colorado's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of City Council, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

McGladrey & Pullen, LLP

Denver, Colorado
June 2, 2009

McGladrey & Pullen
Certified Public Accountants

Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

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

Compliance

We have audited the compliance of the City of Boulder, Colorado with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement,* that are applicable to each of its major federal programs for the year ended December 31, 2008. The City of Boulder, Colorado's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of Boulder, Colorado's management. Our responsibility is to express an opinion on the City of Boulder, Colorado's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City 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. Our audit does not provide a legal determination of the City of Boulder, Colorado's compliance with those requirements.

In our opinion, the City of Boulder, Colorado complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 08-III-A.

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Internal Control Over Compliance

The management of the City of Boulder, Colorado is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Boulder, Colorado's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The City's response to the finding identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City's response, and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Mayor and members of the City Council, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

McGladrey & Pullen, LLP

Denver, Colorado
June 2, 2009

City of Boulder, Colorado

Schedule of Findings and Questioned Costs
Year Ended December 31, 2008

I. Summary of the Independent Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☑ No
- Significant deficiencies identified that are not considered to be material weaknesses? ☑ Yes ☐ None Reported
- Noncompliance material to financial statements noted? ☐ Yes ☑ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☑ No
- Significant deficiencies identified that are not considered to be material weaknesses? ☐ Yes ☑ None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

- Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? ☑ Yes ☐ No

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
20.205	Highway Planning and Construction
93.558	Temporary Assistance for Needy Families

Dollar threshold used to distinguish between type A and type B programs: $300,000

Auditee qualified as low-risk auditee? ☑ Yes ☐ No

(Continued)

II. Findings Related to the Financial Statement Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

Significant Deficiencies in Internal Control

08-II-A

Finding: A good system of internal control contemplates an adequate segregation of duties so that no one individual handles a transaction from its inception to its completion. The City's payroll department has improper segregation over their payroll processing.

Condition/Context: One employee has the ability to make changes to the payroll system for employee's hours worked. These changes are not reviewed nor are they tracked by the payroll system. Furthermore, this employee has the ability to submit direct deposit files to the bank, receives payroll checks after they are printed from the system, distributes paychecks to employees, posts the journal entries to the general ledger system and reconciles the payroll module to the general ledger.

Effect: Transaction errors could occur and not be detected in a timely manner.

Cause: Limited segregation of duties over payroll.

Recommendation: We recommend the ability to make changes to employee hours be segregated from the person handling the direct deposits, payroll checks and performing the reconciliation to the general ledger.

Response and corrective action: The City of Boulder recognizes the need and responsibility to maintain a reasonable segregation of duties within accounting functions, including the payroll function, as justified by the level of risk involved. For this reason, the City has segregated the ability to set up new employees, change pay rates and benefits, and other factors critical to employee setup from the actual payroll process. While the City's current payroll system maintains a good audit trail of significant changes to an employee's record, it does not track changes to the employee's hours entered through the time entry process as noted above.

To compensate for this system limitation, manual controls have been developed and implemented which provide reasonable, but not absolute, assurance that the hours entered and paid are accurate and proper. One such control is a periodic review of the time entered and paid to the payroll staff. The payroll supervisor periodically compares the actual hours paid for the payroll staff to the approved time sheets for those periods. The system also creates an Audit Trail/Gross to Net report which shows errors such as "Exceeds Net Pay/Gross Pay" and "Exceeds Available Vacation Hours." There are two additional error reports that note various items such as "Exceeds 80 hours for Exempt" and "Exceeds Normal Hours." These three reports are reviewed by different payroll staff members for control purposes. To further enhance the existing compensating controls, the City will begin to have all checks reviewed and distributed outside of the payroll processing division for the few checks actually printed. The City will evaluate whether further segregation of duties or additional controls are appropriate based upon the risks involved.

Compliance Findings

None

III. Findings and Questioned Costs for Federal Awards

Significant Deficiencies in Internal Control

None

Instance of noncompliance

08-III-A
U.S. Department of Health and Human Services
Passed Through Colorado Department of Human Services
Temporary Assistance for Needy Families (CFDA 93.558)
Federal Award Year: 2008

U.S. Department of Health and Human Services
Passed Through Qualistar Early Learning Child Care Mandatory & Matching Funds of the Child Care & Development Fund (CFDA 93.596)
Federal Award Year: 2008

Finding: The City did not identify federal expenditures under the correct Catalog of Federal Domestic Award (CFDA) number.

Criteria: The OMB Circular A-133 requires the auditee to identify in its accounts all federal awards received and expended, as well as the federal programs under which they were received. Federal programs and award identification includes, as applicable, the CFDA title and number, the award number and year, the name of the federal granting agency and the name of the pass-through entity.

Condition: The City identified expenditures in the amount of $13,000 as Temporary Assistance for Needy Families Grant expenditures. These expenditures were not related to the Temporary Assistance for Needy Families Grant but were instead expenditures under the Child Care Mandatory & Matching Funds of the Child Care Development Fund.

Effect: Incorrect expenditures shown for federal programs.

Questioned Costs: None

Recommendation: We recommend the City review all federal expenditures to ensure they are reported under the correct federal program.

Response: The City of Boulder concurs with the recommendation. A grant program with expenditures totaling $13,000 was miscoded in the accounting system by using the wrong grant number. This was not discovered until the end of the year during the audit. To identify potential miscoding errors in a more timely manner, the City will review and reconcile in detail grant program revenues and expenditures by grant agreement periodically throughout the year in addition to the year-end review and reconciliation. The City is currently planning a training session for grant program managers in other City departments to stress the importance of these types of control procedures and processes.

City of Boulder, Colorado

Corrective Action Plan
Year Ended December 31, 2008

Current Number	Comment	Corrective Action Plan	Anticipated Date of Completion	Contact Person
Significant Deficiencies in Internal Control				
08-II-A	Limited segregation of duties over payroll.	See response and corrective action plan at 08-II-A.	December 31, 2009	Bob Eichem, Finance Director
Significant Deficiencies in Internal Control				
08-III-A	The City did not identify federal expenditures under the correct CFDA number.	See response and corrective action plan at 08-III-A.	December 31, 2009	Bob Eichem, Finance Director

Financial Planning 02/01
Form # 350-050-36

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 2008
This Information From The Records Of (example - City of _ or County of City of Boulder	Prepared By: Ken Baird, Financial Analyst Phone: 303-441-3252

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	3,457,552
3. Other local imposts (from page 2)	8,875,434
4. Miscellaneous local receipts (from page 2)	611,520
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	12,944,506
B. Private Contributions	
C. Receipts from State government (from page 2)	2,252,171
D. Receipts from Federal Government (from page 2)	1,267,478
E. Total receipts (A.7 + B + C + D)	16,464,155

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	4,778,273
2. Maintenance:	1,963,755
3. Road and street services:	
a. Traffic control operations	2,287,184
b. Snow and ice removal	919,868
c. Other	1,720,857
d. Total (a. through c.)	4,927,909
4. General administration & miscellaneous	2,354,971
5. Highway law enforcement and safety	3,275,369
6. Total (1 through 5)	17,300,276
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	17,300,276

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
Transportation Funds	12,938,921	13,006,603	14,024,907	11,920,617	0
General Fund	(7,940)	3,457,552	3,275,369	174,243	0
Total All Funds	**12,930,981**	**16,464,155**	**17,300,276**	**12,094,860**	**0**

FORM FHWA-536 (Rev. 1-05) PREVIOUS EDITIONS OBSOLETE (Next Page)

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2008

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	74,499	a. Interest on investments	446,090
b. Other local imposts:		b. Traffic Fines & Penalities	
1. Sales Taxes	7,863,588	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	714,841	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	222,506	g. Other Misc. Receipts	165,430
6. Total (1. through 5.)	8,800,935	h. Other	
c. Total (a. + b.)	8,875,434	i. Total (a. through h.)	611,520
	(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	2,011,128	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	241,043	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	1,267,478
f. Total (a. through e.)	241,043	g. Total (a. through f.)	1,267,478
4. Total (1. + 2. + 3.f)	2,252,171	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		2,405	2,405
b. Engineering Costs	217,346	1,492,440	1,709,786
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements	0	0	0
(3). System Preservation	589,952	1,627,106	2,217,058
(4). System Enhancement & Operation	592,757	256,268	849,025
(5). Total Construction (1) + (2) + (3) + (4)	1,182,708	1,883,374	3,066,083
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	1,400,054	3,378,219	4,778,273
			(Carry forward to page 1)

Notes and Comments:

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