



City of Lafayette, Colorado

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the year ended  
December 31, 2022



# **City of Lafayette, Colorado**

Annual Comprehensive Financial Report  
For the fiscal year ended  
December 31, 2022

Prepared by the Finance Department:

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**City of Lafayette, Colorado**  
Comprehensive Annual Financial Report  
For the fiscal year ended December 31, 2022

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## Introductory Section

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August 15, 2023

Honorable Mayor,  
Members of the City Council, and  
Residents of Lafayette, Colorado

Councilors and Residents of the City of Lafayette, Colorado:

The Annual Comprehensive Financial Report of the City of Lafayette, Colorado for the year ended December 31, 2022, is hereby submitted. This report provides information about the City to its residents, investors, general public, and others who may have an interest in the financial well-being of the City. This transmittal letter is designed to be read with the Management's Discussion and Analysis (MD&A) which can be found immediately following the report of the independent auditor.

Management assumes full responsibility for the completeness, fairness, and reliability of the information, including all disclosures, contained in the report. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and fairly represents the financial position and changes in the financial position of the City. Disclosures necessary for the reader to gain an understanding of the City's financial affairs have been included.

The City has a comprehensive internal control framework that is designed to protect the City's assets from loss, theft, or misuse as well as provide for compilation of sufficient reliable information for the preparation of the City's financial statements in compliance with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements.

This Annual Comprehensive Financial Report includes four sections: introductory, financial, statistical, and compliance. The introductory section includes this transmittal letter, the City's organizational chart and a list of principal officials. The financial section includes Management's Discussion and Analysis, the government-wide and fund financial statements, notes to the financial statements, and the combining and individual fund financial statements and schedules, as well as the independent auditor's report on the financial statements and schedules. The statistical section includes

selected financial and demographic information, generally presented on a multi-year basis. The compliance section includes continuing disclosures on the City's debt as well as the State required Local Highway Finance Report.

This report includes all funds of the primary government – General Fund, Debt Service Fund, Capital Projects Funds, Permanent Fund, and Proprietary Funds. Seven Special Revenue Funds are also included in this report. Four of the funds are reported as blended component units. These component units are legally separate organizations for which the City of Lafayette is financially accountable. City Council acts as the governing board for each of them. The Lafayette Urban Renewal Authority and the Base Line Land and Reservoir Company are reported as discretely presented component units since both have a separate governing board.

The Lafayette City Charter and state law require that an annual audit be conducted by an independent certified public accountant. The accounting firm of Eide Bailly, LLP was selected to perform the audit. The auditor's report on the City's financial statements and schedules is included in the financial section of this report. Based on the results of the audit, the City of Lafayette's financial statements for the fiscal year ended December 31, 2022, received an unmodified ("clean") opinion in the independent auditor's report.

## **Profile of the Government**

According to the Census Bureau, Lafayette currently has a population of 29,719 living in its 9.5 square mile area, up from 24,453 people according to the 2010 Census, representing a 24% increase over the thirteen years and ranking Lafayette as the 31st most populated community in Colorado.

Lafayette is a home-rule City, meaning that the organization and operation of the municipal government is conducted according to the Charter of the City of Lafayette. This Charter, adopted by the electorate in 1958, provides for a strong Council-Administrator form of government. It is designed to promote effective teamwork among the members of the Council.

The Council is composed of seven members who are elected on a non-partisan basis from the City at large. Provision is made for the overlapping of terms with most of the Council elected every two years. Councilors select the Mayor, who presides at public meetings and represents the City in interactions with other governmental entities.

The Council is the policy-making or overall governing agent of the City, having power to pass ordinances, determine policy, and appoint the City Administrator. The City Administrator is hired by the Council to implement their policies and directives, and to oversee the daily administration and management of all City departments. The Municipal Judge and City Attorney are appointed by, and report to, City Council.

The organization of the City government was created to assure maximum flexibility in organizational structure to allow for adjustment to new demands and changing circumstances as Lafayette grows and prospers. The City provides a full range of services including: police and fire protection, ambulance/transport, water and sanitary sewer services, the construction and maintenance of streets and infrastructure, planning and building, recreational activities, library services, and cultural events. The Charter includes provisions for proper budgeting, fiscal control, auditing, and economical fiscal procedures supporting the provision of these services.

The annual budget serves as the foundation of the City's financial planning and control. The objective of the budget and budgetary controls is to ensure compliance with legal provisions. Compliance is embodied in the annual appropriated budget approved by the City Council. The City Administrator is required to present City Council with a proposed budget by September 20 of each year. Budgetary control is set at the fund level – this is the level at which expenditures cannot legally exceed appropriations. City Council may make additional appropriations or budgetary transfers during the fiscal year to accommodate changing circumstances.

## **Factors Affecting Financial Condition**

The information presented in the financial statements is best understood when considered from the broader perspective of the environment in which the City operates.

### Local Economy

The City of Lafayette is situated in eastern Boulder County between the City of Boulder to the west, Longmont to the north, and the greater Denver metro area to the south and east. This central location allows Lafayette to contribute to, and benefit from, regional economic activity and labor market dynamics. The City has an engaged and educated workforce boasting a 68% labor force participation rate with 43% of its residents holding a bachelor's degree or higher according to the U.S. Census. The employment profile for Lafayette residents reflects outsize representation in high-paying occupations such as Computer & Mathematical; Life, Physical and Social Sciences; and Architectural & Engineering occupations, all of which have average wages above \$100,000 per year. All totaled, these factors drive median household income in Lafayette of \$95,033, exceeding the state and national median incomes of \$80,184 and \$70,784 respectively.

This favorable employment and household income environment coupled with a good location along regional transportation corridors of US Highway 287 running north/south and State Highway 7 running east/west helps drive Lafayette's broad and stable revenue base especially relative to its size. This is evidenced in Lafayette's revenue performance during the height of the COVID-19 pandemic in 2020 and the City's capture of the economic recovery that followed in 2021 and continued into 2022 despite monetary policy headwinds.

Sales and use tax revenue grew overall in 2022 making 3% year-over-year gains. This growth was driven primarily by retail sales tax growth of 14% and continued strength in the restaurants and bars sector which was up 19% year-over-year. Overall sales and use tax growth was tempered, however, by a 27% decrease in construction use tax collections due to slowing development activity. All considered, Lafayette's sales and use tax performance in 2022 reflected its ability benefit from a variety of revenue sources and spending patterns. And these patterns largely mirrored regional and national trends of continued strength in consumer spending that balanced weakness in development and construction activity caused by rapidly rising interest rates.

In addition to sales and use tax, Lafayette's property tax base continued to provide a stabilizing force. The total assessed value of real property in Lafayette, net of tax increment valuation, for 2022 tax collection totaled \$654.8 million. This was an 8% increase over 2021. Assessment for upcoming tax collection years is expected to be robust given recent double digit percentage increases in real estate prices, barring state legislation that may temper the growth.

Overall, 2022 was financially positive for the City as revenue performance was strong across the most impactful categories, and spending patterns fell at or below budget which resulted in positive contributions to the City's major funds' net position. This revenue performance underscores how Lafayette's local economy supports a balanced and resilient revenue mix that the City has intentionally developed over the years.

### Long Term Financial Planning

The economic uncertainty of the last few years has made a systematic and disciplined approach to planning City projects and activities more important than ever. The City relies on established long-term planning processes to quickly address the impacts of unforeseen events, like the COVID-19 pandemic in 2020, while also recognizing and planning for funding challenges that are on the horizon. In 2021 and 2022, the City began to methodically deploy budget to a series of initiatives and projects that had been delayed during the pandemic but were critical to the continued provision of quality public services. In general, revenues performed above budgeted expectations, and expenditures across the City and funds in 2022 exhibited a continued pattern of underspending relative to the budget. All spending plans align with 5 to 10-year revenue forecasts to ensure balanced budgets across funds.

One recent result from this long-term approach was the City's proactive efforts to address unfunded needs in public safety and mental health and human services. The City Council successfully put forth two ballot measures to voters in November 2021. These tax initiatives collectively added 0.37% to the City's sales and use tax rate with revenue collections dedicated to those two service areas beginning in 2022.

Within the City's utility portfolio, the Water Utility has unfunded mandates that will affect future budgets. The City is undertaking a detailed comprehensive rate study in the Water Utility, along with the Water Reclamation and Storm Water Utilities, to ensure long-term sustainability, especially in the areas of water sourcing and storage. The City is currently participating in two major regional water storage projects – Windy Gap and the Northern Integrated Supply Project. Both projects are being managed by the Northern Colorado Water Conservancy District and will require substantial investments over a ten-year period. In 2021, the City conducted a preliminary water rate study that led to adoption of updated water rates and usage tiers that bolstered revenues in 2022 while also making water usage and cost more equitably distributed. A more comprehensive study of the City's Water, Water Reclamation, and Storm Water Utility enterprises began in 2022 and initial findings are consistent with the 2021 findings indicating significant revenue increases in the Water Utility Fund are needed to maintain operational resiliency and fund major capital projects that are set to begin over the next several years. Council approved an additional mid-year increase in 2023 to help reduce the magnitude of increases needed in subsequent years. The City is continuing to further refine projections and explore financing options to spread costs over a larger number of years.

The City is also continuing to assess the state of its citywide capital infrastructure and community development profile with particular attention paid to the City's transportation network, asset management program, and its approach to housing affordability and economic development. To this end, multiple studies and strategic plans are expected to coalesce in the coming years and inform future spending priorities as well as funding mechanisms to support them including, but not limited to, impact fees, development exactions, support for regional taxing capacity, grant pursuits, economic incentives and more.

Based on current information and trends, the City believes its diverse revenue base, flexible operations, and proactive planning will allow it to continue to provide quality public services to the residents of Lafayette while maintaining a strong financial condition.

## **Awards**

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 Annual Comprehensive Financial Report for the fiscal year ended December 31, 2021. This was the 35th consecutive year the City has received this prestigious award. To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

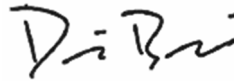
A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **Acknowledgments**

The Annual Comprehensive Financial Report is the result of cooperative efforts of many people. We wish to convey our appreciation to the dedicated members of the Finance team who contributed to and assisted with the successful completion of the audit. We would also like to thank all the City departments who provided assistance and support, and to the City Council for their leadership and support in conducting the financial operations of the City in a responsible and progressive manner.



Kady Doelling  
Interim City Administrator



Devin Billingsley  
Chief Financial Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Lafayette  
Colorado**

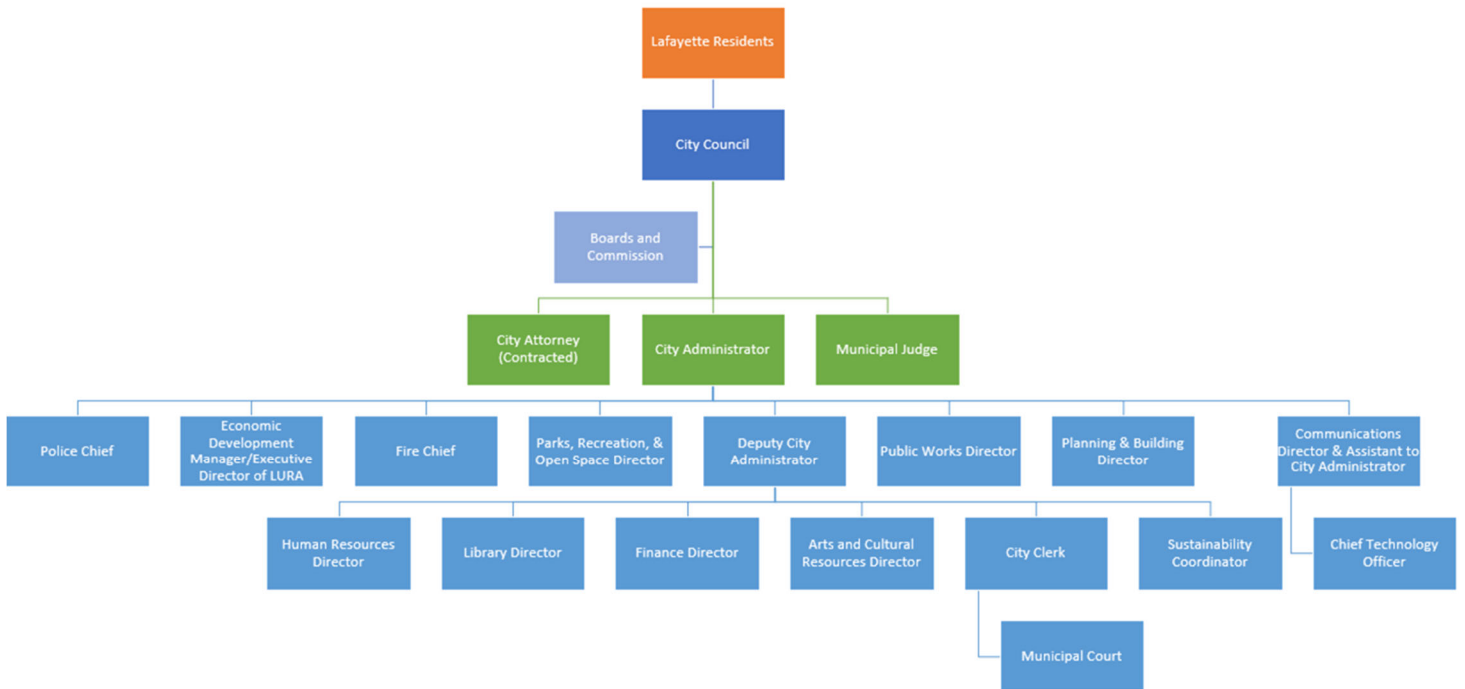
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2021

*Christopher P. Morill*

Executive Director/CEO

# City Organizational Chart



In office or position at the time of issuance of this report

## **CITY LEADERSHIP**

### **CITY COUNCIL**



(front row: left to right): Stephanie Walton, Mayor JD Mangat, Mayor Pro Tem Brian Wong

(back row): Tim Barnes, Nicole Samson, Enihs Medrano, Tonya Briggs

### **ADMINISTRATION**

Kady Doelling

Interim City Administrator

#### **Department Directors**

|                         |                                               |
|-------------------------|-----------------------------------------------|
| Lynnette Beck.....      | City Clerk                                    |
| Devin Billingsley.....  | Chief Financial Officer                       |
| Sarab Khalsa.....       | Human Resources Director                      |
| Melissa Hisel .....     | Library Director                              |
| Monte Stevenson .....   | Parks, Recreation, Open Space & Golf Director |
| Jeff Brasel.....        | Planning & Building Director                  |
| Jeff Arthur .....       | Public Works Director                         |
| Pete Bradshaw .....     | Fire Chief                                    |
| Rick Bashor .....       | Police Chief                                  |
| Mary Lynn Macsalka..... | City Attorney                                 |
| Amanda Bailhache .....  | Municipal Court Judge                         |

## Financial Section

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## Independent Auditor's Report

To the Honorable Mayor and City Council  
City of Lafayette

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Lafayette, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Lafayette as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Lafayette and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Correction of Errors*

As discussed in Note 1T to the financial statements, certain errors resulting in an overstatement of amounts previously reported as grant revenues and understatement of deferred inflows of resources as of December 31, 2021, for the Grant Fund and Governmental Activities, were discovered by management of the City during the current year. Accordingly, a restatement has been made to the fund balance of the Grant Fund and the net position of Governmental Activities. In addition, the City determined there were errors in amounts previously reported on the Statement of Cash Flows of the proprietary funds. The beginning balance of cash and cash equivalents as of January 1, 2022 was restated to correct the errors. Our opinions are not modified with respect to these matters.

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7001 E. Belleview Ave., Ste. 700 | Denver, CO 80237-2733 | TF 866.740.4100 | T 303.770.5700 | F 303.770.7581 | EOE

### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Lafayette's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Lafayette's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Lafayette's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedule – General Fund, Schedule of the Proportionate Share of the Net Pension Asset (Liability) and Contributions – FPPA Statewide Defined Benefit Plan, Schedule of the Proportionate Share of the Net Pension Asset (Liability) and Contributions – FPPA Statewide Hybrid Plan, and Schedule of the Proportionate Share of the Net Pension Asset (Liability) and Contributions – Volunteer Fire Department Pension Plan, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Lafayette's basic financial statements. The combining fund financial statements and the individual budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining fund financial statements and the individual budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical section, continuing disclosures and Local Highway Finance Report but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Eide Bailly LLP*

Denver, Colorado  
August 15, 2023

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## **Management's Discussion and Analysis**

The City of Lafayette's ("the City") management offers readers this narrative overview and analysis of the City's financial activities for the fiscal year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, found earlier in this report, in addition to the financial statements and footnotes which follow this section. Amounts in this section are rounded for purposes of easier understanding.

### **Financial Highlights:**

- The City's total net position at the end of 2022 was \$432.1 million, an increase of \$21.7 million, or 5%, over the prior year. Of this amount, \$293.9 million is related to capital assets and another \$9.0 million is restricted in how it can be spent. The remaining \$129.3 million is unrestricted and may be used to meet the City's ongoing obligations in accordance with financial policies. Governmental net position increased by \$10.4 million, or 5%, and business-type net position increased by \$11.3 million, or 5%.
- At December 31, 2022, the City's governmental funds reported combined ending fund balances of \$68.3 million, an increase of \$4.3 million, or 7%, from 2021. This increase reflects, in part, higher levels of sales and use tax revenues and steady and/or reduced levels of expenditures.
- The General Fund, the City's primary operating fund, reported unassigned fund balance of \$31.8 million.
- The City's outstanding debt, including premiums, totaled \$58.8 million, a decrease of \$3.3 million compared to the prior year.

### **Overview of the Financial Statements:**

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

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

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

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). One purpose of the design of the statement of activities is to show the financial reliance of the City's distinct functions on revenues provided by the City's taxpayers.

Both of the government-wide financial statements distinguish City functions 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 City's governmental activities include general government (including the City's urban renewal authority activities), public safety, public works, and parks and recreation. Business-type activities include the water fund, water reclamation fund, storm water fund, waste management fund, and a golf course fund.

The government-wide financial statements can be found on pages 39-40 of this report.

**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 City's funds can be divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for essentially the same functions 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. This information may be useful in evaluating the City's near-term financing requirements.

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

During 2022 the City had fourteen individual governmental funds. The General Fund is considered a major fund, as is the Capital Projects Fund. Their fund information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances. The remaining individual governmental fund statements are provided in the form of combining statements in a later section of this report.

The City adopts an annual appropriated budget for each of its governmental funds. Budgetary comparison statements for the General Fund and the Capital Project Fund are included in the basic financial statements to demonstrate compliance with the adopted budget.

The basic governmental fund financial statements can be found on pages 42-45 of this report.

The City maintains two types of proprietary funds - enterprise and internal service funds. The proprietary fund financial statements are prepared on the accrual basis of accounting. 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 its water, water reclamation, golf course, storm water, and waste management operations.

The second type of proprietary fund includes the *Internal Service funds*. *Internal Service funds* are an accounting device used to accumulate and allocate costs internally among the City of Lafayette's various functions. The City uses internal service funds to account for its insurance, fleet maintenance, and employee benefit costs. Because these services predominantly benefit governmental rather than business-type functions, the internal service funds have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Utility Fund, Water Reclamation Utility Fund, Golf Course Fund, Storm Water Fund, and Waste Management Fund. Since they are defined as proprietary funds, the 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.

The City adopts an annual appropriated budget for its proprietary funds. Budgetary comparisons for the proprietary funds are included in a later section of this report.

The basic proprietary fund financial statements can be found on pages 46-49 of this report.

**Notes to the financial statements.** The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements can be found on pages 53-96 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its active commissioned police and firefighters, as well as its former volunteer firefighters, and a budgetary comparison schedule

for the General Fund and Capital Projects Fund. These schedules can be found on pages 102 - 139 of this report.

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 pages 107-139.

## **Government-wide Financial Analysis**

The Statement of Net Position and Statement of Activities for 2022 are compared with the results of the prior year in order to review the City's progress towards maintaining financial stability.

### **Analysis of Net Position**

As noted above, over time net position may serve as a useful indicator of a government's financial position. As of December 31, 2022, the City's net position (assets and deferred outflows of resources less liabilities and deferred inflows of resources) was \$432.1 million, an increase of \$21.7 million, or 5%, over the total at December 31, 2021. The City reported positive balances in net position for both governmental and business-type activities. Net position increased by \$10.4 million in its governmental activities and \$11.3 million in its business-type activities.

The following table reflects the City's condensed statement of net position.

**Statement of Net Position as of December 31 (in thousands)**

|                                | Governmental Activities |            | Business-type Activities |            | Total         |            |
|--------------------------------|-------------------------|------------|--------------------------|------------|---------------|------------|
|                                | 2022                    | 2021       | 2022                     | 2021       | 2022          | 2021       |
|                                | (as restated)           |            |                          |            | (as restated) |            |
| <b>Assets</b>                  |                         |            |                          |            |               |            |
| Current and other assets       | \$ 105,832              | \$ 90,556  | \$ 120,843               | \$ 119,264 | \$ 226,675    | \$ 209,820 |
| Capital assets                 | 153,992                 | 148,644    | 166,960                  | 140,786    | 320,952       | 289,430    |
| Total assets                   | 259,824                 | 239,200    | 287,803                  | 260,050    | 547,627       | 499,250    |
| Deferred Outflows of Resources | 2,748                   | 2,879      | 373                      | 449        | 3,121         | 3,328      |
| <b>Liabilities</b>             |                         |            |                          |            |               |            |
| Long-term liabilities          | 9,692                   | 9,976      | 52,897                   | 55,045     | 62,589        | 65,021     |
| Other liabilities              | 17,196                  | 10,223     | 21,959                   | 4,055      | 39,155        | 14,278     |
| Total liabilities              | 26,888                  | 20,199     | 74,856                   | 59,100     | 101,744       | 79,299     |
| Deferred Inflows of Resources  | 16,264                  | 12,892     | 623                      | -          | 16,887        | 12,892     |
| <b>Net Position</b>            |                         |            |                          |            |               |            |
| Net investment                 |                         |            |                          |            |               |            |
| in capital assets              | 146,730                 | 140,364    | 147,145                  | 130,852    | 293,875       | 271,216    |
| Restricted                     | 8,970                   | 7,796      | -                        | -          | 8,970         | 7,796      |
| Unrestricted                   | 63,719                  | 60,828     | 65,552                   | 70,547     | 129,271       | 131,375    |
| Total net position             | \$ 219,419              | \$ 208,988 | \$ 212,697               | \$ 201,399 | \$ 432,116    | \$ 410,387 |

Note: 2021 amounts have been restated to reflect various corrections. See Note 1.T. for more information.

Total assets increased by \$48.4 million, or 10%, compared to the prior year's balance. This increase is due to continued capital construction for projects in the Water Utility Fund and Water Reclamation Fund, including activity related to the Goose Haven Reservoir expansion, Gross Reservoir expansion, Windy Gap, Northern Integrated Supply Project, and Water Reclamation Treatment Facility project. Additional information on these projects can be found in Note 11.

Other liabilities increased by \$24.9 million, or 174%. This increase is mainly due to an increase in accounts payable related to the Water Reclamation Fund wastewater treatment plant project, see Note 11 for more details on this project.

The largest portion of the City's net position (\$293.9 million, or 68%) reflects its investment in capital assets (e.g., land, buildings, equipment, and infrastructure) less any related debt used to acquire those assets that remains outstanding. The City uses these capital assets to provide services to citizens; 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.

Restricted net position accounts for \$9.0 million, or 2%, of total net position, representing resources that are subject to external restrictions on how they may be used. The remaining component of net position is unrestricted, representing \$129.3 million, or 30%, of the City's

total net position and may be used to meet ongoing obligations to the City's residents and creditors.

## Changes in Net Position

The following table reflects the City's condensed statement of activities.

| Statement of Activities for the year ending December 31 (in thousands) |                         |            |                          |            |               |            |  |
|------------------------------------------------------------------------|-------------------------|------------|--------------------------|------------|---------------|------------|--|
|                                                                        | Governmental Activities |            | Business-type Activities |            | Total         |            |  |
|                                                                        | 2022                    | 2021       | 2022                     | 2021       | 2022          | 2021       |  |
|                                                                        | (as restated)           |            |                          |            | (as restated) |            |  |
| Revenues                                                               |                         |            |                          |            |               |            |  |
| Program revenues                                                       |                         |            |                          |            |               |            |  |
| Charges for services                                                   | \$ 6,660                | \$ 9,872   | \$ 26,157                | \$ 21,440  | \$ 32,817     | \$ 31,312  |  |
| Operating grants and contributions                                     | 2,015                   | 2,390      | -                        | -          | 2,015         | 2,390      |  |
| Capital grants and contributions                                       | 1,280                   | 3,125      | 3,555                    | 4,711      | 4,835         | 7,836      |  |
| General revenues                                                       |                         |            |                          |            |               |            |  |
| Property taxes                                                         | 11,660                  | 10,866     | -                        | -          | 11,660        | 10,866     |  |
| Sales and use tax                                                      | 27,164                  | 23,888     | -                        | -          | 27,164        | 23,888     |  |
| Franchise taxes                                                        | 1,339                   | 1,242      | -                        | -          | 1,339         | 1,242      |  |
| Excise taxes                                                           | 658                     | 776        | -                        | -          | 658           | 776        |  |
| Grants                                                                 | 202                     | 206        | -                        | -          | 202           | 206        |  |
| Investment earnings                                                    | (673)                   | (143)      | 255                      | (190)      | (418)         | (333)      |  |
| Leases                                                                 | 389                     | -          | 35                       | -          | 424           | -          |  |
| Other                                                                  | 918                     | 892        | 133                      | 161        | 1,051         | 1,053      |  |
| Total revenues                                                         | 51,612                  | 53,114     | 30,135                   | 26,122     | 81,747        | 79,236     |  |
| Expenses                                                               |                         |            |                          |            |               |            |  |
| General government                                                     | 10,712                  | 13,032     | -                        | -          | 10,712        | 13,032     |  |
| Judicial                                                               | 594                     | 647        | -                        | -          | 594           | 647        |  |
| Public safety                                                          | 14,996                  | 13,755     | -                        | -          | 14,996        | 13,755     |  |
| Public works                                                           | 4,499                   | 6,161      | -                        | -          | 4,499         | 6,161      |  |
| Culture and recreation                                                 | 9,968                   | 8,311      | -                        | -          | 9,968         | 8,311      |  |
| Interest on long-term debt                                             | 412                     | 406        | -                        | -          | 412           | 406        |  |
| Water                                                                  | -                       | -          | 7,673                    | 8,086      | 7,673         | 8,086      |  |
| Water reclamation                                                      | -                       | -          | 4,672                    | 4,403      | 4,672         | 4,403      |  |
| Golf course                                                            | -                       | -          | 3,043                    | 3,116      | 3,043         | 3,116      |  |
| Storm water                                                            | -                       | -          | 1,026                    | 1,525      | 1,026         | 1,525      |  |
| Waste management                                                       | -                       | -          | 2,423                    | -          | 2,423         | -          |  |
| Total expenses                                                         | 41,181                  | 42,312     | 18,837                   | 17,130     | 60,018        | 59,442     |  |
| Increase in net position                                               | 10,431                  | 10,802     | 11,298                   | 8,992      | 21,729        | 19,794     |  |
| Net position - beginning                                               | 208,988                 | 198,186    | 201,399                  | 192,407    | 410,387       | 390,593    |  |
| Net position - ending                                                  | \$ 219,419              | \$ 208,988 | \$ 212,697               | \$ 201,399 | \$ 432,116    | \$ 410,387 |  |

Note: 2021 amounts have been restated to reflect various corrections. See Note 1.T. for more information.

## Governmental activities

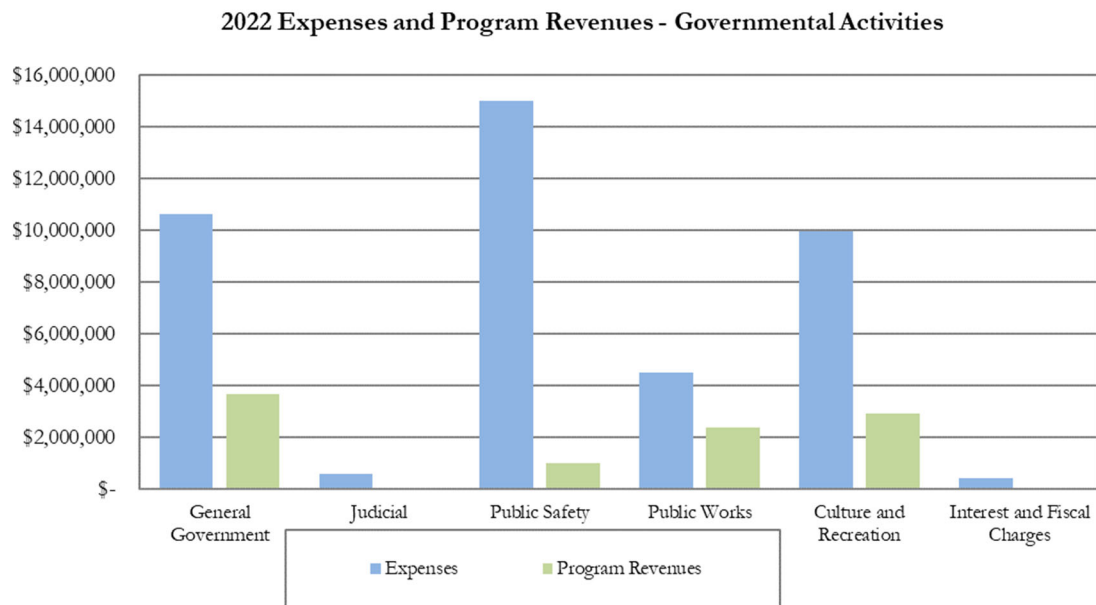
During 2022, the City's primary revenue sources for governmental operations included taxes, accounting for 80% of total governmental revenues. Charges for services represented 13% of revenues, while operating and capital grants and contributions represented 7% of total governmental. Program revenues are directly associated with a specific activity, including charges for services, operating and capital grants, and therefore exclude tax revenues and

certain other revenue sources. Program revenues account for 19% of total revenues related to governmental activities in 2022. Program revenues of \$10.0 million were \$31.1 million less than expenses. This is an ordinary occurrence for governments and indicates that taxes provide a primary source of revenues to support governmental operations.

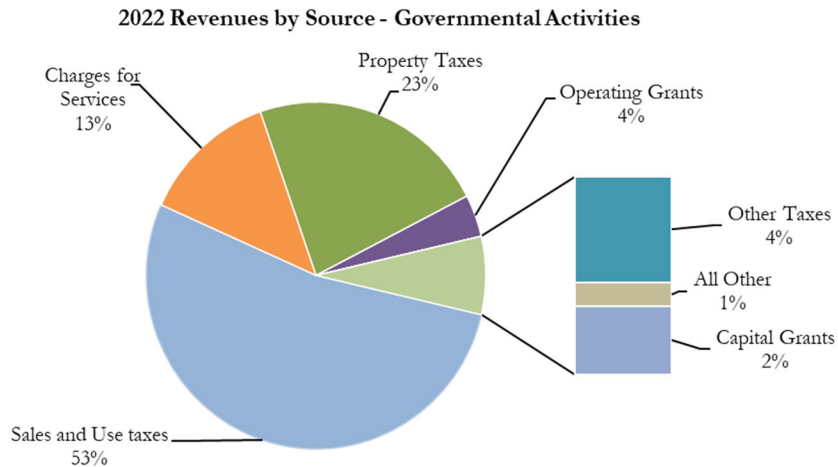
Revenues in total decreased \$1.5 million, or 3%, compared to the prior year. Capital grants and contributions decreased \$1.8 million, or 59%, compared to the previous year. This decrease was due in part to work delays on the South Boulder Road and 120<sup>th</sup> Avenue road widening project due to a contract dispute that was settled in March 2023, see Note 13 for additional details. Due to work delays, the capital grant funding associated with this project was not received or recognized as revenue as little work was being completed at this project site until the dispute was settled in 2023.

Expenses of governmental activities decreased \$1.1 million, or 3%, compared to the prior year. The majority of this decrease was due to the change in allocation method in 2022 of contributions to the internal service funds resulting in an increase of contributions from the enterprise funds compared to 2021.

The following chart provides a comparison of expenses to the related program revenues:



The following chart presents a breakdown of total revenues of governmental activities by source:



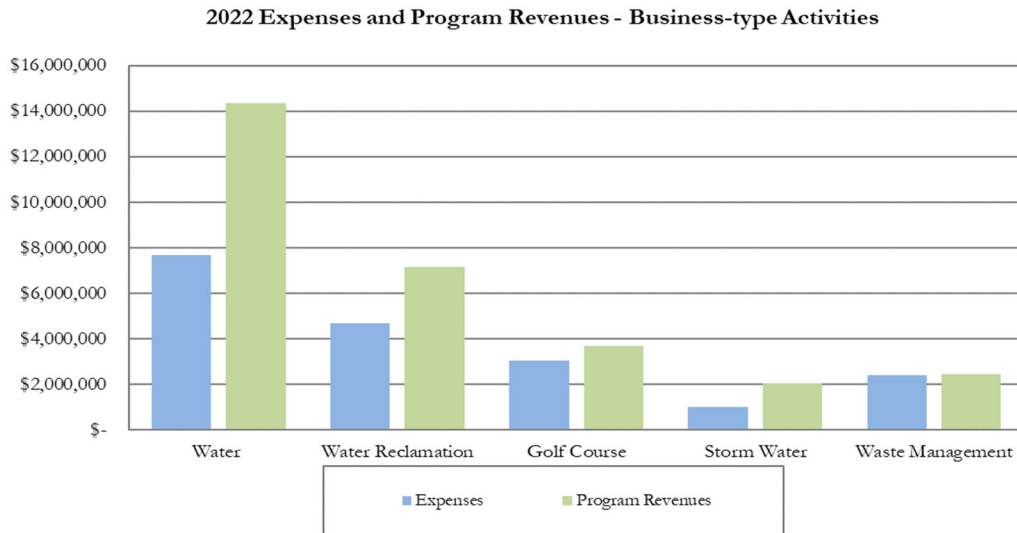
### Business-type activities

Business-type activities primarily rely on charges for services to support related expenses. Charges for services of \$26.2 million for business-type activities represented 87% of 2022 revenues, and increased \$4.7 million, or 22%, compared to the prior year. This increase was primarily due to changes made in the Water Utility Fund tier structures in 2022 as well as the creation of a Waste Management Fund in 2022. Previously, activity related to waste management was accounted for as a governmental activity prior to the creation of this fund.

The other primary source of revenue, representing 12% of revenues, comes primarily from capital contributions in the form of tap fees, developer-constructed donated capital and reimbursements, and grants. This source of revenue was \$3.6 million in the current year, a decrease of \$1.2 million, or 25%, compared to 2021, due primarily to a decrease in construction activity from the prior year.

Expenses increased by \$1.7 million, or 10%. This increase is mainly due to the creation of the Waste Management Fund in 2022, where activity was previously accounted for in governmental activities prior to the creation of this fund.

The following chart demonstrates the comparison of expenses and program revenues for business-type activities.



## Financial Analysis of the City's Funds

*Governmental Funds* – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Unassigned fund balance is one of five fund balance classifications, as follows: non-spendable, restricted, committed, assigned, and unassigned fund balance.

Fund balances are the differences between assets and deferred outflows of resources, and liabilities and deferred inflows of resources in a governmental fund. The non-spendable fund balance includes amounts that are not in spendable form, or amounts that are required to be maintained intact. Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external providers, such as grant providers or bondholders, as well as amounts that are restricted constitutionally or through legislation. Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the government's highest level of decision-making authority. Assigned fund balance applies to amounts that are intended for specific purposes as expressed by the governing body and applies to remaining resources in any governmental fund other than the general fund. Unassigned fund balances include all amounts not contained in other classifications for the general fund, and deficit fund balances in any other governmental fund.

These funds are accounted for using the modified accrual basis of accounting. At the end of 2022, the City reported a combined fund balance of \$68.3 million, an increase of \$4.3 million, or 7%, compared to the prior year's fund balance. The fund balance of the General Fund, the

primary operating fund of the City, increased \$1.4 million, or 3%. At the end of 2022, the unassigned fund balance of the General Fund was \$31.8 million, an increase of \$1.3 million, or 4%. Operating results for 2022 reflect \$5.6 million transfers out of the General Fund, \$4.7 million was to the Capital Projects Fund to be used for a variety of transportation and road maintenance projects. The remaining transfers were made up of \$687 thousand transferred into the Fleet Management Fund and \$180 thousand to the Waste Management Fund to assist in establishing the new fund created in 2022.

As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total fund expenditures. The unassigned fund balance of \$31.8 million represents 92% of General Fund 2022 actual operating expenditures and 85% of 2022 budgeted operating expenditures. The remainder of the fund balance for the General Fund is either non-spendable (\$2.4 million), restricted (\$983 thousand) or committed (\$8.0 million).

The fund balance of the Capital Projects Fund decreased \$43 thousand. The fund balance in the Other Governmental Funds increased by \$2.9 million, or 45%.

Fund balances for the non-major funds are restricted, committed or assigned to the specific purposes and agreements related to each fund.

*Proprietary Funds* – Information on the proprietary funds provides the same type of information found in the government-wide statements. Factors concerning the finances of these funds have been discussed above in the business-type activities section.

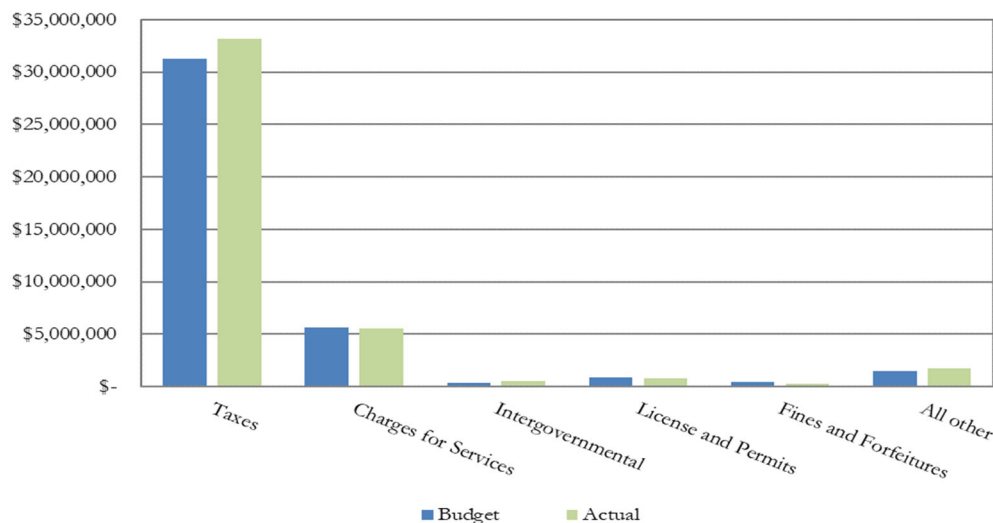
### **General Fund Budgetary Highlights**

The City's final budget differs from the original budget in that it contains supplemental appropriations to carry forward unused prior year budget items for multi-year projects as well as for new or refined estimates of costs that were not anticipated in the originally adopted budget. The 2022 General Fund original budget provided for an excess of \$1.8 million, reflecting revenues of \$40.1 million, expenditures of \$38.4 million and transfers to other funds of \$5.8 million. The final budget provided for a deficit of \$270 thousand, reflecting revenues of \$40.3 million, expenditures of \$40.6 million and net transfers to other funds of \$5.6 million. Revenue sources increased \$142 thousand to \$40.3 million in the final budget, primarily due to increases in intergovernmental revenues. The expenditure and other financing uses budget increased \$2.2 million to \$40.6 million in the final budget. The primary expenditure changes to the original budget were funding for public art, carryovers of capital projects, and the addition of various consulting studies/projects.

Actual results for 2022 in the General Fund was a surplus of \$6.9 million. Revenues exceeded budget in almost all categories, with particular strength in sales and use tax. Expenditures were under budget in almost all divisions and categories of expenditures for various reasons, including open positions and delays in capital projects.

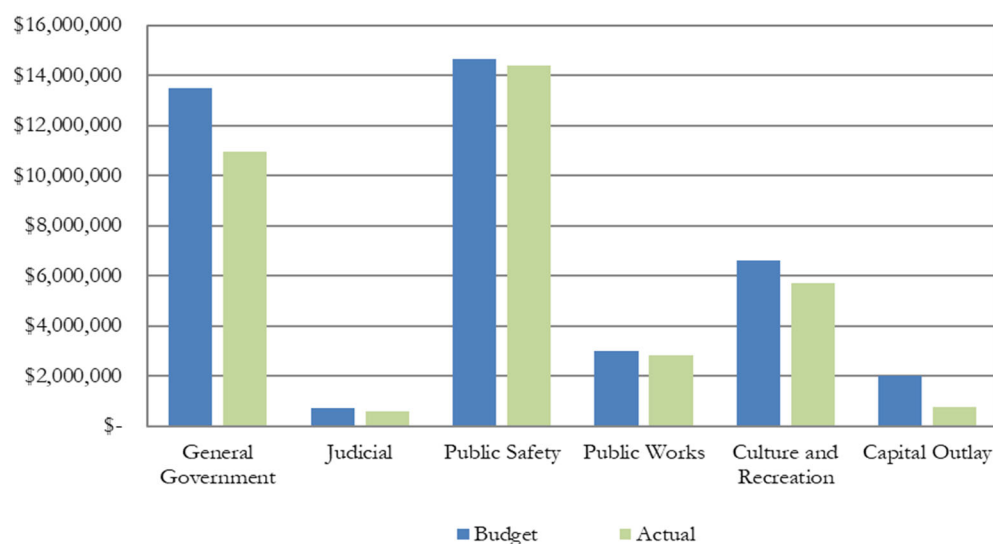
The following chart presents a summary of the major revenue sources of the City's General Fund.

**2022 Budget & Actual Revenue by Source - General Fund**



General government expenditures include all administrative functions of the City (i.e., council, administrator, clerk, judicial, human resources, finance, communication, sustainability, information technology, and planning), as well as public safety, public works, and culture & recreation. The following chart presents a summary of functional categories for expenditures.

**2022 Budget & Actual Expenditures by Source - General Fund**



## Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2022 amounts to \$321.0 million (net of accumulated depreciation), an increase of \$31.5 million, or 11%, compared to the prior year. The investment in capital assets includes land and land rights, water rights, public art, buildings, water and wastewater systems, improvements, machinery and equipment, park facilities, roads, storm drainage, and other infrastructure.

The following table reflects amounts in thousands of dollars:

**Capital Assets as of December 31, 2022 and 2021 (net of accumulated depreciation, in thousands)**

|                                   | Governmental<br>Activities |            | Business-type<br>Activities |            | Total<br>Primary Government |            |
|-----------------------------------|----------------------------|------------|-----------------------------|------------|-----------------------------|------------|
|                                   | 2022                       | 2021       | 2022                        | 2021       | 2022                        | 2021       |
|                                   | (as restated)              |            |                             |            | (as restated)               |            |
| Land and open space               | \$ 83,927                  | \$ 83,878  | \$ 9,912                    | \$ 9,912   | \$ 93,839                   | \$ 93,790  |
| Water rights                      | -                          | -          | 49,571                      | 37,059     | 49,571                      | 37,059     |
| Public art                        | 493                        | 479        | -                           | -          | 493                         | 479        |
| Buildings                         | 20,871                     | 21,814     | 1,767                       | 2,141      | 22,638                      | 23,955     |
| Improvements other than buildings | 2,367                      | 2,039      | 1,266                       | 1,454      | 3,633                       | 3,493      |
| Infrastructure                    | 31,460                     | 31,434     | 67,047                      | 69,644     | 98,507                      | 101,078    |
| Equipment                         | 4,032                      | 3,132      | 1,282                       | 1,497      | 5,314                       | 4,629      |
| Construction in progress          | 9,863                      | 5,867      | 36,112                      | 19,080     | 45,975                      | 24,947     |
| Right to use lease land           | 23                         | 47         | -                           | -          | 23                          | 47         |
| Right to use lease building       | 852                        | 874        | -                           | -          | 852                         | 874        |
| Right to use lease equipment      | 104                        | 118        | 3                           | 6          | 107                         | 124        |
| Total capital assets              | \$ 153,992                 | \$ 149,682 | \$ 166,960                  | \$ 140,793 | \$ 320,952                  | \$ 290,475 |

Major capital improvements during the fiscal year ended December 31, 2022, included the following:

*Governmental Activities (total additions - \$11.8 million)*

- Various street improvements (\$5.2 million)
- Purchase of the vehicles and equipment (\$2.1 million)

*Business-type Activities (total additions - \$30.1 million)*

- Goose Haven reservoir project (\$2.0 million)
- Gross Reservoir expansion project (\$1.1 million)
- Water Reclamation Treatment Facility project (\$12.8 million)
- Northern Integrated Supply Project (\$855 thousand)
- Purchase of water rights (\$12.5 million)

Additional information on the City's capital assets can be found in Note 5 of this report.

## Debt Administration

At December 31, 2022, the City had total debt outstanding of \$53.0 million (excluding \$2.7 million in special assessment debt for which the City has no obligation). Of this amount, \$3.3 million consists of general obligation debt backed by the full faith and credit of the City. The remaining \$49.7 million represents debt issued by the City's water and water reclamation funds, secured by designated revenue sources of the respective funds.

The following table reflects amounts in thousands of dollars:

| <b><u>Outstanding Debt as of December 31, 2022 and 2021 (in thousands)</u></b> |                                |                 |                                 |                  |                  |                  |
|--------------------------------------------------------------------------------|--------------------------------|-----------------|---------------------------------|------------------|------------------|------------------|
|                                                                                | <b>Governmental Activities</b> |                 | <b>Business-Type Activities</b> |                  | <b>Total</b>     |                  |
|                                                                                | <b>2022</b>                    | <b>2021</b>     | <b>2022</b>                     | <b>2021</b>      | <b>2022</b>      | <b>2021</b>      |
| General Obligation Bonds                                                       | \$ 3,315                       | \$ 4,170        | \$ -                            | \$ -             | \$ 3,315         | \$ 4,170         |
| Revenue Bonds                                                                  | -                              | -               | 49,685                          | 51,645           | 49,685           | 51,645           |
| Total                                                                          | <u>\$ 3,315</u>                | <u>\$ 4,170</u> | <u>\$ 49,685</u>                | <u>\$ 51,645</u> | <u>\$ 53,000</u> | <u>\$ 55,815</u> |

Total debt outstanding decreased \$2.8 million compared to the prior year-end. Additional information on the City's debt structure is located in Note 6 to the Financial Statements of this report.

### **Economic Factors and Next Year's Budgets and Rates**

In November 2022, the Lafayette City Council adopted the fiscal year 2023 budget totaling \$100.3 million inclusive of \$84.5 million in operating spending and \$15.7 million in capital outlay. Notably, the 2023 operating budget represents an increase of \$9.0 million when compared to the prior year's budget reflecting select investments in city services while also accounting for the impact of inflation across all spending categories including personnel costs, operating costs, and capital projects. The budgeted capital outlay most notably includes \$1 million for xeriscape conversions on City property to promote water conservation. General Fund revenues in 2023, including transfers, are expected to total \$43.1 million which trail budgeted expenditures and transfers out of \$47.2 million. As a result, the General Fund is projected to draw \$4.3 million from fund balance to fund one-time capital maintenance and replacement projects at multiple city facilities as well as additional seed funding within the Fleet Replacement Fund. Year-end unrestricted General Fund balance is projected to total \$19.3 million, nearly double the emergency reserve balance of 25% of annual General Fund expenditures.

The 2023 budget above reflects the City's continued record of conservative and strong fiscal management that has proven especially important during times of economic uncertainty. The City maintains a well-resourced organization that is prepared to respond to the needs of residents even in the midst of negative economic pressures. The City does not currently anticipate any significant cash flow or liquidity issues that could affect service delivery.

#### **Nine Mile Revenue Sharing Agreement**

In 2019, the City of Lafayette entered into Global Settlement Agreement with the neighboring Town of Erie to settle disputes related to influence areas and growth boundaries, road access, conservation easements, and utility impacts. This agreement also set the stage for future cooperation in economic development. In 2022, the two communities entered into a revenue sharing agreement for the 45-acre mixed-use Nine Mile Corner located in Erie, immediately adjacent to Lafayette. The communities agreed to a 50/50 split of applicable tax revenues. The

substantial completion of the development in 2023 will impact City revenues with both the addition of new major retailers to the site and the relocation of existing major retailers to the site that are currently located in Lafayette.

#### Inflationary Pressure

The City experienced inflationary pressures across all spending categories in 2022 with more impacts expected in 2023. The City is prepared to continue to respond to historically strong labor markets by prioritizing the ability to offer competitive compensation packages to recruit and retain a well-qualified workforce. The City is also pursuing industry best-practice purchasing approaches to mitigate inflation-driven cost increase for services and supplies. As the city looks toward future capital projects, it is monitoring the trajectory and path of construction cost increases and interest rates with a goal of balancing design, construction and financing appropriately.

#### Water Rate Increases

The City Council approved recommended water rate increases and rate structure changes in preparation for planned increases in operating spending and capital investments in water sourcing, storage and treatment in 2023 and beyond. The adopted changes affected water service base charges and user rates as well as water usage rate tiers and delinquent fees structures. The changes increased annual Water Utility user charge revenues by 14% in 2022 and the City is undertaking additional studies to further analyze the Water Utility in addition to the Water Reclamation and Stormwater Utilities to ensure the long-term sustainability of the enterprises. It is likely that the results of these studies will indicate a need for significant rate increases in all three utilities.

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

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the city's accountability for the funds and assets it receives. If you have questions about this report, or need additional financial information, contact the City of Lafayette Finance Department at 1290 South Public Road, Lafayette, CO 80026.

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## **Basic Financial Statements**

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**CITY OF LAFAYETTE, COLORADO**  
**STATEMENT OF NET POSITION**  
**December 31, 2022**

|                                                              | Primary Government        |                             |                       | Component Units                         |                                          |
|--------------------------------------------------------------|---------------------------|-----------------------------|-----------------------|-----------------------------------------|------------------------------------------|
|                                                              | Governmental<br>Activites | Business-type<br>Activities | Total                 | Lafayette Urban<br>Renewal<br>Authority | Base Line Land<br>& Reservoir<br>Company |
| <b>Assets</b>                                                |                           |                             |                       |                                         |                                          |
| Cash and Investments                                         | \$ 65,242,014             | \$ 81,653,708               | \$ 146,895,722        | \$ 4,114,161                            | \$ 317,534                               |
| Receivables                                                  | 20,820,118                | 2,553,465                   | 23,373,583            | 742,634                                 | 118,981                                  |
| Due from Primary Government                                  | -                         | -                           | -                     | 976,555                                 | -                                        |
| Interfund Receivables                                        | 13,720,227                | -                           | 13,720,227            | -                                       | -                                        |
| Prepaid Expenses                                             | 668,638                   | -                           | 668,638               | -                                       | -                                        |
| Inventory                                                    | 34,887                    | 78,804                      | 113,691               | -                                       | -                                        |
| Restricted Cash and Investments                              | 418,054                   | 34,951,616                  | 35,369,670            | -                                       | 90,009                                   |
| Notes Receivable                                             | -                         | -                           | -                     | 657,055                                 | -                                        |
| Equity Interest in Component Unit                            | -                         | 1,605,244                   | 1,605,244             | -                                       | -                                        |
| Capital Assets, Not Being Depreciated                        | 94,282,948                | 95,595,339                  | 189,878,287           | 534,511                                 | 76,000                                   |
| Capital Assets, Net of Accumulated Depreciation/Amortization | 59,709,199                | 71,364,965                  | 131,074,164           | 78,101                                  | 1,679,670                                |
| Net Pension Asset                                            | 4,926,960                 | -                           | 4,926,960             | -                                       | -                                        |
| <b>Total Assets</b>                                          | <b>259,823,045</b>        | <b>287,803,141</b>          | <b>547,626,186</b>    | <b>7,103,017</b>                        | <b>2,282,194</b>                         |
| <b>Deferred Outflows of Resources</b>                        |                           |                             |                       |                                         |                                          |
| Loss on Debt Refunding, Net of Accumulated Amortization      | 70,961                    | 372,962                     | 443,923               | -                                       | -                                        |
| Pensions, Net of Accumulated Amortization                    | 2,677,098                 | -                           | 2,677,098             | -                                       | -                                        |
| <b>Total Deferred Outflows of Resources</b>                  | <b>2,748,059</b>          | <b>372,962</b>              | <b>3,121,021</b>      | <b>-</b>                                | <b>-</b>                                 |
| <b>Liabilities</b>                                           |                           |                             |                       |                                         |                                          |
| Accounts Payable                                             | 3,168,716                 | 7,832,025                   | 11,000,741            | 810,130                                 | -                                        |
| Claims Payable                                               | 45,276                    | -                           | 45,276                | -                                       | -                                        |
| Accrued Liabilities                                          | 452,318                   | 182,147                     | 634,465               | -                                       | 190                                      |
| Deposits Payable                                             | 2,636,814                 | 223,679                     | 2,860,493             | 2,000                                   | -                                        |
| Interfund Payables                                           | -                         | 13,720,227                  | 13,720,227            | -                                       | -                                        |
| Due to Component Unit                                        | 976,555                   | -                           | 976,555               | -                                       | -                                        |
| Unearned Revenues                                            | 9,916,929                 | -                           | 9,916,929             | -                                       | -                                        |
| Noncurrent Liabilities                                       |                           |                             |                       |                                         |                                          |
| Due Within One Year                                          | 2,452,300                 | 2,316,490                   | 4,768,790             | -                                       | -                                        |
| Due in More Than One Year                                    | 6,820,924                 | 50,580,795                  | 57,401,719            | -                                       | -                                        |
| Net Pension Liability                                        | 418,490                   | -                           | 418,490               | -                                       | -                                        |
| <b>Total Liabilities</b>                                     | <b>26,888,322</b>         | <b>74,855,363</b>           | <b>101,743,685</b>    | <b>812,130</b>                          | <b>190</b>                               |
| <b>Deferred Inflows of Resources</b>                         |                           |                             |                       |                                         |                                          |
| Property Taxes                                               | 11,039,446                | -                           | 11,039,446            | 742,634                                 | -                                        |
| Pensions, Net of Accumulated Amortization                    | 3,276,116                 | -                           | 3,276,116             | -                                       | -                                        |
| Lease Related                                                | 1,948,647                 | 623,249                     | 2,571,896             | -                                       | -                                        |
| <b>Total Deferred Inflows of Resources</b>                   | <b>16,264,209</b>         | <b>623,249</b>              | <b>16,887,458</b>     | <b>742,634</b>                          | <b>-</b>                                 |
| <b>Net Position</b>                                          |                           |                             |                       |                                         |                                          |
| Net Investment in Capital Assets                             | 146,729,467               | 147,145,150                 | 293,874,617           | 612,613                                 | -                                        |
| Restricted for:                                              |                           |                             |                       |                                         |                                          |
| Emergency Reserve                                            | 519,269                   | -                           | 519,269               | -                                       | -                                        |
| Capital Projects                                             | 765,538                   | -                           | 765,538               | -                                       | -                                        |
| Parks, Recreation & Open Space                               | 5,511,142                 | -                           | 5,511,142             | -                                       | -                                        |
| Donations                                                    | 98,500                    | -                           | 98,500                | -                                       | -                                        |
| Urban Renewal Projects                                       | -                         | -                           | -                     | 4,935,640                               | -                                        |
| Cemetery - Nonexpendable                                     | 46,109                    | -                           | 46,109                | -                                       | -                                        |
| Net Pension Asset                                            | -                         | -                           | -                     | -                                       | -                                        |
| GID Obligations                                              | 2,029,779                 | -                           | 2,029,779             | -                                       | -                                        |
| Minority Interest in Joint Venture                           | -                         | -                           | -                     | -                                       | 676,760                                  |
| Unrestricted                                                 | 63,718,769                | 65,552,341                  | 129,271,110           | -                                       | 1,605,244                                |
| <b>Total Net Position</b>                                    | <b>\$ 219,418,573</b>     | <b>\$ 212,697,491</b>       | <b>\$ 432,116,064</b> | <b>\$ 5,548,253</b>                     | <b>\$ 2,282,004</b>                      |

The notes to the financial statements are an integral part of this statement.

**CITY OF LAFAYETTE, COLORADO**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2022**

|                                                              |               | Program Revenues |               |               | Net (Expense) Revenue<br>and Change in Net Position |                |                |                 |              |
|--------------------------------------------------------------|---------------|------------------|---------------|---------------|-----------------------------------------------------|----------------|----------------|-----------------|--------------|
|                                                              |               |                  |               |               | Primary Government                                  |                |                | Component Units |              |
|                                                              |               |                  |               |               |                                                     |                |                | Lafayette       | Base Line    |
| Functions/Programs                                           | Expenses      | Charges for      | Operating     | Capital       | Governmental                                        | Business-type  |                | Urban Renewal   | Land &       |
|                                                              |               | Services         | Grants and    | Grants and    | Activities                                          | Activities     | Total          | Authority       | Reservoir    |
|                                                              |               |                  | Contributions | Contributions |                                                     |                |                |                 | Company      |
| Primary Government                                           |               |                  |               |               |                                                     |                |                |                 |              |
| Governmental Activities                                      |               |                  |               |               |                                                     |                |                |                 |              |
| General Government                                           | \$ 10,712,187 | \$ 3,434,561     | \$ 235,813    | \$ -          | \$ (7,041,813)                                      | \$ -           | \$ (7,041,813) | \$ -            | \$ -         |
| Judicial                                                     | 594,238       | 25,210           | -             | -             | (569,028)                                           | -              | (569,028)      | -               | -            |
| Public Safety                                                | 14,995,855    | 978,108          | 7,203         | -             | (14,010,544)                                        | -              | (14,010,544)   | -               | -            |
| Public Works                                                 | 4,499,090     | 417,885          | 1,724,026     | 215,075       | (2,142,104)                                         | -              | (2,142,104)    | -               | -            |
| Culture and Recreation                                       | 9,968,290     | 1,805,666        | 48,368        | 1,065,134     | (7,049,122)                                         | -              | (7,049,122)    | -               | -            |
| Interest                                                     | 412,254       | -                | -             | -             | (412,254)                                           | -              | (412,254)      | -               | -            |
| Total Governmental Activities                                | 41,181,914    | 6,661,430        | 2,015,410     | 1,280,209     | (31,224,865)                                        | -              | (31,224,865)   | -               | -            |
| Business-type Activities                                     |               |                  |               |               |                                                     |                |                |                 |              |
| Water                                                        | 7,672,483     | 11,611,141       | -             | 2,728,242     | -                                                   | 6,666,900      | 6,666,900      | -               | -            |
| Water Reclamation                                            | 4,672,239     | 6,614,766        | -             | 554,551       | -                                                   | 2,497,078      | 2,497,078      | -               | -            |
| Golf Course                                                  | 3,043,387     | 3,690,095        | -             | (4,744)       | -                                                   | 641,964        | 641,964        | -               | -            |
| Storm Water                                                  | 1,025,864     | 1,958,274        | -             | 96,967        | -                                                   | 1,029,377      | 1,029,377      | -               | -            |
| Waste Management                                             | 2,423,229     | 2,283,577        | -             | 180,000       | -                                                   | 40,348         | 40,348         | -               | -            |
| Total Business-type Activities                               | 18,837,202    | 26,157,853       | -             | 3,555,016     | -                                                   | 10,875,667     | 10,875,667     | -               | -            |
| Total Primary Government                                     | \$ 60,019,116 | \$ 32,819,283    | \$ 2,015,410  | \$ 4,835,225  | (31,224,865)                                        | 10,875,667     | (20,349,198)   | -               | -            |
| Component Units                                              |               |                  |               |               |                                                     |                |                |                 |              |
| Lafayette Urban Renewal Authority                            | \$ 1,172,678  | \$ -             | \$ -          | \$ -          |                                                     |                |                | (1,172,678)     |              |
| Base Line Land and Reservoir Company                         | 58,918        | 201,229          | -             | -             |                                                     |                |                |                 | 142,311      |
| Total Component Units                                        | \$ 1,231,596  | \$ 201,229       | \$ -          | \$ -          |                                                     |                |                | (1,172,678)     | 142,311      |
| General Revenues                                             |               |                  |               |               |                                                     |                |                |                 |              |
|                                                              |               |                  |               |               | 11,659,988                                          | -              | 11,659,988     | 619,716         | -            |
| Property and Specific Ownership Taxes                        |               |                  |               |               |                                                     |                |                |                 |              |
| General Sales and Use Taxes                                  |               |                  |               |               | 27,163,677                                          | -              | 27,163,677     | 976,321         | -            |
| Franchise Taxes                                              |               |                  |               |               | 1,338,805                                           | -              | 1,338,805      | -               | -            |
| Excise Taxes                                                 |               |                  |               |               | 657,650                                             | -              | 657,650        | -               | -            |
| Grants and Contributions not Restricted to Specific Programs |               |                  |               |               | 201,705                                             | -              | 201,705        | -               | -            |
| Investment Earnings                                          |               |                  |               |               | (673,495)                                           | 254,875        | (418,620)      | 12,457          | 191          |
| Lease Revenue                                                |               |                  |               |               | 389,182                                             | 35,007         | 424,189        | -               | -            |
| Miscellaneous                                                |               |                  |               |               | 917,851                                             | 132,787        | 1,050,638      | -               | -            |
| Total General Revenues                                       |               |                  |               |               | 41,655,363                                          | 422,669        | 42,078,032     | 1,608,494       | 191          |
| Change in Net Position                                       |               |                  |               |               | 10,430,498                                          | 11,298,336     | 21,728,834     | 435,816         | 142,502      |
| Net Position - January 1 (as restated)                       |               |                  |               |               | 208,988,075                                         | 201,399,155    | 410,387,230    | 5,112,437       | 2,139,502    |
| Net Position - December 31                                   |               |                  |               |               | \$ 219,418,573                                      | \$ 212,697,491 | \$ 432,116,064 | \$ 5,548,253    | \$ 2,282,004 |

The notes to the financial statements are an integral part of this statement.

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**CITY OF LAFAYETTE, COLORADO**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**December 31, 2022**

|                                                                              | General              | Capital<br>Projects  | Nonmajor<br>Governmental<br>Funds | Total                 |
|------------------------------------------------------------------------------|----------------------|----------------------|-----------------------------------|-----------------------|
| <b>Assets</b>                                                                |                      |                      |                                   |                       |
| Cash and Investments                                                         | \$ 27,675,868        | \$ 16,428,949        | \$ 18,799,888                     | \$ 62,904,705         |
| Receivables                                                                  | 16,122,628           | 1,916,681            | 2,444,919                         | 20,484,228            |
| Interfund Receivables                                                        | 15,694,639           | -                    | -                                 | 15,694,639            |
| Prepaid Items                                                                | 668,638              | -                    | -                                 | 668,638               |
| Inventory                                                                    | 34,887               | -                    | -                                 | 34,887                |
| Restricted Cash and Investments                                              | 418,054              | -                    | -                                 | 418,054               |
| <b>Total Assets</b>                                                          | <b>\$ 60,614,714</b> | <b>\$ 18,345,630</b> | <b>\$ 21,244,807</b>              | <b>\$ 100,205,151</b> |
| <b>Liabilities</b>                                                           |                      |                      |                                   |                       |
| Accounts Payable                                                             | \$ 2,531,745         | \$ 1,049,959         | \$ 412,196                        | \$ 3,993,900          |
| Interfund Payables                                                           | -                    | -                    | 1,974,412                         | 1,974,412             |
| Deposits Payable                                                             | 2,561,814            | -                    | 75,000                            | 2,636,814             |
| Accrued Liabilities                                                          | 407,062              | -                    | 20,834                            | 427,896               |
| Unearned Revenues                                                            | 119,289              | -                    | -                                 | 119,289               |
| <b>Total Liabilities</b>                                                     | <b>5,619,910</b>     | <b>1,049,959</b>     | <b>2,482,442</b>                  | <b>9,152,311</b>      |
| <b>Deferred Inflows of Resources</b>                                         |                      |                      |                                   |                       |
| Unavailable Revenue - Property Taxes                                         | 9,615,231            | -                    | 1,424,215                         | 11,039,446            |
| Unavailable Revenue - Leases                                                 | 1,948,647            | -                    | -                                 | 1,948,647             |
| Unavailable Revenue - Special Assessments                                    | 5,746                | -                    | -                                 | 5,746                 |
| Unavailable Revenue - Other                                                  | 287,392              | 1,611,996            | 7,892,506                         | 9,791,894             |
| <b>Total Deferred Inflows of Resources</b>                                   | <b>11,857,016</b>    | <b>1,611,996</b>     | <b>9,316,721</b>                  | <b>22,785,733</b>     |
| <b>Fund Balance</b>                                                          |                      |                      |                                   |                       |
| Nonspendable                                                                 |                      |                      |                                   |                       |
| Long Term Receivables                                                        | 1,710,588            | -                    | -                                 | 1,710,588             |
| Prepaid Items                                                                | 668,638              | -                    | -                                 | 668,638               |
| Inventory                                                                    | 34,887               | -                    | -                                 | 34,887                |
| Cemetery Endowment                                                           | -                    | -                    | 46,109                            | 46,109                |
| Restricted                                                                   |                      |                      |                                   |                       |
| Emergency Reserve (TABOR)                                                    | 519,269              | -                    | -                                 | 519,269               |
| GID Obligations                                                              | -                    | -                    | 2,029,779                         | 2,029,779             |
| Capital Projects                                                             | 365,538              | 400,000              | -                                 | 765,538               |
| Donations                                                                    | 98,500               | -                    | -                                 | 98,500                |
| Grants                                                                       | -                    | -                    | 99,875                            | 99,875                |
| Parks, Recreation & Open Space                                               | -                    | -                    | 5,511,142                         | 5,511,142             |
| Public Safety/Health and Human Services                                      | -                    | -                    | 1,582,308                         | 1,582,308             |
| Committed                                                                    |                      |                      |                                   |                       |
| Capital Projects                                                             | 6,238,139            | 15,283,675           | -                                 | 21,521,814            |
| Affordable Housing                                                           | 1,558,550            | -                    | -                                 | 1,558,550             |
| Art & Historic Projects                                                      | 184,753              | -                    | -                                 | 184,753               |
| Debt Service                                                                 | -                    | -                    | 176,431                           | 176,431               |
| Unassigned                                                                   | 31,758,926           | -                    | -                                 | 31,758,926            |
| <b>Total Fund Balance</b>                                                    | <b>43,137,788</b>    | <b>15,683,675</b>    | <b>9,445,644</b>                  | <b>68,267,107</b>     |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources and Fund Balance</b> | <b>\$ 60,614,714</b> | <b>\$ 18,345,630</b> | <b>\$ 21,244,807</b>              | <b>\$ 100,205,151</b> |

The notes to the financial statements are an integral part of this statement.

**CITY OF LAFAYETTE, COLORADO**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**December 31, 2022**

**Amounts reported for governmental activities in the Statement of Net Position are different because:**

|                                                                                                                                                                              |             |                       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------------------|
| Total Fund Balance of Governmental Funds                                                                                                                                     |             | \$ 68,267,107         |
| Capital assets utilized in Governmental Activities are not financial resources and, therefore, are not reported in the fund financial statements.                            |             | 153,013,458           |
| Long-term liabilities and related items are not due and payable in the current period and, therefore, are not reported in the fund financial statements.                     |             |                       |
| Bonds payable                                                                                                                                                                | (6,045,000) |                       |
| Unamortized issuance premium                                                                                                                                                 | (316,594)   |                       |
| Unamortized deferred refunding loss                                                                                                                                          | 70,961      |                       |
| Accrued interest payable                                                                                                                                                     | (20,975)    |                       |
| Compensated absences                                                                                                                                                         | (764,955)   |                       |
| Total long-term liabilities and related items                                                                                                                                |             | (7,076,563)           |
| Net pension asset is not available to pay for current expenditures and, therefore, is not reported in the funds.                                                             |             | 4,926,960             |
| Net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.                                                             |             | (418,490)             |
| Lease activity is not available to pay for current expenditures and, therefore is not reported in the funds.                                                                 |             |                       |
| Net lease asset                                                                                                                                                              | 978,689     |                       |
| Accrued interest payable                                                                                                                                                     | (1,164)     |                       |
| Lease liability                                                                                                                                                              | (972,048)   |                       |
| Total lease activity                                                                                                                                                         |             | 5,477                 |
| Deferred outflows of resources related to pensions used in governmental activities are not financial resources and, therefore, are not reported in the funds.                |             |                       |
| Change in experience                                                                                                                                                         | 1,344,167   |                       |
| Changes in assumptions                                                                                                                                                       | 611,793     |                       |
| Change in proportionate share                                                                                                                                                | 106,263     |                       |
| Contributions subsequent to the measurement date                                                                                                                             | 614,875     |                       |
| Total deferred outflows of resources                                                                                                                                         |             | 2,677,098             |
| Deferred inflows of resources related to pensions used in governmental activities are not due and payable in the current year and, therefore, are not reported in the funds. |             |                       |
| Change in experience                                                                                                                                                         | (96,959)    |                       |
| Change in investment earnings                                                                                                                                                | (3,151,314) |                       |
| Change in proportionate share                                                                                                                                                | (27,843)    |                       |
| Total deferred inflows of resources                                                                                                                                          |             | (3,276,116)           |
| Internal service funds are used by management to charge the costs of insurance and employee benefits to individual funds.                                                    |             |                       |
| The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.                                       |             | 1,299,642             |
| <b>Total Net Position of Governmental Activities</b>                                                                                                                         |             | <b>\$ 219,418,573</b> |

The notes to the financial statements are an integral part of this statement.

**CITY OF LAFAYETTE, COLORADO**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2022**

|                                                          | General              | Capital<br>Projects  | Other<br>Governmental<br>Funds | Total                |
|----------------------------------------------------------|----------------------|----------------------|--------------------------------|----------------------|
| <b>Revenues</b>                                          |                      |                      |                                |                      |
| Taxes                                                    | \$ 33,218,796        | \$ -                 | \$ 7,601,331                   | \$ 40,820,127        |
| Intergovernmental                                        | 512,096              | 1,665,888            | 789,454                        | 2,967,438            |
| Contributions and Grants                                 | 771,692              | -                    | 676,623                        | 1,448,315            |
| Charges for Services                                     | 5,572,361            | -                    | -                              | 5,572,361            |
| Licenses and Permits                                     | 808,033              | -                    | -                              | 808,033              |
| Fines and Forfeitures                                    | 296,080              | -                    | -                              | 296,080              |
| Investment Earnings                                      | (399,484)            | (203,922)            | (40,725)                       | (644,131)            |
| Leases                                                   | 389,182              | -                    | -                              | 389,182              |
| Special Assessments                                      | 11,491               | -                    | -                              | 11,491               |
| Miscellaneous                                            | 990,287              | -                    | 13,166                         | 1,003,453            |
| <b>Total Revenues</b>                                    | <b>42,170,534</b>    | <b>1,461,966</b>     | <b>9,039,849</b>               | <b>52,672,349</b>    |
| <b>Expenditures</b>                                      |                      |                      |                                |                      |
| <b>Current</b>                                           |                      |                      |                                |                      |
| General Government                                       | 10,974,498           | 9,335                | 39,784                         | 11,023,617           |
| Judicial                                                 | 594,239              | -                    | -                              | 594,239              |
| Public Safety                                            | 14,378,277           | -                    | 618,475                        | 14,996,752           |
| Public Works                                             | 2,824,323            | 5,400                | -                              | 2,829,723            |
| Culture and Recreation                                   | 5,698,025            | -                    | 2,586,631                      | 8,284,656            |
| <b>Capital Outlay</b>                                    | <b>761,678</b>       | <b>6,179,423</b>     | <b>784,200</b>                 | <b>7,725,301</b>     |
| <b>Debt Service</b>                                      |                      |                      |                                |                      |
| Principal                                                | -                    | -                    | 1,035,000                      | 1,035,000            |
| Interest on Bonded Debt                                  | -                    | -                    | 348,350                        | 348,350              |
| Interfund Loan Interest                                  | -                    | -                    | 49,562                         | 49,562               |
| Bond Trustee Fees                                        | -                    | -                    | 583                            | 583                  |
| <b>Total Expenditures</b>                                | <b>35,231,040</b>    | <b>6,194,158</b>     | <b>5,462,585</b>               | <b>46,887,783</b>    |
| <b>Excess (Deficiency) of Revenues over Expenditures</b> | <b>6,939,494</b>     | <b>(4,732,192)</b>   | <b>3,577,264</b>               | <b>5,784,566</b>     |
| <b>Other Financing Sources (Uses)</b>                    |                      |                      |                                |                      |
| Proceeds from Insurance Claims                           | -                    | -                    | 5,298                          | 5,298                |
| Transfers In                                             | -                    | 4,688,816            | 309,696                        | 4,998,512            |
| Transfers Out                                            | (5,555,391)          | -                    | (975,264)                      | (6,530,655)          |
| <b>Total Other Financing Sources (Uses)</b>              | <b>(5,555,391)</b>   | <b>4,688,816</b>     | <b>(660,270)</b>               | <b>(1,526,845)</b>   |
| <b>Net Change in Fund Balance</b>                        | <b>1,384,103</b>     | <b>(43,376)</b>      | <b>2,916,994</b>               | <b>4,257,721</b>     |
| <b>Fund Balance, January 1 (as restated)</b>             | <b>41,753,685</b>    | <b>15,727,051</b>    | <b>6,528,650</b>               | <b>64,009,386</b>    |
| <b>Fund Balance, December 31</b>                         | <b>\$ 43,137,788</b> | <b>\$ 15,683,675</b> | <b>\$ 9,445,644</b>            | <b>\$ 68,267,107</b> |

The notes to the financial statements are an integral part of this statement.

**CITY OF LAFAYETTE, COLORADO**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2022**

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**Amounts reported for governmental activities in the Statement of Activities are different because:**

Net Change in Fund Balances - Governmental Funds \$ 4,257,721

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.

|                                                              |                    |           |
|--------------------------------------------------------------|--------------------|-----------|
| Capital outlays                                              | 7,520,423          |           |
| Developer dedications                                        | 242,035            |           |
| Depreciation and amortization expense                        | <u>(4,630,047)</u> |           |
| Excess of capital outlays over depreciation and amortization |                    | 3,132,411 |

Governmental Funds report principal payments as expenditures. However, in the Statement of Activities these payments are reflected as a reduction in long-term debt obligations. 1,035,000

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the Governmental Funds.

|                                                             |                |           |
|-------------------------------------------------------------|----------------|-----------|
| Net book value of disposed assets                           | (5,335)        |           |
| Change in accrued interest payable                          | 1,994          |           |
| Change in accrued compensated absences                      | (31,549)       |           |
| Amortization of bond premiums and deferred refunding losses | 66,390         |           |
| Pension expense                                             | 742,133        |           |
| Lease expense                                               | 5,478          |           |
| Employer contribution expense                               | <u>614,875</u> |           |
| Total expenses not requiring current resources              |                | 1,393,986 |

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (1,204,237)

The internal services funds are used by management to charge the costs of insurance and employee benefits to individual funds. The net revenue (expense) of the internal service funds is included in governmental activities in the statement of activities. 1,815,618

**Change in Net Position of Governmental Activities** **\$ 10,430,498**

The notes to the financial statements are an integral part of this statement.

**CITY OF LAFAYETTE, COLORADO**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**December 31, 2022**

|                                                              | <b>Water<br/>Utility</b> | <b>Water<br/>Reclamation<br/>Utility</b> | <b>Golf<br/>Course<br/>(a nonmajor fund)</b> | <b>Storm<br/>Water<br/>(a nonmajor fund)</b> | <b>Waste<br/>Management<br/>(a nonmajor fund)</b> | <b>Total<br/>Enterprise<br/>Funds</b> | <b>Governmental<br/>Activities -<br/>Internal<br/>Service Funds</b> |
|--------------------------------------------------------------|--------------------------|------------------------------------------|----------------------------------------------|----------------------------------------------|---------------------------------------------------|---------------------------------------|---------------------------------------------------------------------|
| <b>Assets</b>                                                |                          |                                          |                                              |                                              |                                                   |                                       |                                                                     |
| <b>Current Assets</b>                                        |                          |                                          |                                              |                                              |                                                   |                                       |                                                                     |
| Cash and Investments                                         | \$ 34,231,160            | \$ 39,470,407                            | \$ 2,005,109                                 | \$ 6,006,001                                 | \$ (58,969)                                       | \$ 81,653,708                         | \$ 2,337,309                                                        |
| Receivables                                                  | 1,433,791                | 756,760                                  | 5,840                                        | 224,240                                      | 132,834                                           | 2,553,465                             | 335,891                                                             |
| Inventory                                                    | -                        | -                                        | 78,804                                       | -                                            | -                                                 | 78,804                                | -                                                                   |
| Restricted Cash and Investments                              | 1,362,000                | 33,589,616                               | -                                            | -                                            | -                                                 | 34,951,616                            | -                                                                   |
| <b>Total Current Assets</b>                                  | <b>37,026,951</b>        | <b>73,816,783</b>                        | <b>2,089,753</b>                             | <b>6,230,241</b>                             | <b>73,865</b>                                     | <b>119,237,593</b>                    | <b>2,673,200</b>                                                    |
| <b>Noncurrent Assets</b>                                     |                          |                                          |                                              |                                              |                                                   |                                       |                                                                     |
| Equity Interest in Component Unit                            | 1,605,244                | -                                        | -                                            | -                                            | -                                                 | 1,605,244                             | -                                                                   |
| Capital Assets, Not Being Depreciated                        | 78,552,912               | 15,572,803                               | 1,300,000                                    | 169,624                                      | -                                                 | 95,595,339                            | -                                                                   |
| Capital Assets, Net of Accumulated Depreciation/Amortization | 39,939,545               | 21,794,739                               | 2,462,720                                    | 7,167,961                                    | -                                                 | 71,364,965                            | 1,242,640                                                           |
| <b>Total Noncurrent Assets</b>                               | <b>120,097,701</b>       | <b>37,367,542</b>                        | <b>3,762,720</b>                             | <b>7,337,585</b>                             | <b>-</b>                                          | <b>168,565,548</b>                    | <b>1,242,640</b>                                                    |
| <b>Total Assets</b>                                          | <b>157,124,652</b>       | <b>111,184,325</b>                       | <b>5,852,473</b>                             | <b>13,567,826</b>                            | <b>73,865</b>                                     | <b>287,803,141</b>                    | <b>3,915,840</b>                                                    |
| <b>Deferred Outflows of Resources</b>                        |                          |                                          |                                              |                                              |                                                   |                                       |                                                                     |
| Unamortized Charges on Debt Refunding                        | 372,962                  | -                                        | -                                            | -                                            | -                                                 | 372,962                               | -                                                                   |
| <b>Liabilities</b>                                           |                          |                                          |                                              |                                              |                                                   |                                       |                                                                     |
| <b>Current Liabilities</b>                                   |                          |                                          |                                              |                                              |                                                   |                                       |                                                                     |
| Accounts Payable                                             | 2,817,585                | 4,848,030                                | 17,900                                       | 101,695                                      | 46,815                                            | 7,832,025                             | 151,369                                                             |
| Claims Payable                                               | -                        | -                                        | -                                            | -                                            | -                                                 | -                                     | 45,276                                                              |
| Accrued Liabilities                                          | 25,123                   | 18,816                                   | 14,052                                       | 2,727                                        | -                                                 | 60,718                                | 24,887                                                              |
| Accrued Interest Payable                                     | 21,938                   | 99,491                                   | -                                            | -                                            | -                                                 | 121,429                               | -                                                                   |
| Deposits Payable                                             | 76,083                   | -                                        | 147,596                                      | -                                            | -                                                 | 223,679                               | -                                                                   |
| Interfund Payables                                           | -                        | 13,720,227                               | -                                            | -                                            | -                                                 | 13,720,227                            | -                                                                   |
| Compensated Absences - Current Portion                       | 117,311                  | 82,635                                   | 64,549                                       | 15,141                                       | -                                                 | 279,636                               | 981,649                                                             |
| Long-Term Debt - Current Portion                             | 1,096,854                | 940,000                                  | -                                            | -                                            | -                                                 | 2,036,854                             | -                                                                   |
| <b>Total Current Liabilities</b>                             | <b>4,154,894</b>         | <b>19,709,199</b>                        | <b>244,097</b>                               | <b>119,563</b>                               | <b>46,815</b>                                     | <b>24,274,568</b>                     | <b>1,203,181</b>                                                    |
| <b>Noncurrent Liabilities</b>                                |                          |                                          |                                              |                                              |                                                   |                                       |                                                                     |
| Compensated Absences - Noncurrent Portion                    | 56,776                   | 45,860                                   | 42,812                                       | 7,531                                        | -                                                 | 152,979                               | -                                                                   |
| Long-Term Debt - Noncurrent Portion                          | 5,426,687                | 45,001,129                               | -                                            | -                                            | -                                                 | 50,427,816                            | 170,376                                                             |
| <b>Total Noncurrent Liabilities</b>                          | <b>5,483,463</b>         | <b>45,046,989</b>                        | <b>42,812</b>                                | <b>7,531</b>                                 | <b>-</b>                                          | <b>50,580,795</b>                     | <b>170,376</b>                                                      |
| <b>Total Liabilities</b>                                     | <b>9,638,357</b>         | <b>64,756,188</b>                        | <b>286,909</b>                               | <b>127,094</b>                               | <b>46,815</b>                                     | <b>74,855,363</b>                     | <b>1,373,557</b>                                                    |
| <b>Deferred Outflows of Resources</b>                        |                          |                                          |                                              |                                              |                                                   |                                       |                                                                     |
| Lease Related                                                | 623,249                  | -                                        | -                                            | -                                            | -                                                 | 623,249                               | -                                                                   |
| <b>Net Position</b>                                          |                          |                                          |                                              |                                              |                                                   |                                       |                                                                     |
| Net Investment in Capital Assets                             | 111,564,964              | 24,479,881                               | 3,762,720                                    | 7,337,585                                    | -                                                 | 147,145,150                           | 1,242,641                                                           |
| Unrestricted                                                 | 35,671,044               | 21,948,256                               | 1,802,844                                    | 6,103,147                                    | 27,050                                            | 65,552,341                            | 1,299,642                                                           |
| <b>Total Net Position</b>                                    | <b>\$ 147,236,008</b>    | <b>\$ 46,428,137</b>                     | <b>\$ 5,565,564</b>                          | <b>\$ 13,440,732</b>                         | <b>\$ 27,050</b>                                  | <b>\$ 212,697,491</b>                 | <b>\$ 2,542,283</b>                                                 |

The notes to the financial statements are an integral part of this statement.

**CITY OF LAFAYETTE, COLORADO**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2022**

|                                                  | Water<br>Utility      | Water<br>Reclamation<br>Utility | Golf<br>Course<br>(a nonmajor fund) | Storm<br>Water<br>(a nonmajor fund) | Waste<br>Management<br>(a nonmajor fund) | Total<br>Enterprise<br>Funds | Governmental<br>Activities -<br>Internal<br>Service Funds |
|--------------------------------------------------|-----------------------|---------------------------------|-------------------------------------|-------------------------------------|------------------------------------------|------------------------------|-----------------------------------------------------------|
| <b>Operating Revenues</b>                        |                       |                                 |                                     |                                     |                                          |                              |                                                           |
| Charges for Services                             | \$ 11,611,141         | \$ 6,614,766                    | \$ 3,690,095                        | \$ 1,958,274                        | \$ 2,283,577                             | \$ 26,157,853                | \$ 7,319,559                                              |
| Miscellaneous                                    | 40,196                | -                               | (8,056)                             | -                                   | -                                        | 32,140                       | 111,672                                                   |
| <b>Total Operating Revenues</b>                  | <b>11,651,337</b>     | <b>6,614,766</b>                | <b>3,682,039</b>                    | <b>1,958,274</b>                    | <b>2,283,577</b>                         | <b>26,189,993</b>            | <b>7,431,231</b>                                          |
| <b>Operating Expenses</b>                        |                       |                                 |                                     |                                     |                                          |                              |                                                           |
| Personnel                                        | 1,858,453             | 1,171,922                       | 1,441,447                           | 212,325                             | -                                        | 4,684,147                    | 167,021                                                   |
| Operations                                       | 3,436,274             | 1,300,520                       | 1,272,494                           | 372,992                             | 2,423,229                                | 8,805,509                    | 22,215                                                    |
| Premiums and Claims Paid                         | -                     | -                               | -                                   | -                                   | -                                        | -                            | 4,855,241                                                 |
| Depreciation/Amortization                        | 2,127,194             | 1,045,072                       | 329,446                             | 440,547                             | -                                        | 3,942,259                    | 91,772                                                    |
| <b>Total Operating Expenses</b>                  | <b>7,421,921</b>      | <b>3,517,514</b>                | <b>3,043,387</b>                    | <b>1,025,864</b>                    | <b>2,423,229</b>                         | <b>17,431,915</b>            | <b>5,136,249</b>                                          |
| <b>Operating Income</b>                          | <b>4,229,416</b>      | <b>3,097,252</b>                | <b>638,652</b>                      | <b>932,410</b>                      | <b>(139,652)</b>                         | <b>8,758,078</b>             | <b>2,294,982</b>                                          |
| <b>Nonoperating Revenues (Expenses)</b>          |                       |                                 |                                     |                                     |                                          |                              |                                                           |
| Investment Earnings                              | (372,618)             | 739,405                         | (23,959)                            | (74,655)                            | (13,298)                                 | 254,875                      | (29,364)                                                  |
| Interest Expense                                 | (250,259)             | (1,154,725)                     | -                                   | -                                   | -                                        | (1,404,984)                  | -                                                         |
| Lease Revenue                                    | 35,007                | -                               | -                                   | -                                   | -                                        | 35,007                       | -                                                         |
| Bond Trustee Fees                                | (303)                 | -                               | -                                   | -                                   | -                                        | (303)                        | -                                                         |
| Income from Equity Interest in Component Unit    | 100,647               | -                               | -                                   | -                                   | -                                        | 100,647                      | -                                                         |
| <b>Total Nonoperating Revenues (Expenses)</b>    | <b>(487,526)</b>      | <b>(415,320)</b>                | <b>(23,959)</b>                     | <b>(74,655)</b>                     | <b>(13,298)</b>                          | <b>(1,014,758)</b>           | <b>(29,364)</b>                                           |
| <b>Income Before Contributions and Transfers</b> | <b>3,741,890</b>      | <b>2,681,932</b>                | <b>614,693</b>                      | <b>857,755</b>                      | <b>(152,950)</b>                         | <b>7,743,320</b>             | <b>2,265,618</b>                                          |
| <b>Capital Contributions and Transfers</b>       |                       |                                 |                                     |                                     |                                          |                              |                                                           |
| Tap and Development Fees                         | 1,114,629             | 702,969                         | -                                   | 111,377                             | -                                        | 1,928,975                    | -                                                         |
| Payments in Lieu of Water                        | 1,785,766             | -                               | -                                   | -                                   | -                                        | 1,785,766                    | -                                                         |
| Developer Dedications                            | 61,431                | 68,751                          | -                                   | 76,060                              | -                                        | 206,242                      | -                                                         |
| Transfers In                                     | -                     | -                               | -                                   | -                                   | 180,000                                  | 180,000                      | -                                                         |
| Transfers Out                                    | (233,584)             | (217,169)                       | (4,744)                             | (90,470)                            | -                                        | (545,967)                    | (450,000)                                                 |
| <b>Total Capital Contributions and Transfers</b> | <b>2,728,242</b>      | <b>554,551</b>                  | <b>(4,744)</b>                      | <b>96,967</b>                       | <b>180,000</b>                           | <b>3,555,016</b>             | <b>(450,000)</b>                                          |
| <b>Change in Net Position</b>                    | <b>6,470,132</b>      | <b>3,236,483</b>                | <b>609,949</b>                      | <b>954,722</b>                      | <b>27,050</b>                            | <b>11,298,336</b>            | <b>1,815,618</b>                                          |
| <b>Total Net Position, January 1</b>             | <b>140,765,876</b>    | <b>43,191,654</b>               | <b>4,955,615</b>                    | <b>12,486,010</b>                   | <b>-</b>                                 | <b>201,399,155</b>           | <b>726,665</b>                                            |
| <b>Total Net Position, December 31</b>           | <b>\$ 147,236,008</b> | <b>\$ 46,428,137</b>            | <b>\$ 5,565,564</b>                 | <b>\$ 13,440,732</b>                | <b>\$ 27,050</b>                         | <b>\$ 212,697,491</b>        | <b>\$ 2,542,283</b>                                       |

The notes to the financial statements are an integral part of this statement.

**CITY OF LAFAYETTE, COLORADO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2022**

|                                                                                    | <b>Water<br/>Utility</b> | <b>Water<br/>Reclamation<br/>Utility</b> | <b>Golf<br/>Course<br/>(a nonmajor fund)</b> | <b>Storm<br/>Water<br/>(a nonmajor fund)</b> | <b>Waste<br/>Management<br/>(a nonmajor fund)</b> | <b>Total<br/>Enterprise<br/>Funds</b> | <b>Governmental<br/>Activities -<br/>Internal<br/>Service Funds</b> |
|------------------------------------------------------------------------------------|--------------------------|------------------------------------------|----------------------------------------------|----------------------------------------------|---------------------------------------------------|---------------------------------------|---------------------------------------------------------------------|
| <b>Cash Flows From Operating Activities</b>                                        |                          |                                          |                                              |                                              |                                                   |                                       |                                                                     |
| Receipts for Services Provided                                                     | \$ 11,680,865            | \$ 5,972,440                             | \$ 3,724,423                                 | \$ 1,966,058                                 | \$ 2,152,558                                      | \$ 25,496,343                         | \$ -                                                                |
| Receipts for Interfund Services Provided                                           | -                        | -                                        | -                                            | -                                            | -                                                 | -                                     | 6,910,944                                                           |
| Receipts from Employees                                                            | -                        | -                                        | -                                            | -                                            | -                                                 | -                                     | 79,451                                                              |
| Miscellaneous Receipts                                                             | 40,196                   | -                                        | (8,056)                                      | -                                            | -                                                 | 32,140                                | 111,672                                                             |
| Payments to Vendors and Suppliers                                                  | (2,063,331)              | 17,026,231                               | (973,955)                                    | (220,736)                                    | (2,316,413)                                       | 11,451,795                            | (4,968,476)                                                         |
| Payments to Employees                                                              | (1,543,883)              | (970,828)                                | (1,441,447)                                  | (212,325)                                    | -                                                 | (4,168,483)                           | 2,279                                                               |
| Payments for Interfund Services Used                                               | (1,532,832)              | (652,192)                                | (458,877)                                    | (132,631)                                    | (60,000)                                          | (2,836,532)                           | -                                                                   |
| <b>Net Cash Provided by Operating Activities</b>                                   | <b>6,581,015</b>         | <b>21,375,650</b>                        | <b>842,087</b>                               | <b>1,400,365</b>                             | <b>(223,855)</b>                                  | <b>29,975,263</b>                     | <b>2,135,870</b>                                                    |
| <b>Cash Flows from Noncapital Financing Activities</b>                             |                          |                                          |                                              |                                              |                                                   |                                       |                                                                     |
| Transfers In From Other Funds                                                      | -                        | -                                        | -                                            | -                                            | 180,000                                           | 180,000                               | -                                                                   |
| Transfers Out to Other Funds                                                       | (233,584)                | (217,169)                                | (4,744)                                      | (90,470)                                     | -                                                 | (545,967)                             | (450,000)                                                           |
| <b>Net Cash Used by Noncapital<br/>Financing Activities</b>                        | <b>(233,584)</b>         | <b>(217,169)</b>                         | <b>(4,744)</b>                               | <b>(90,470)</b>                              | <b>180,000</b>                                    | <b>(365,967)</b>                      | <b>(450,000)</b>                                                    |
| <b>Cash Flows from Capital and Related<br/>Financing Activities</b>                |                          |                                          |                                              |                                              |                                                   |                                       |                                                                     |
| Tap and Development Fees                                                           | 1,012,023                | 1,320,657                                | -                                            | 111,377                                      | -                                                 | 2,444,057                             | -                                                                   |
| Payments in Lieu of Water                                                          | 1,222,939                | -                                        | -                                            | -                                            | -                                                 | 1,222,939                             | -                                                                   |
| Acquisition and Construction of Capital Assets                                     | (16,869,933)             | (12,271,527)                             | (129,006)                                    | -                                            | -                                                 | (29,270,466)                          | (1,242,640)                                                         |
| Bond Fees Paid                                                                     | (303)                    | -                                        | -                                            | -                                            | -                                                 | (303)                                 | -                                                                   |
| Principal Paid on Long-Term Debt                                                   | (1,050,000)              | (910,000)                                | -                                            | -                                            | -                                                 | (1,960,000)                           | -                                                                   |
| Interest Paid on Long-Term Debt                                                    | (305,250)                | (1,226,870)                              | -                                            | -                                            | -                                                 | (1,532,120)                           | -                                                                   |
| <b>Net Cash Provided by (Used by) Capital and<br/>Related Financing Activities</b> | <b>(15,990,524)</b>      | <b>(13,087,740)</b>                      | <b>(129,006)</b>                             | <b>111,377</b>                               | <b>-</b>                                          | <b>(29,095,893)</b>                   | <b>(1,242,640)</b>                                                  |
| <b>Cash Flows from Investing Activities</b>                                        |                          |                                          |                                              |                                              |                                                   |                                       |                                                                     |
| Investment Income Received                                                         | (126,630)                | 616,950                                  | (25,965)                                     | (71,810)                                     | (14,931)                                          | 377,613                               | (19,686)                                                            |
| <b>Net Cash Used by Investing Activities</b>                                       | <b>(126,630)</b>         | <b>616,950</b>                           | <b>(25,965)</b>                              | <b>(71,810)</b>                              | <b>(14,931)</b>                                   | <b>377,613</b>                        | <b>(19,686)</b>                                                     |
| <b>Net Increase in Cash and Cash Equivalents</b>                                   | <b>(9,769,723)</b>       | <b>8,687,691</b>                         | <b>682,372</b>                               | <b>1,349,463</b>                             | <b>(58,786)</b>                                   | <b>891,016</b>                        | <b>423,545</b>                                                      |
| <b>Cash and Cash Equivalents, January 1 (as restated)</b>                          | <b>19,817,551</b>        | <b>54,155,896</b>                        | <b>647,469</b>                               | <b>2,049,681</b>                             | <b>-</b>                                          | <b>76,670,597</b>                     | <b>847,057</b>                                                      |
| <b>Cash and Cash Equivalents, December 31</b>                                      | <b>\$ 10,047,828</b>     | <b>\$ 62,843,587</b>                     | <b>\$ 1,329,841</b>                          | <b>\$ 3,399,144</b>                          | <b>\$ (58,786)</b>                                | <b>\$ 77,561,614</b>                  | <b>\$ 1,270,602</b>                                                 |

The notes to the financial statements are an integral part of this statement.

**PROPRIETARY FUNDS – STATEMENT OF CASH FLOWS (continued)**  
**For the Year Ended December 31, 2022**

|                                                                                            | Water<br>Utility    | Water<br>Reclamation<br>Utility | Golf<br>Course<br>(a nonmajor fund) | Storm<br>Water<br>(a nonmajor fund) | Waste<br>Management<br>(a nonmajor fund) | Total<br>Enterprise<br>Funds | Governmental<br>Activities -<br>Internal<br>Service Funds |
|--------------------------------------------------------------------------------------------|---------------------|---------------------------------|-------------------------------------|-------------------------------------|------------------------------------------|------------------------------|-----------------------------------------------------------|
| <b>Reconciliation of Operating Income to<br/>Net Cash Provided by Operating Activities</b> |                     |                                 |                                     |                                     |                                          |                              |                                                           |
| Operating Income                                                                           | \$ 4,229,416        | \$ 3,097,252                    | \$ 638,652                          | \$ 932,410                          | \$ (139,652)                             | \$ 8,758,078                 | \$ 2,294,982                                              |
| Adjustments to reconcile Operating Income to<br>Net Cash Provided by Operating Activities: |                     |                                 |                                     |                                     |                                          |                              |                                                           |
| Depreciation Expense                                                                       | 2,127,194           | 1,045,072                       | 329,446                             | 440,547                             | -                                        | 3,942,259                    | -                                                         |
| Changes in Assets and Liabilities                                                          |                     |                                 |                                     |                                     |                                          |                              |                                                           |
| Receivables                                                                                | 88,573              | (642,326)                       | -                                   | 7,784                               | (131,019)                                | (676,989)                    | (329,165)                                                 |
| Inventory                                                                                  | -                   | -                               | (26,525)                            | -                                   | -                                        | (26,525)                     | -                                                         |
| Accounts Payable                                                                           | 155,213             | 17,868,747                      | (134,155)                           | 20,431                              | 46,816                                   | 17,957,051                   | 105,864                                                   |
| Claims Payable                                                                             | -                   | -                               | -                                   | -                                   | -                                        | -                            | (30,598)                                                  |
| Accrued Liabilities                                                                        | (2,475)             | 3,375                           | 442                                 | (513)                               | -                                        | 829                          | 2,279                                                     |
| Deposits Payable                                                                           | (18,848)            | -                               | 34,328                              | -                                   | -                                        | 15,479                       | -                                                         |
| Compensated Absences                                                                       | 1,943               | 3,530                           | (99)                                | (294)                               | -                                        | 5,080                        | 92,508                                                    |
| Total Adjustments                                                                          | 2,351,599           | 18,278,398                      | 203,435                             | 467,955                             | (84,203)                                 | 21,217,185                   | (159,112)                                                 |
| <b>Net Cash Provided by Operating Activities</b>                                           | <b>\$ 6,581,015</b> | <b>\$ 21,375,650</b>            | <b>\$ 842,087</b>                   | <b>\$ 1,400,365</b>                 | <b>\$ (223,855)</b>                      | <b>\$ 29,975,263</b>         | <b>\$ 2,135,870</b>                                       |
| <b>Schedule of Non-cash Activities</b>                                                     |                     |                                 |                                     |                                     |                                          |                              |                                                           |
| Capital Contributions - Developer Dedications                                              | 61,431              | 68,751                          | -                                   | 76,060                              | -                                        | 206,242                      | -                                                         |
| Equity Investment in Component Unit                                                        | 100,647             | -                               | -                                   | -                                   | -                                        | 100,647                      | -                                                         |
|                                                                                            | <b>\$ 162,078</b>   | <b>\$ 68,751</b>                | <b>\$ -</b>                         | <b>\$ 76,060</b>                    | <b>\$ -</b>                              | <b>\$ 306,889</b>            | <b>\$ -</b>                                               |

**Reconciliation of Cash and Cash Equivalents  
to Statement of Net Position:**

|                                        |                      |                      |                     |                     |                    |                       |                     |
|----------------------------------------|----------------------|----------------------|---------------------|---------------------|--------------------|-----------------------|---------------------|
| Unrestricted cash and cash equivalents | \$ 8,685,828         | \$ 29,253,971        | \$ 1,329,841        | \$ 3,399,144        | \$ (58,786)        | \$ 42,609,998         | \$ 1,270,602        |
| Restricted cash and cash equivalents   | 1,362,000            | 33,589,616           | -                   | -                   | -                  | 34,951,616            | -                   |
| Unrestricted investments               | 25,545,332           | 10,216,436           | 675,268             | 2,606,857           | (183)              | 39,043,710            | 1,066,707           |
| <b>Total Cash and Investments</b>      | <b>\$ 35,593,160</b> | <b>\$ 73,060,023</b> | <b>\$ 2,005,109</b> | <b>\$ 6,006,001</b> | <b>\$ (58,969)</b> | <b>\$ 116,605,324</b> | <b>\$ 2,337,309</b> |

The notes to the financial statements are an integral part of this statement.

**CITY OF LAFAYETTE, COLORADO**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For the Year Ended December 31, 2022**

|                                                          | <u>Custodial</u>   |
|----------------------------------------------------------|--------------------|
| <b>Additions</b>                                         |                    |
| Taxes collected for other governments                    | \$ 459,405         |
| <b>Total Additions</b>                                   | <u>459,405</u>     |
| <b>Deductions</b>                                        |                    |
| Taxes disbursed to other governments                     | <u>459,405</u>     |
| <b>Total Deductions</b>                                  | <u>459,405</u>     |
| <b>Net increase (decrease) in fiduciary net position</b> | <u>-</u>           |
| <b>Total Net Position, January 1</b>                     | <u>-</u>           |
| <b>Total Net Position, December 31</b>                   | <u><u>\$ -</u></u> |

The notes to the financial statements are an integral part of this statement.

## Notes to the Financial Statements

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**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

**Note 1. Summary of Significant Accounting Policies**

The City was founded in 1888 and incorporated in 1889. On April 1, 1958, citizens voted to become a Home Rule City, as authorized by Article 20 of the Colorado State Constitution. The City operates under a Strong Council/Administrator form of government and provides the following services as authorized by its charter: administration, finance, planning, library, building maintenance, municipal court, city attorney, police, career and volunteer fire, ambulance, highway and street maintenance, parks and recreation, debt service, water, sanitary sewer, storm water and golf course services.

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles applicable to governments. A summary of the City's significant accounting policies applied in the preparation of these financial statements follows:

**A. Reporting Entity**

The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

**Blended Component Units**

The City is financially accountable for legally separate organizations if City officials appoint a voting majority of the organization's governing board and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the City. The City may also be financially accountable for organizations that are fiscally dependent on it. Based upon the application of these criteria and the fact that management of the City manages the activities of each component unit, the City has identified four blended component units presented as special revenue funds. They are the Lafayette City Center GID, Exempla GID, Lafayette Corporate Campus GID and Lafayette Tech Center GID. The Lafayette City Council acts as the governing board for, and exercises operational authority over, each of the component units. Separate financial statements are not issued for these component units.

**Discretely Presented Component Units**

The City has a relationship with two legally separate organizations for which it either has a financial responsibility or excluding the reporting of the organization would be misleading.

Lafayette Urban Renewal Authority (LURA) was separated from the City in 2012 and was established as a legally separate entity with a separate board appointed by the Mayor. The purpose of LURA is to revitalize the downtown area of Lafayette. Funding for LURA comes from tax-increment financing in addition to a portion of sales taxes collected from the business

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

members within the urban renewal district. LURA does not issue separate financial statements. As there would be no difference between full and modified accrual statements for LURA, based on the entity's activities, additional financial statements are not presented in this report.

Base Line Land and Reservoir Company is a non-profit corporation and is responsible for the management of the Base Line Reservoir. It is managed by a five-member board of which four members are appointed by the City which allows the City to impose its will on the Company. The City owns 70% of the company and its constituents receive a direct benefit of the services the company provides. The City's ownership in this entity is intended to support the provision of governmental services (providing water to residents) and is not considered an investment. The financial statements are prepared on the accrual basis of accounting and are in conformity with FASB ASC 958-205, Not-for-Profit Entities, Presentation of Financial Statements. The Company reports as of November 30, which is the close of their fiscal year. The Company does not issue separate financial statements.

## **B. Government-wide and Fund Financial Statements**

The government-wide financial statements, consisting of the statement of net position and the statement of activities, report information on all activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Additionally, Fiduciary Activities are not included in the government-wide financial statements. Governmental Activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from Business-Type Activities, which rely to a significant extent on fees and charges for support. The primary government is reported separately from the legally separate component units for which the City is financially accountable.

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 and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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 collectible 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. When revenues are considered unavailable, a deferred inflow of resources is reported until such time when the revenues become available. 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.

Taxes, licenses, intergovernmental revenues, 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.

All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.
- The Capital Projects Fund is a capital projects fund that accounts for capital improvements financed through dedicated road taxes and fees as well as transfers from the General Fund.

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 Fund, Water Reclamation Fund, Golf Course Fund, Storm Water Fund, and Waste Management Fund are charges to customers for sales and services. Operating expenses reported in enterprise funds and internal service funds include the cost of sales and services provided, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

The City reports the following major proprietary funds:

- The Water Utility Fund accounts for the treatment and distribution of the City's water supply and holds an equity interest in Base Line Land and Reservoir Company.
- The Water Reclamation Utility Fund accounts for the operation of the City's sewer system.

Additionally, the City reports the following fund types:

- Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis. These funds are used to account for the operations of the Employee Benefit Fund, the Fleet Management Fund, and the Insurance Fund, which are administered by the City.
- The Custodial Fund is fiduciary in nature and is accounted for using the accrual basis of accounting. This fund is used to account for assets that the City holds for others in a fiduciary capacity (e.g. taxes collect for the benefit of other governments).
- Permanent Funds are used to account for permanent endowments that must remain intact. The City's Cemetery Endowment Fund accounts for an endowment that supports the operations of the City's cemeteries.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's General, Water, Water Reclamation, Golf Course and Storm Water Funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

#### **D. Cash Equivalents and Investments**

The City considers cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased, to be cash equivalents.

Whenever possible the City pools cash to enhance investment opportunities and to facilitate management of cash resources. Investments are made taking into consideration safety, liquidity, and income potential, in that order. The City makes investments pursuant to its investment policy and relevant State of Colorado statutes.

#### **E. Interfund Receivables and Payables**

Activities between funds that represent lending/borrowing arrangements at the end of the fiscal year are referred to as either "due (to)/from other funds" (i.e., the current portion of interfund loans) or "advances to/(from) other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due (to)/from other

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

funds.” Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

**F. Property Taxes Receivable**

By December 15 of each year, property taxes for the City are levied by the City Council and certified to Boulder County for collection in the subsequent 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. The taxes are collected by the Boulder County Treasurer on behalf of the City. A 1% collection fee is retained by the County as compensation for collecting the taxes.

Property taxes levied in the various funds are included in receivables and deferred inflows at December 31, 2022. These taxes are classified as deferred inflows since they are not normally available to the City until mid-2023 and are budgeted for in 2023.

**G. Prepaid Items**

Certain payments to vendors and other third parties reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Expenditures/expenses are recorded when the service underlying the prepaid item is provided (consumption method).

**H. Inventory**

Certain inventories are maintained in the General Fund for fuel and the Golf Course Fund for clubhouse merchandise. These inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of these inventories are recorded as expenditures or expenses when consumed rather than when purchased. All other inventories in the City are expensed when purchased.

**I. Capital Assets**

All capital assets, including “Public Domain” capital assets such as streets and sidewalks, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with a value exceeding the thresholds below and with an estimated useful life in excess of two years.

|                                       |          |
|---------------------------------------|----------|
| Land and land rights & infrastructure | \$25,000 |
| Buildings and improvements            | 15,000   |
| Equipment and vehicles                | 5,000    |

Capital assets are reported at original cost. Donated assets are valued at the acquisition value on the date donated. Costs incurred for the purchase or construction of capital assets for governmental activities are recorded as capital outlay expenditures in the governmental funds. Infrastructure assets include streets, sidewalks, trails, traffic signals and similar items.

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

Costs incurred for the purchase or construction of capital assets for business-type activities are reported as assets in the proprietary funds.

Depreciation of all exhaustible capital assets is charged as an expense against operations. Accumulated depreciation is reported on the government-wide financial statements and the proprietary fund types in the fund financial statements. Depreciation has been provided over

the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

|                                     |               |
|-------------------------------------|---------------|
| Buildings                           | 50 years      |
| Improvements Other Than Buildings   | 10 - 25 years |
| Equipment                           | 5 - 10 years  |
| Water and Water Reclamation Systems | 50 years      |
| Infrastructure                      | 30 - 50 years |
| Right to use lease Assets           | 5 - 50 years  |

#### **J. Long-term Obligations**

In the government-wide financial statements and proprietary funds 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 statement of net position. Debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method.

In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses or expenditures.

Certain revenue is allocated each year to the Debt Service Fund to provide for the full amount estimated to be required for debt service on certain general obligation bonds. Debt service for the Water and Water Reclamation Utility Funds is paid from resources of those funds.

The City provides continuing disclosures that are either contractually required to be provided by municipal issuers and obligated persons as contemplated by Securities and Exchange Commission (SEC) Rule 15c2-12 under the Securities Exchange Act or are provided voluntarily.

#### **K. Compensated Absences**

The City has a policy that allows employees to accumulate unused vacation and sick benefits up to certain maximum hours. Unused vacation and sick leave is paid at separation of employment. Compensated absences are recognized when earned in proprietary funds and

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

when paid in governmental funds. A liability for these amounts is reported in the government-wide and proprietary fund financial statements. In the past, payments to liquidate the liability have been made through the General, Water, Water Reclamation, Golf Course, and Storm Water Funds.

**L. Pensions**

The City participates in the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan, and the Statewide Hybrid Plan, a cost-sharing multiple employer combination defined benefit and money purchase pension plan. In addition, the City maintains the Volunteer Fire Department Pension Plan, an agent multiple-employer defined benefit pension plan. The plans are administered by the Fire & Police Pension Association of Colorado (FPPA).

The net pension asset (liability), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to and deductions from each plan's fiduciary net position have been determined using the accrual basis of accounting, the same basis of accounting used by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Employer contributions are recognized in the year the contributions are due.

**M. Postemployment Benefits Other Than Pensions (OPEB)**

The City contributes to the Statewide Death & Disability Plan, a cost-sharing multiple-employer defined benefit death and disability plan administered by the Fire & Police Pension Association of Colorado (FPPA). The plan is funded by member contributions or contributions made on behalf of members. The City has no requirement to contribute to the plan and does not receive contributions from a nonemployer entity. Therefore, the City does not report a net OPEB liability, or deferred outflows of resources and deferred inflows of resources related to OPEB.

**N. Fund Balance/Net Position**

In the fund financial statements, governmental funds report fund balances based on the level of spending constraints placed on the City. Fund balances may be classified as nonspendable, restricted, committed, assigned, or unassigned.

*Nonspendable Fund Balance*

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form, or legally or contractually required to be maintained intact. Inventories and prepaid amounts are examples of this classification.

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

*Restricted Fund Balance*

Spending constraints that are placed on the use of fund balance amounts by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation, are classified as restricted.

*Committed Fund Balance*

Committed fund balances are created by the City Council by ordinance. These amounts can only be used for specific purposes pursuant to the formal action by the Council. The purposes can change only by Council authority by the appropriate action as mentioned above.

*Assigned Fund Balance*

Assigned fund balances occur on the intention, as opposed to formal action, of a specific use. The authority to assign fund balances has been delegated by City Council to the City Administrator up to an amount of \$100,000. A report is made to Council as to the actions taken. Assignment of fund balances in excess of \$100,000 shall be approved by Council as a resolution before the end of the year the assignment is to be effective. The assigned fund balance classification also represents residual fund balances in governmental funds that, by residing in the funds are assigned to the purpose of those funds.

All of the above classifications will not apply to every governmental fund. Each classification depicts the net resources that are reported in each fund.

*Unassigned Fund Balance*

Unassigned fund balance is the remaining fund balance in the General Fund after amounts that are set aside for the higher classifications. This designation is only applicable to the General Fund or negative balances in other governmental funds.

Since 1988, the City of Lafayette's financial policy requires the "unassigned" General Fund balance to be maintained at a minimum of 25% of budgeted expenditures for each year. The financial policy was established by Council resolution. In addition, in 1992, the Taxpayer's Bill of Rights (TABOR) was adopted as a constitutional amendment in the State of Colorado, effective in 1993. One of the provisions, which is absolute, requires each municipality to set aside an emergency reserve of 3% of its fiscal year spending. The City of Lafayette has taken the position that the TABOR reserve is included in the reserve required by its financial policies established in previous years.

For 2022, the General Fund reserve requirement of 25% of budgeted expenditures requires a minimum reserve of \$11,527,313. As of December 31, 2022, the amount restricted for the TABOR reserve was \$519,269 and the unassigned fund balance reported in the General Fund was \$31,758,926, exceeding the minimum reserve required.

The transition from governmental fund financial statements to the government-wide Statement of Net Position requires the five governmental classifications to be identified as restricted or unrestricted. Restricted net position includes net positions that are subject to restrictions beyond the City's control. Therefore, amounts reported in the restricted

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

classifications in the governmental funds may differ. All other governmental classifications will fall under the category of unrestricted for the Statement of Net Position.

When both restricted and unrestricted fund balance is available for use, the City will use the restricted amounts before the unrestricted amounts.

As of December 31, 2022, the Employee Benefit Fund reported a deficit unrestricted net position of \$125,656 due to revenues being lower than expected and unanticipated expenditures. Future year budgets have been reviewed to ensure that revenues will be sufficient to replenish the net position of this fund.

**O. Special Assessments**

Special assessments are recognized in governmental funds as revenue in the year that the assessments become available. This results in recognizing revenue only in the amount of assessment installments as they are collected. The remaining assessed but uncollected installments are recorded as unavailable revenue. Collection of delinquent interest is recorded as revenue when received.

**P. Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of net position has a separate section for deferred outflows of resources. Deferred outflows represent a consumption of net assets that applies to future period(s) and so are not recognized as an expense/expenditure in the current year, but will be in a future year. The City has items that qualify for reporting in this category relating to changes in the net pension asset or liability not included in pension expense and deferred charges on bond refundings.

In addition to liabilities, the statement of net position has a separate section for deferred inflows of resources. Deferred inflows represent an acquisition of net assets that applies to a future period(s) and so are not recognized as revenue in the current year, but will be in a future year. The City has items that qualify for reporting in this category relating to property taxes, leases, and changes in the net pension asset or liability not included in pension expense. The deferred inflow of resources for leases is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized over the term of the lease.

**Q. Expenditures Over Budget**

For the year-ended December 31, 2022, total expenditures (including interfund transfers out) exceeded appropriations in the Lafayette City Center GID Fund by \$97, in the Exempla GID Fund by \$461, in the Heath and Human Service Fund by \$5,538, and in the Debt Service Fund by \$122. This may be a violation of Colorado State Statutes.

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

**R. Abatements**

The economic development division offers individual business or developer incentive packages to attract new businesses or investment to the City. This grows the local economy, provides jobs, and increases the real tax base of the City. Incentive agreements are discretionary and are considered on a case-by-case basis, depending on the merits of the proposal and benefits to the City, and require City Council approval. A written Economic Development Agreement (EDA) is required.

All incentives are performance-based. Performance-based means that before any monies are disbursed, the business/developer shall meet or exceed the performance measures as identified by the EDA. Specific performance measures can include: (a) applying for, receiving, and paying for a building permit in compliance with the EDA (in regards to square footage of the building and/or valuation); (b) relocating a business from another community/State to the City; (c) removal of blight by demolition and rebuilding subject to (a) above; (d) investment in a building subject to (a) above; or (e) increase in the sales tax collections of the property, subject to the EDA. Incentive packages vary and may include rebates of permit fees, use tax, or sales tax. Rebates of sales tax are only considered for new tax-generating businesses or existing businesses making substantial investments (e.g., in building improvements which would have a correlation with increased sales tax collections). Building permit fee and use tax rebates are only considered for substantial investments in building improvements and/or equipment. All EDA's are subject to annual appropriation by City Council as required in the Colorado Constitution and the City Charter. As of December 31, 2022, the City had four active incentive agreements in place. During 2022, the City incurred \$532,668 in tax abatements.

**S. Implementation of GASB Statement No. 87**

The City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use asset and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated into the City's 2022 financial statements, see Note 12 for additional information. The implementation of GASB Statement No. 87 had no effect on net position as reported December 31, 2021.

**T. Restatement of Prior Years' Financial Statements**

In 2022, the City recorded the following prior period adjustments:

*Cash and Cash Equivalents Correction*

In prior years, the City's cash flow statements included in cash and investments certain investments not meeting its accounting policy definition of cash and cash equivalents as provided for by GASB Statement No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that Use Proprietary Fund

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

Accounting. Cash and cash equivalents are defined to include investments which have an original maturity of three months or less. During 2022, the City corrected beginning cash and cash equivalents to exclude investments not meeting its cash equivalents definition. This change resulted in a restatement of beginning cash and cash equivalents reported in the cash flow statement of each respective fund as follows:

|                                         | Water<br>Utility | Water<br>Reclamation<br>Utility | Golf<br>Course | Storm<br>Water | Internal<br>Service<br>Funds |
|-----------------------------------------|------------------|---------------------------------|----------------|----------------|------------------------------|
| Cash and cash equivalents on            |                  |                                 |                |                |                              |
| January 1, 2022, as previously reported | \$ 45,600,489    | \$ 64,235,636                   | \$ 1,323,792   | \$ 4,665,880   | \$ 1,925,735                 |
| Adjustment to correct misstatement      | (25,782,938)     | (10,079,740)                    | (676,323)      | (2,616,199)    | (1,078,678)                  |
| Cash and cash equivalents on            |                  |                                 |                |                |                              |
| January 1, 2022, as restated            | \$ 19,817,551    | \$ 54,155,896                   | \$ 647,469     | \$ 2,049,681   | \$ 847,057                   |

*Unavailable Revenue*

In 2021, the City recorded revenue for receipt of American Rescue Plan Act (ARPA) funding in the amount of \$3,856,585 which should have been recorded as unavailable revenue. A decrease to beginning fund balance of \$3,856,585 to the Grant Fund and net position of the governmental activities was made to correct these errors.

The financial impact of these prior period adjustments on the financial statement opening balances are summarized as follows:

**Effect on Beginning Net Position/Fund Balance**

|                                      | As Previously<br>Reported | Unavailable<br>Revenue | Total<br>Adjustments | As Adjusted |
|--------------------------------------|---------------------------|------------------------|----------------------|-------------|
| Fund Financial Statements            |                           |                        |                      |             |
| Grant Fund                           | \$ 3,859,752              | (3,856,585)            | \$ (3,856,585)       | \$ 3,167    |
| Government-wide Financial Statements |                           |                        |                      |             |
| Governmental Activities              | 212,844,660               | (3,856,585)            | (3,856,585)          | 208,988,075 |

## Note 2. Cash Deposits and Investments

The City, through its Charter and Investment Policy, has adopted the requirements of State statutes dealing with deposits and investments.

Deposits and investments at December 31, 2022, are summarized below:

|                        |                       |
|------------------------|-----------------------|
| Bank checking accounts | \$ 17,257,754         |
| Investments            | 165,005,356           |
| Cash on hand           | <u>2,282</u>          |
| Total                  | <u>\$ 182,265,392</u> |

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

Deposits and investments are presented in the financial statements as follows:

|                                   |                              |
|-----------------------------------|------------------------------|
| Unrestricted cash and investments | \$ 146,895,722               |
| Restricted cash and investments   | <u>35,369,670</u>            |
| Total                             | <u><u>\$ 182,265,392</u></u> |

**A. Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. At December 31, 2022, the City had uninsured bank deposits of \$18,458,522 collateralized by the financial institutions' agents but not in the City's name.

**B. Investments**

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include the following:

- Obligations of the United States and certain US government agency securities
- Certain international agency securities
- General obligation and revenue bonds of US local government entities
- Bankers' acceptances of certain banks
- Commercial paper and corporate bonds
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

On December 31, 2022, the City had the following investments:

| Investment Type                       | Measurement          | Rating      |             |         | Fair Value     | Investment Maturities |               | % of Total |
|---------------------------------------|----------------------|-------------|-------------|---------|----------------|-----------------------|---------------|------------|
|                                       |                      | Moody's     | S&P         | Fitch   |                | Less than 1 Year      | 1 to 5 Years  |            |
| U.S. Treasury Notes                   | Fair Value - Level 1 | Aaa         | AA+         | n/a     | \$ 35,007,995  | \$ 10,947,227         | \$ 24,060,768 | 21%        |
| Federal Farm Credit Bank              | Fair Value - Level 2 | Aaa         | AA+         | n/a     | 8,881,692      | 5,185,065             | 3,696,627     | 5%         |
| Federal Home Loan Bank                | Fair Value - Level 2 | Aaa         | AA+         | n/a     | 9,416,664      | 2,951,424             | 6,465,240     | 6%         |
| Federal Home Loan Mortgage Corp.      | Fair Value - Level 2 | Aaa         | AA+         | n/a     | 4,795,043      | -                     | 4,795,043     | 3%         |
| Federal National Mortgage Association | Fair Value - Level 2 | Aaa         | AA+         | n/a     | 12,304,239     | 6,592,581             | 5,711,658     | 7%         |
| U.S. Corporate Notes                  | Fair Value - Level 2 | Aa3         | AA-         | n/a     | 1,192,565      | -                     | 1,192,565     | 1%         |
| Municipal Securities                  | Fair Value - Level 2 | Aa1/Aa2/Aaa | AA+/AA-/AAA | n/a     | 3,042,707      | 1,085,195             | 1,957,512     | 2%         |
| Mutual Fund                           | Fair Value - Level 2 | n/a         | n/a         | n/a     | 52,516         | -                     | -             | 0%         |
| COLOTRUST PLUS+                       | Net Asset Value      | n/a         | AAAm        | n/a     | 19,527,927     | 19,527,927            | -             | 12%        |
| CSAFE - Cash Fund                     | Amortized Cost       | n/a         | n/a         | AAAmf   | 1,635,200      | 1,635,200             | -             | 1%         |
| CSAFE - Core Fund                     | Amortized Cost       | n/a         | n/a         | AAAf/S1 | 66,991,697     | 66,991,697            | -             | 41%        |
| CSIP Liquid Portfolio                 | Amortized Cost       | n/a         | AAAm        | n/a     | 2,091,824      | 2,091,824             | -             | 1%         |
| Money Market                          | Net Asset Value      | Aaa-mf      | AAAm        | n/a     | 65,287         | 65,287                | -             | 0%         |
| Total fair value                      |                      |             |             |         | \$ 165,005,356 | \$ 117,125,943        | \$ 47,879,413 | 100%       |

*Fair Value* – Investments are measured at fair value in accordance with GASB Statement No. 72. Fair value is defined as the amount for which an investment could be sold in an orderly transaction between market participants at the measurement date in the principal or most advantageous market of the investment. This Statement established a three-tier, hierarchical

disclosure framework with prioritizes and ranks the level of market price observability used in measuring fair value. The hierarchy is based on the valuation of inputs used to measure the fair value of the investment and gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Inputs include but are not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk. The three-tier framework is summarized as follows:

Level 1 - Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs included quoted prices for similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full-term of the assets or liabilities.

Level 3 - Unobservable inputs for an asset or liability.

*Interest Rate Risk* - The City's investment policy follows State statutes. State statutes limit investments in U.S. Treasury and Agency securities to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years. Corporate securities must mature within three years.

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
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*Credit Risk* - State statutes limit investments in commercial paper to those with at least two credit ratings at or above A1 or its equivalent by nationally recognized statistical rating organizations (NRSROs). Corporate securities must have at least two credit ratings from any of the NRSROs at or above AA- or its equivalent. State statutes also limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Security and Exchange Commission's Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by one or more NRSROs.

*Custodial Credit Risk* - The City's custodial credit risk policy also follows State statutes. On December 31, 2022, the City had investments held by Principal Custody Solutions in a custodial safekeeping account in the amount of \$74,640,906. All investments are specifically separate from the investments of the custodian and are identified as being investments of the City.

*Concentration of Credit Risk* - Although State statutes do not limit the amount the City may invest in one issuer, except for corporate securities, the City's investment policy does set limits. The City's investment policy is slightly more restrictive than State statutes by reflecting the following requirements: Combined exposure to U.S. Treasury and Federal Instrumentality securities shall not be less than 50% of the portfolio. Exposure to municipal debt shall not exceed 20% of the portfolio with no more than 5% held in any one issuer. In addition, the City's investment policy reflects the following diversification requirements in accordance with State statutes: combined exposure to commercial paper, bankers' acceptances and corporate bonds shall not exceed 50% of the portfolio with no more than 5% held in any one issuer.

*Local Government Investment Pools* - At December 31, 2022, the City had invested \$90,246,648 in the Colorado Local Government Liquid Asset Trust (COLOTRUST), the Colorado Surplus Asset Fund Trust (CSAFE), and the Colorado Statewide Investment Program (CSIP). The Trusts are investment vehicles established by State statutes for local government entities in Colorado to pool surplus funds for investment purposes. The Colorado Division of Securities

administers and enforces the requirements of creating and operating the Trusts. The Trusts operate in conformity with the Securities and Exchange Commission's Rule 2a-7, with each share valued at \$1. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify investments owned by the participating governments.

### **C. Component Units**

At December 31, 2022, LURA had a cash balance totaling \$3,247,524. The uninsured portion of the bank deposits of \$2,997,524 was collateralized by the financial institution's agent but not in LURA's name. In addition, LURA had \$866,637 invested in COLOTRUST.

At December 31, 2022, Base Line Land & Reservoir Company had a cash balance of \$407,543 comprised of \$317,534 in unrestricted cash and \$90,009 in restricted cash.

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

**Note 3. Restricted Cash and Investments**

In summary, restricted cash and investments at December 31, 2022, were as follows:

|                                         | <b>Balance at<br/>12/31/2022</b> |
|-----------------------------------------|----------------------------------|
| <b>Governmental Activities</b>          |                                  |
| General Fund - Northwest Parkway        | \$ 365,538                       |
| Cemetery Endowment Fund - Trust Account | <u>52,516</u>                    |
| Total Governmental Activities           | <u>\$ 418,054</u>                |
| <b>Business-Type Activities</b>         |                                  |
| Water Utility Fund - Debt Reserve       | \$ 1,362,000                     |
| Water Reclamation Fund - Bond Proceeds  | <u>33,589,616</u>                |
| Total Business-Type Activities          | <u>\$ 34,951,616</u>             |
| <b>Component Units</b>                  |                                  |
| Base Line Land & Reservoir Company      | <u>\$ 90,009</u>                 |

**A. Governmental Activities**

During July 2001, the City received \$1,000,000 from the Northwest Parkway Public Highway Authority for capital projects and conservation easement acquisitions related to the Northwest Parkway Project. In 2003 utility lines and sleeves were installed during construction of the Parkway at a cost of \$177,196. During 2004, \$650,000 was committed for construction of White Tail Park in South Pointe, although only \$450,124 was spent on the park. An additional \$7,142 was spent in 2017 on fencing improvements. At December 31, 2022, the balance is \$365,538.

In July 2022, the City received the second half of its total \$7.7 million American Rescue Plan Act of 2021 (ARPA) allocation. ARPA was part of a \$1.9 trillion economic stimulus bill signed into law by the President on March 11, 2021, which included \$350 billion designated for state, local, territorial and tribal governments to respond to the effects of the COVID-19 pandemic. Spending is restricted to four categories including: 1) replacing lost public sector revenue to fund general government services; 2) responding to public health and economic impacts of COVID-19; 3) premium pay for front line personnel; and 4) investments in water, sewer and broadband infrastructure. The City is required to report its spending activity to the U.S. Department of the Treasury on an annual basis to ensure compliance with spending criteria.

When the City acquired the cemetery property in February 2002, trust accounts were included as part of the transaction. The trust accounts were established in prior years for prepaid services of the cemetery. The responsibility for the endowment care trust was assumed by the City in 2010. The corpus of the trust account is held in a bank deposit account and is nonexpendable. Interest earned on the trust account may be used for current operating costs, and is transferred to the General Fund annually. At December 31, 2022, the balance of the endowment care trust of \$52,516 was reported as nonspendable fund balance in the Cemetery Endowment Fund.

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

**B. Business-Type Activities**

In April 2003, the City issued Water Revenue Bonds for the purpose of financing improvements to the water transmission and/or storage facilities and costs associated with joining and purchasing shares in water supply districts. These costs will be paid from available funds when they are incurred. Refunded in 2012, the 2012 Water Refunding Bonds debt covenants require a debt service reserve in the amount of \$1,362,000.

In November 2021, the City issued Water Reclamation Revenue Bonds with net proceeds of \$46,500,000. Proceeds will be used for the design and construction of new processes and facilities at the Water Reclamation Facility to meet various regulatory requirements.

**C. Component Unit**

During 2021, Base Line Land and Reservoir received funding that was restricted based upon donor-imposed restrictions.

**Note 4. Notes Receivable**

The Lafayette Urban Renewal Authority (LURA) has approved three loans to developers to purchase or development of blighted properties. The loans do not accrue interest and no installment payments are required as of December 31, 2022, and due dates may be extended at the discretion of LURA. One loan is partially forgivable upon completion of construction financing, which occurred in 2021. The City retains the right of first refusal if the developers choose to sell the properties. The outstanding balance of the loans at December 31, 2022, was \$657,055.

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

**Note 5. Capital Assets**

Governmental activities capital asset activity for the year ended December 31, 2022, was as follows:

|                                                  | (As restated)<br>Beginning<br>Balance | Increases           | Decreases             | Ending<br>Balance     |
|--------------------------------------------------|---------------------------------------|---------------------|-----------------------|-----------------------|
| <b>Governmental activities:</b>                  |                                       |                     |                       |                       |
| Capital assets, not being depreciated:           |                                       |                     |                       |                       |
| Land and open space                              | \$ 83,877,983                         | \$ 49,077           | \$ -                  | \$ 83,927,060         |
| Public art                                       | 479,227                               | 13,985              | -                     | 493,212               |
| Construction in progress                         | 5,867,484                             | 6,641,742           | (2,646,550)           | 9,862,676             |
| Total capital assets, not being depreciated      | 90,224,694                            | 6,704,804           | (2,646,550)           | 94,282,948            |
| Capital assets, being depreciated:               |                                       |                     |                       |                       |
| Buildings                                        | 36,597,319                            | 138,171             | (20,827)              | 36,714,663            |
| Improvements other than buildings                | 6,294,620                             | 608,609             | (13,985)              | 6,889,244             |
| Infrastructure                                   | 84,996,066                            | 2,196,055           | -                     | 87,192,121            |
| Equipment                                        | 14,211,172                            | 2,152,151           | (523,261)             | 15,840,061            |
| Total capital assets, being depreciated          | 142,099,177                           | 5,094,986           | (558,074)             | 146,636,089           |
| Less accumulated depreciation for:               |                                       |                     |                       |                       |
| Buildings                                        | (14,783,009)                          | (1,060,357)         | -                     | (15,843,366)          |
| Improvements other than buildings                | (4,255,628)                           | (266,910)           | -                     | (4,522,538)           |
| Infrastructure                                   | (53,562,145)                          | (2,169,570)         | -                     | (55,731,715)          |
| Equipment                                        | (11,079,346)                          | (1,224,983)         | 496,367               | (11,807,962)          |
| Total accumulated depreciation                   | (83,680,128)                          | (4,721,820)         | 496,367               | (87,905,581)          |
| Total capital assets, being depreciated, net     | 58,419,049                            | 373,166             | (61,707)              | 58,730,509            |
| Right to use leased assets being amortized       |                                       |                     |                       |                       |
| Right to use lease land                          | 70,666                                | -                   | -                     | 70,666                |
| Right to use lease building                      | 896,916                               | -                   | -                     | 896,916               |
| Right to use lease equipment                     | 131,583                               | -                   | -                     | 131,583               |
| Total right to use leased assets being amortized | 1,099,165                             | -                   | -                     | 1,099,165             |
| Less accumulated amortization for                |                                       |                     |                       |                       |
| Right to use lease land                          | -                                     | (47,286)            | -                     | (47,286)              |
| Right to use lease building                      | -                                     | (45,413)            | -                     | (45,413)              |
| Right to use lease equipment                     | -                                     | (27,776)            | -                     | (27,776)              |
| Total accumulated amortization                   | -                                     | (120,475)           | -                     | (120,475)             |
| Total capital assets, being amortized, net       | 1,099,165                             | (120,475)           | -                     | 978,690               |
| Governmental activities capital assets, net      | <u>\$ 149,742,908</u>                 | <u>\$ 6,957,495</u> | <u>\$ (2,708,257)</u> | <u>\$ 153,992,147</u> |

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

Depreciation and amortization expense has been charged to functions of the City as follows:

|                            |                     |
|----------------------------|---------------------|
| General Government         | \$ 981,551          |
| Fleet Management           | 91,772              |
| Public Safety              | 888,692             |
| Public Works               | 1,412,106           |
| Culture & Recreation       | <u>1,468,175</u>    |
| Total depreciation expense | <u>\$ 4,842,296</u> |

Capital asset activity for business-type activities for the year ended December 31, 2022, was as follows:

|                                                  | (As restated)<br>Beginning<br>Balance | Increases            | Decreases          | Ending<br>Balance     |
|--------------------------------------------------|---------------------------------------|----------------------|--------------------|-----------------------|
| <b>Business-type activities:</b>                 |                                       |                      |                    |                       |
| Capital assets, not being depreciated:           |                                       |                      |                    |                       |
| Land                                             | \$ 9,911,943                          | \$ -                 | \$ -               | \$ 9,911,943          |
| Water rights                                     | 37,059,239                            | 12,512,000           | -                  | 49,571,239            |
| Construction in progress                         | 19,079,518                            | 17,032,639           | -                  | 36,112,157            |
| Total capital assets, not being depreciated      | <u>66,050,700</u>                     | <u>29,544,639</u>    | <u>-</u>           | <u>95,595,339</u>     |
| Capital assets, being depreciated:               |                                       |                      |                    |                       |
| Buildings                                        | 4,380,061                             | 44,553               | -                  | 4,424,614             |
| Infrastructure                                   | 124,912,513                           | 320,238              | -                  | 125,232,751           |
| Improvements other than buildings                | 2,720,190                             | -                    | -                  | 2,720,190             |
| Equipment                                        | 10,597,465                            | 222,787              | (43,017)           | 10,777,235            |
| Total capital assets, being depreciated          | <u>142,610,229</u>                    | <u>587,578</u>       | <u>(43,017)</u>    | <u>143,154,790</u>    |
| Less accumulated depreciation for:               |                                       |                      |                    |                       |
| Buildings                                        | (2,239,004)                           | (417,979)            | -                  | (2,656,983)           |
| Infrastructure                                   | (55,268,551)                          | (2,917,521)          | -                  | (58,186,072)          |
| Improvements other than buildings                | (1,266,548)                           | (187,993)            | -                  | (1,454,541)           |
| Equipment                                        | (9,100,807)                           | (418,766)            | 24,317             | (9,495,256)           |
| Total accumulated depreciation                   | <u>(67,874,910)</u>                   | <u>(3,942,259)</u>   | <u>24,317</u>      | <u>(71,792,852)</u>   |
| Total capital assets, being depreciated, net     | 74,735,319                            | (3,354,681)          | (18,700)           | 71,361,938            |
| Right to use leased assets being amortized       |                                       |                      |                    |                       |
| Right to use lease equipment                     | 9,254                                 | -                    | -                  | 9,254                 |
| Total right to use leased assets being amortized | <u>9,254</u>                          | <u>-</u>             | <u>-</u>           | <u>9,254</u>          |
| Less accumulated amortization for                |                                       |                      |                    |                       |
| Right to use lease equipment                     | -                                     | (6,227)              | -                  | (6,227)               |
| Total accumulated amortization                   | <u>-</u>                              | <u>(6,227)</u>       | <u>-</u>           | <u>(6,227)</u>        |
| Total capital assets, being amortized, net       | 9,254                                 | (6,227)              | -                  | 3,027                 |
| Business-type activities capital assets, net     | <u>\$ 140,795,273</u>                 | <u>\$ 26,183,731</u> | <u>\$ (18,700)</u> | <u>\$ 166,960,304</u> |

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

Capital asset activity for the Lafayette Urban Renewal Authority year ended December 31, 2022, was as follows:

|                                                       | <u>Beginning<br/>Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Transfers</u> | <u>Ending<br/>Balance</u> |
|-------------------------------------------------------|------------------------------|------------------|------------------|------------------|---------------------------|
| <b>Lafayette Urban Renewal Authority:</b>             |                              |                  |                  |                  |                           |
| Capital assets, not being depreciated                 |                              |                  |                  |                  |                           |
| Land                                                  | \$ 534,511                   | \$ -             | \$ -             | \$ -             | \$ 534,511                |
| Total capital assets, not being depreciated           | 534,511                      | -                | -                | -                | 534,511                   |
| Capital assets being depreciated                      |                              |                  |                  |                  |                           |
| Buildings                                             | 90,552                       | -                | -                | -                | 90,552                    |
| Total capital assets, being depreciated               | 90,552                       | -                | -                | -                | 90,552                    |
| Less accumulated depreciation for:                    |                              |                  |                  |                  |                           |
| Buildings                                             | (7,923)                      | (4,528)          | -                | -                | (12,451)                  |
| Total accumulated depreciation                        | (7,923)                      | (4,528)          | -                | -                | (12,451)                  |
| Total capital assets being depreciated, net           | 82,629                       | (4,528)          | -                | -                | 78,101                    |
| Lafayette Urban Renewal Authority capital assets, net | \$ 617,140                   | \$ (4,528)       | \$ -             | \$ -             | \$ 612,612                |

Capital asset activity for Base Line Land & Reservoir Company year ended December 31, 2022, was as follows:

|                                                | <u>Beginning<br/>Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Transfers</u> | <u>Ending<br/>Balance</u> |
|------------------------------------------------|------------------------------|------------------|------------------|------------------|---------------------------|
| <b>Base Line Land &amp; Reservoir Company</b>  |                              |                  |                  |                  |                           |
| Capital assets, not being depreciated          |                              |                  |                  |                  |                           |
| Land                                           | \$ 76,000                    | \$ -             | \$ -             | \$ -             | \$ 76,000                 |
| Total capital assets, not being depreciated    | 76,000                       | -                | -                | -                | 76,000                    |
| Capital assets being depreciated               |                              |                  |                  |                  |                           |
| Infrastructure                                 | 1,677,614                    | -                | -                | -                | 1,677,614                 |
| Buildings                                      | 342,203                      | -                | -                | -                | 342,203                   |
| Total capital assets, being depreciated        | 2,019,817                    | -                | -                | -                | 2,019,817                 |
| Less accumulated depreciation for:             |                              |                  |                  |                  |                           |
| Infrastructure                                 | (261,962)                    | (14,877)         | -                | -                | (276,839)                 |
| Buildings                                      | (54,575)                     | (8,733)          | -                | -                | (63,308)                  |
| Total accumulated depreciation                 | (316,537)                    | (23,610)         | -                | -                | (340,147)                 |
| Total capital assets being depreciated, net    | 1,703,280                    | (23,610)         | -                | -                | 1,679,670                 |
| Base Line Land & Reservoir capital assets, net | \$ 1,779,280                 | \$ (23,610)      | \$ -             | \$ -             | \$ 1,755,670              |

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

**Note 6. Long-term Liabilities**

Long-term liability activity for the year ended December 31, 2022, was as follows:

|                                  | (As restated)<br>Beginning<br>Balance | Additions           | Reductions            | Ending<br>Balance    | Due Within<br>One Year |
|----------------------------------|---------------------------------------|---------------------|-----------------------|----------------------|------------------------|
| <b>Governmental Activities:</b>  |                                       |                     |                       |                      |                        |
| Bonds Payable                    |                                       |                     |                       |                      |                        |
| General Obligation Bonds         | \$ 4,170,000                          | \$ -                | \$ (855,000)          | \$ 3,315,000         | \$ 880,000             |
| Special Assessment Revenue Bonds | 2,910,000                             | -                   | (180,000)             | 2,730,000            | 195,000                |
| Bond Issuance Premiums           | 396,575                               | -                   | (79,980)              | 316,595              | -                      |
| Total Bonds Payable              | 7,476,575                             | -                   | (1,114,980)           | 6,361,595            | 1,075,000              |
| Compensated Absences             | 1,815,528                             | 2,078,804           | (1,954,750)           | 1,939,582            | 1,306,811              |
| Leases                           | 1,112,343                             | -                   | (140,296)             | 972,047              | 70,489                 |
| Total Governmental Activities    | <u>\$ 10,404,446</u>                  | <u>\$ 2,078,804</u> | <u>\$ (3,210,026)</u> | <u>\$ 9,273,224</u>  | <u>\$ 2,452,300</u>    |
| <b>Business-type Activities</b>  |                                       |                     |                       |                      |                        |
| Bonds and Loans Payable          |                                       |                     |                       |                      |                        |
| Revenue Bonds                    | \$ 51,645,000                         | \$ -                | \$ (1,960,000)        | \$ 49,685,000        | \$ 2,035,000           |
| Bond Issuance Premiums           | 2,972,074                             | -                   | (194,258)             | 2,777,816            | -                      |
| Total Bonds and Notes Payable    | 54,617,074                            | -                   | (2,154,258)           | 52,462,816           | 2,035,000              |
| Compensated Absences             | 427,539                               | 363,861             | (358,784)             | 432,616              | 279,637                |
| Leases                           | 9,269                                 | -                   | (7,416)               | 1,853                | 1,853                  |
| Total Business-Type Activities   | <u>\$ 55,053,882</u>                  | <u>\$ 363,861</u>   | <u>\$ (2,520,458)</u> | <u>\$ 52,897,285</u> | <u>\$ 2,316,490</u>    |

The City of Lafayette has both General Obligation (Serial) Bonds and Revenue (Term) Bonds.

**A. General Obligation Bonds**

General obligation bonds currently outstanding are as follows:

|                                 | Beginning<br>Balance | Additions   | Reductions          | Ending<br>Balance   | Due Within<br>One Year |
|---------------------------------|----------------------|-------------|---------------------|---------------------|------------------------|
| <b>General Obligation Bonds</b> |                      |             |                     |                     |                        |
| Governmental Activities         |                      |             |                     |                     |                        |
| 2016 GO and Refunding Bonds     | \$ 4,170,000         | \$ -        | \$ (855,000)        | \$ 3,315,000        | \$ 880,000             |
| Total General Obligation Bonds  | <u>\$ 4,170,000</u>  | <u>\$ -</u> | <u>\$ (855,000)</u> | <u>\$ 3,315,000</u> | <u>\$ 880,000</u>      |

*2016 General Obligation and Refunding & Improvement Bonds*

These bonds were issued for the purposes of developing a water park and refinancing older General Obligation bonds. These bonds mature annually through December 15, 2026 and bear an interest rate ranging from 2.0% to 4.0%. Payments are due semi-annually. As these are General Obligation Bonds, the full faith and credit of the City are pledged for the punctual payment of principal and interest. The bonds were issued through a public sale and carry no provisions for events of default or acceleration clauses.

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

**B. Revenue Bonds**

The City has also issued bonds for both governmental and business-type activities where revenues are pledged to pay the debt service. Outstanding revenue bonds are as follows:

|                                       | Beginning<br>Balance | Additions   | Reductions            | Ending<br>Balance    | Due Within<br>One Year |
|---------------------------------------|----------------------|-------------|-----------------------|----------------------|------------------------|
| <b>Revenue Bonds</b>                  |                      |             |                       |                      |                        |
| Governmental Activities               |                      |             |                       |                      |                        |
| Direct Placement                      |                      |             |                       |                      |                        |
| 2002 Lafayette Corporate Campus GID   | \$ 1,415,000         | \$ -        | \$ (115,000)          | \$ 1,300,000         | \$ 125,000             |
| Public Sale                           |                      |             |                       |                      |                        |
| 2006 Lafayette Tech Center GID        | 1,495,000            | -           | (65,000)              | 1,430,000            | 70,000                 |
| <b>Total Governmental Activities</b>  | <u>\$ 2,910,000</u>  | <u>\$ -</u> | <u>\$ (180,000)</u>   | <u>\$ 2,730,000</u>  | <u>\$ 195,000</u>      |
| Business-Type Activities              |                      |             |                       |                      |                        |
| Public Sale                           |                      |             |                       |                      |                        |
| 2012 Water Revenue Refunding Bonds    | \$ 6,990,000         | \$ -        | \$ (1,050,000)        | \$ 5,940,000         | \$ 1,095,000           |
| 2021 Water Reclamation Bonds          | 44,655,000           | -           | (910,000)             | 43,745,000           | 940,000                |
| <b>Total Business-Type Activities</b> | <u>\$ 51,645,000</u> | <u>\$ -</u> | <u>\$ (1,960,000)</u> | <u>\$ 49,685,000</u> | <u>\$ 2,035,000</u>    |

Governmental Activities

The revenue bonds in this category were issued by the Lafayette Corporate Campus GID and the Lafayette Tech Center GID and are not obligations of the City of Lafayette.

*2002 Lafayette Corporate Campus GID Bonds*

In December 2002, the Lafayette Corporate Campus General Improvement District bonds were issued to finance public improvements in the District. They mature annually through December 1, 2031 and bear an interest rate of 8.00%. Payments are due semi-annually. For the year ending December 31, 2022, net revenues of \$255,822 were available to pay debt service, including fiscal charges, of \$228,200. The outstanding balance as of year-end was \$1,300,000.

As these are General Obligation Bonds, the full faith and credit of the District are pledged for the punctual payment of principal and interest. The bonds may be redeemed prior to maturity at the option of the District. The bonds were sold through a private placement.

Events of default are defined in the bond agreement as failure to pay interest or principal when due, failure in the performance of other covenants, or filing of bankruptcy. Upon default of

these provisions, the bond owner may protect or enforce their rights through legal remedies. Failure in performance of other covenants that is not resolved within 60 days also results in 25% of the outstanding principal amount becoming immediately due.

*2006 Lafayette Tech Center GID Bonds*

The Lafayette Tech Center General Improvement District bonds were issued in December 2000 to be used to finance the acquisition, construction, installation and completion of public improvements within the District. In 2006, the bonds were refinanced. These bonds mature

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annually through December 1, 2036 and bear an interest rate of 6.00%. Payments are due semi-annually. For the year ending December 31, 2022, net revenues of \$156,024 were available to pay debt service, including fiscal charges, of \$155,033. The outstanding balance as of year-end was \$1,430,000.

As these are General Obligation Bonds, the full faith and credit of the District are pledged for the punctual payment of principal and interest. The bonds may be redeemed prior to maturity at the option of the District. The bonds were sold through a public sale.

Events of default are defined in the bond agreement as failure to pay interest or principal when due, failure in the performance of other covenants, or filing of bankruptcy. Upon default of these provisions, owners of no less than 25% of the aggregate bond value may protect or enforce their rights through legal remedies.

Business-Type Activities

*2012 Water Revenue Refunding Bonds*

In 2003, the City issued the 2003A Water Revenue Bonds for the purpose of financing the construction of a raw water transmission system, the purchase and construction of a raw water storage facility, the payment of costs associated with purchasing shares in water supply districts, and the development of a reclaimed water transmission system for irrigation purposes. The bonds were refinanced in 2012. The current bonds mature annually through December 1, 2027 and bear an interest rate of 3.0% to 5.0%. Payments are due semi-annually

and are funded from net revenues of the City's municipal water system. During the year ended December 31, 2022, net revenues of \$8,712,234 were available to pay annual debt service, including fiscal charges, of \$1,355,553. The balance outstanding as of year-end was \$5,940,000.

As these are Special Revenue Bonds, they constitute an irrevocable and first lien upon the net revenues of the Water Utility Fund. The bonds may be redeemed prior to maturity at the option of the City. The bonds were sold through a public sale.

Financial covenants include 1) maintaining a reserve account in the amount of \$1,362,000, and 2) maintaining a level of net revenues after payment of operations and maintenance of at least 110% of the debt service due in a given year in addition to the reserve amount. Events of default are defined in the bond agreement as failure to pay interest or principal when due, failure in the performance of other covenants, or filing of bankruptcy. Upon default of these provisions, the bond owner may protect or enforce their rights through court action. Failure in performance of other covenants that is not resolved within 60 days results in an event of default and the owners of the bonds may seek legal remedies.

The net revenues coverage calculation showing compliance with the 110% requirement is shown below.

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|                                      | <u><b>2022 Balances</b></u> |
|--------------------------------------|-----------------------------|
| <b><u>Gross Revenues</u></b>         |                             |
| Operating revenues                   | \$ 11,611,141               |
| Investment income                    | (372,618)                   |
| Development revenues                 | 2,961,826                   |
| Other revenues                       | <u>40,196</u>               |
| Gross revenues                       | <u>14,240,545</u>           |
| <b><u>Operating Expenses</u></b>     |                             |
| Personnel                            | 1,858,453                   |
| Operations                           | <u>3,669,858</u>            |
| Operating expenses                   | <u>5,528,311</u>            |
| Net revenues                         | <u><u>\$ 8,712,234</u></u>  |
| Maximum Annual Debt service          | \$ 1,361,500                |
| <b>Coverage Ratio - current year</b> | 640%                        |
| <b>Minimum required ratio</b>        | 110%                        |

*2021 Water Reclamation Revenue Bonds*

In 2021, the City issued the 2021 Water Reclamation Revenue Bonds with a par amount of \$44,655,000 for the purpose of financing the design and construction of new processes and facilities at the wastewater treatment plant as a result of new State of Colorado environmental regulations. The bonds mature annually through December 1, 2051 and bear an interest rate of 1.875% to 4.000%. Payments are due semi-annually and are funded from net revenues of the City's municipal water reclamation system. During the year ended December 31, 2022, net revenues of \$5,436,280 were available to pay annual debt service, including fiscal charges, of a maximum of \$2,136,870. The balance outstanding as of year-end was \$43,745,000.

As these are Special Revenue Bonds, they constitute an irrevocable and first lien upon the net revenues of the Water Reclamation Fund. The bonds may be redeemed prior to maturity at the option of the City on or after December 1, 2032. The bonds were sold through a public sale.

The primary financial covenant requires the Water Reclamation Fund to maintain a level of net revenues after payment of operations and maintenance of at least 110% of the debt service due in a given year. Events of default are defined in the bond agreement as failure to pay interest or principal when due, failure in the performance of other covenants, or filing of bankruptcy.

Upon default of these provisions, the bond owner may protect or enforce their rights through court action. Failure in performance of other covenants that is not resolved within 60 days results in an event of default and the owners of the bonds may seek legal remedies.

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The net revenues coverage calculation showing compliance with the 110% requirement is shown below.

|                                  | <u><b>2022 Balances</b></u> |
|----------------------------------|-----------------------------|
| <b><u>Gross Revenues</u></b>     |                             |
| Operating revenues               | \$ 6,614,766                |
| Investment income                | 739,405                     |
| Development revenues             | <u>771,720</u>              |
| Gross revenues                   | <u>8,125,891</u>            |
| <b><u>Operating Expenses</u></b> |                             |
| Personnel                        | 1,171,922                   |
| Operations                       | <u>1,517,689</u>            |
| Operating expenses               | <u>2,689,611</u>            |
| Net revenues                     | <u><u>\$ 5,436,280</u></u>  |
| Maximum Annual Debt service      | \$ 2,138,806                |
| Coverage Ratio - current year    | 254%                        |
| Minimum required ratio           | 110%                        |

**C. Future Debt Service**

Future annual debt service requirements to maturity for the general obligation and revenue bonds are as follows:

| Year      | Governmental Activities |                     | Business-type Activities |                      | Debt Requirement to Maturity |
|-----------|-------------------------|---------------------|--------------------------|----------------------|------------------------------|
|           | Principal               | Interest            | Principal                | Interest             |                              |
| 2023      | \$ 1,075,000            | \$ 313,600          | \$ 2,035,000             | \$ 1,457,138         | \$ 4,880,738                 |
| 2024      | 1,115,000               | 273,000             | 2,110,000                | 1,386,688            | 4,884,688                    |
| 2025      | 1,165,000               | 221,500             | 2,205,000                | 1,290,988            | 4,882,488                    |
| 2026      | 820,000                 | 167,600             | 2,295,000                | 1,202,788            | 4,485,388                    |
| 2027      | 250,000                 | 127,000             | 2,395,000                | 1,098,638            | 3,870,638                    |
| 2028-2032 | 1,090,000               | 349,200             | 6,205,000                | 4,472,640            | 12,116,840                   |
| 2033-2037 | 530,000                 | 81,900              | 7,315,000                | 3,368,308            | 11,295,208                   |
| 2038-2042 | -                       | -                   | 8,080,000                | 2,603,564            | 10,683,564                   |
| 2043-2047 | -                       | -                   | 9,005,000                | 1,677,775            | 10,682,775                   |
| 2048-2052 | -                       | -                   | 8,040,000                | 508,750              | 8,548,750                    |
| Total     | <u>\$ 6,045,000</u>     | <u>\$ 1,533,800</u> | <u>\$ 49,685,000</u>     | <u>\$ 19,067,277</u> | <u>\$ 76,331,077</u>         |

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**Note 7. Interfund Balances and Transactions**

**A. Interfund Balances**

In 2019, the General Fund loaned the Legacy Open Space Fund \$2,732,000. This loan bears interest at a rate of 2.22% annually and is to be repaid over 10 years in annual installments of \$307,655, which includes principal and interest. The 2022 payment was made as scheduled and the loan balance as of December 31, 2022 was \$1,974,412.

**B. Interfund Transactions**

Interfund transfers during the year ended December 31, 2022, were as follows:

| <b>Transfer Out<br/>(Paying Fund)</b> | <b>Transfer In (Receiving Fund)</b> |                                           |                             |                         |                             | <b>Totals</b>       |
|---------------------------------------|-------------------------------------|-------------------------------------------|-----------------------------|-------------------------|-----------------------------|---------------------|
|                                       | <b>Legacy Open<br/>Space</b>        | <b>Parks, Open<br/>Space &amp; Trails</b> | <b>Waste<br/>Management</b> | <b>Capital Projects</b> | <b>Fleet<br/>Management</b> |                     |
| General Fund                          |                                     |                                           | \$ 180,000                  | \$ 4,688,816            | \$ 686,575                  | \$ 5,555,391        |
| Legacy Open<br>Space                  | -                                   | \$ 309,696                                | -                           |                         |                             | 309,696             |
| Parks, Open<br>Space & Trails         | -                                   |                                           | -                           |                         | \$ 217,568                  | 217,568             |
| Public Safety                         | -                                   |                                           | -                           |                         | \$ 448,000                  | 448,000             |
| <b>Totals</b>                         | <b>\$ -</b>                         | <b>\$ 309,696</b>                         | <b>\$ 180,000</b>           | <b>\$ 4,688,816</b>     | <b>\$ 1,352,143</b>         | <b>\$ 6,530,655</b> |

The General Fund routinely transfers resources to the Capital Projects Fund for various projects. The General Fund also transferred money to the Waste Management Fund to assist in establishing the new fund created in 2022. The Legacy Open Space Fund transferred funds to the Parks, Open Space & Trails Fund for annual maintenance of open space areas. The General Fund, Parks, Open Space & Trails Fund, and the Public Safety fund all contributed to funding the Fleet Management Fund created in 2022.

**Note 8. Retirement Plans**

The City's employees and former volunteer firefighters are covered under four separate retirement plans, depending upon occupation and date of hire. The details for each plan are set forth as follows.

**A. Defined Contribution Plan for General Employees**

The City offers its full-time employees and key management officials a retirement plan created in accordance with Internal Revenue Code (IRC) Section 401(a). Employees are eligible to participate in the plan on the first day of employment as a full-time employee. A full-time employee is any employee who is regularly scheduled to work at least 40 hours per week for the City and whose position is approved by City Council.

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This plan is a defined contribution plan administered by International City/County Management Association - Retirement Corporation (ICMA-RC). Under the terms of the plan, the City is the only non-employee contributor and contributes 10.2% of the participant's salary (salary, pay or earned income less salary reductions made under IRC Section 125), and the participant is required to contribute 8% of salary. Voluntary after-tax contributions are allowed up to an additional 25% of the employee's compensation. Contribution requirements of the City and the participants are established and may be amended by the City Council. During the year ended December 31, 2022, the City and employees made all required contributions to the plan of \$1,332,524 and \$987,253 respectively.

Employees are immediately fully vested in the plan upon hire. An employee shall have a non-forfeitable interest in their entire employer account if they are employed by the City when they become disabled or die.

Since a third-party trustee holds the assets in trust, they are not reflected on the City's financial statements. The annual financial report of ICMA-RC may be obtained by writing to ICMA-RC, 777 North Capitol Street, NE, Washington, DC 20002 or by calling them at 202-962-4601.

**B. Defined Benefit Plans for Public Safety Employees**

*Plan Descriptions*

The City contributes to the Statewide Defined Benefit Plan (the SWDB Plan), a cost-sharing multiple-employer defined benefit pension plan, and the Statewide Hybrid Plan (the SWH Plan), a cost-sharing multiple-employer combination defined benefit and money purchase pension plan. The plans are administered by the Fire & Police Pension Association of Colorado (FPPA).

Police officers employed on May 1, 2005, could elect to participate in either plan. All police officers and firefighters hired after May 1, 2005, and all ambulance employees must participate in the SWDB Plan on the first day of employment.

Title 31, Article 31 of the Colorado Revised Statutes (CRS) grants the authority to establish and amend benefit terms to the FPPA Board of Directors. FPPA issues a publicly available financial report that includes information on the plans. That report may be obtained at [www.fppaco.org](http://www.fppaco.org).

*Benefits Provided*

A SWDB Plan member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. The annual normal retirement benefit is 2% of the average of the member's highest three years' base salary for each year of credited service up to 10 years, plus 2.5% for each year of service thereafter. Benefits paid to retirees are evaluated and may be re-determined every October 1. The amount of any increase is based on the FPPA Board of Director's discretion and can range from zero to the higher of 3% or the Consumer Price Index.

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

A SWH Plan member is eligible for a normal retirement pension at any time after age 55, if the member has at least twenty-five years of service. The annual normal retirement benefit of the defined benefit component is 1.5% of the average of the member's highest three years' base salary for each year of credited service. Benefits paid to retirees of the defined benefit component are evaluated and may be re-determined annually on October 1. The amount of any increase is based on the FPPA Board of Director's discretion and can range from zero to 3%.

A member is eligible for an early retirement after completion of 30 years of service or at age 50 with at least five years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5% interest, returned as a lump sum distribution from the defined benefit component. Alternatively, a member with at least five years of accredited service may leave contributions with the defined benefit component and remain eligible for a retirement pension at age 55 equal to 1.5% of the member's average highest three years' base salary for each year of credited service. In addition, upon termination the vested account balance in the money purchase component becomes available to the member.

Plan members may elect to participate in the deferred retirement option plan (DROP) after reaching eligibility for normal retirement, early retirement, or vested retirement, and age 55. A member can continue to work while participating in the DROP, but must terminate employment within five years of entry into the DROP. The member's percentage of retirement benefits is determined at the time of entry into the DROP. The monthly payments that begin at entry into the DROP are accumulated in a DROP account until the member terminates service, at which time the DROP accumulated benefits can be paid as periodic installments, a lump sum, or if desired, a member may elect to convert the DROP to a lifetime monthly benefit with survivor benefits. While participating in the DROP, the member continues to make pension contributions that are credited to the DROP. Each member shall self-direct the investments in their DROP account, which are held by a custodian and not included in the plans' net position.

**Contributions**

The City and eligible employees are required to contribute to the SWDB Plan at rates established by State statutes. Employer contribution rates can only be amended by the State Legislature. Employee contribution rates can be amended by the State Legislature or by election of the membership. Effective January 1, 2021, contribution rates for employers and

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members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

The City and eligible employees contributed 9% and 12% of base salary, respectively, for the year ended December 31, 2022. In 2014, SWDB Plan members elected to increase the employee contribution rate 0.5% annually from 2015 through 2022, to a total of 12% of base salary. In 2020, legislation was enacted to increase the employer contributions rate to the Plan beginning in 2021. Employer contribution rates will increase 0.5% annually through 2030 to a total of 13% of base salary.

Contributions from employees and employers reentering the SWDB Plan are established by resolution of the FPPA Board of Directors. The reentry group had a combined contribution Rate of 20% of the base salary from 2014 through December 31, 2020, and it was a local decision on who paid the additional 4% contribution. Effective January 1, 2021, the continuing rate of contribution for reentry groups is determined for each reentry group and varies by department but will be no less than 0.2%. The additional contribution amount is determined locally and may be paid by the member, the employer or split 50/50. Per the 2014 member election, the reentry group also had their required member contribution rate increase 0.5% annually beginning in 2015 through 2022. Per 2020 legislation, the reentry group also had their required employer contribution rate increase 0.5% annually beginning in 2021 through 2030.

The contribution rate for members and employers of affiliated social security employers is 6% and 4.5%, respectively, of pensionable earnings for a total contribution rate of 10.50% in 2022. Per the 2014 member election, the affiliated social security group also had their required member contribution rate increase 0.25% annually beginning in 2015 through 2022 to a total of 6% of base salary. Employer contributions remained at 4% through December 31, 2020.

Per the 2020 legislation, employer contribution rates will increase 0.25% annually through 2030 to a total of 6.5% of base salary. These increases result in a combined contribution rate of 12.5% in 2030.

The City's contributions to the SWDB Plan for the year ended December 31, 2022, were \$578,726, equal to the required contributions.

The City and eligible employees are required to contribute to the SWH Plan at rates established by City Council. However, the amount allocated to the defined benefit component is set annually by the FPPA Board of Directors, which currently must be at least 8% of base salary for the employee and the employer for a total of 16%. Excess contributions are deposited to the Money Purchase Component of the SWH Plan. The defined benefit component contribution rate from July 1, 2021 through June 30, 2022 was 14.1%. The defined benefit component contribution rate from July 1, 2022 through December 31, 2022 is 14.8%. The City Council has established the contribution rate split at 10.2% and 8% of base salary for the City and employees, respectively. The 2.2% excess contributions were deposited into the City's General Employees Plan described previously. In addition, the City and employees

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contributed 10.2% and 8%, respectively, of overtime and non-regular salary to the General Employees Plan.

Within the Money Purchase Component, members are always fully vested in their contributions, as well as the earnings on those contributions. Vesting in the City's contributions within the Money Purchase Component and earnings on those contributions is 20% per year after the first year of service, with 100% vesting after five years of service. Unvested City contributions and earnings thereon are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the SWH Plan's administrative expenses. Any administrative expenses not covered by forfeitures are charged directly to member accounts.

The City's contributions to the SWH Plan for the year ended December 31, 2022, were \$36,148, equal to the required contributions.

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

At December 31, 2022, the City reported net pension assets (liabilities) of \$4,157,279 and \$769,681, representing its proportionate share of the net pension asset of the SWDB and SWH Plans, respectively. The net pension asset was measured at December 31, 2021, and the total pension asset used to calculate the net pension asset (liability) was determined by an actuarial valuation as of January 1, 2021. The City's proportion of the net pension asset (liability) was based on a projection of the City's contributions to the plans for the calendar year ended December 31, 2021, relative to the projected contributions of all participating employers.

At December 31, 2021, the City's proportion of the SWDB Plan was 0.76711938%, which was an increase of 0.010323645% from its proportion measured at December 31, 2020. The City's proportion of the SWH Plan was 2.02976636%, which was a decrease of 0.32554374% from its proportion measured at December 31, 2020.

For the year ended December 31, 2022, the City recognized pension expense/(income) for the SWDB and SWH Plans of (\$468,423) and (\$27,325), respectively. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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|                                                                          | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| <b>Statewide Defined Benefit Plan</b>                                    |                                      |                                     |
| Differences between expected and actual experience                       | \$ 1,190,449                         | \$ 96,959                           |
| Changes of assumptions and other inputs                                  | 592,858                              | -                                   |
| Net difference between projected and actual earnings on plan investments | -                                    | 2,782,285                           |
| Changes in proportion                                                    | -                                    | 27,843                              |
| Contributions subsequent to the measurement date                         | 578,726                              | -                                   |
| Total                                                                    | <u>\$ 2,362,033</u>                  | <u>\$ 2,907,087</u>                 |
| <b>Statewide Hybrid Plan</b>                                             |                                      |                                     |
| Differences between expected and actual experience                       | \$ 153,719                           | \$ -                                |
| Changes of assumptions and other inputs                                  | 18,935                               | -                                   |
| Net difference between projected and actual earnings on plan investments | -                                    | 218,041                             |
| Changes in proportion                                                    | 106,263                              | -                                   |
| Contributions subsequent to the measurement date                         | 36,148                               | -                                   |
| Total                                                                    | <u>\$ 315,065</u>                    | <u>\$ 218,041</u>                   |
| Total                                                                    | <u><u>\$ 2,677,098</u></u>           | <u><u>\$ 3,125,128</u></u>          |

City contributions to the SWDB and SWH Plans subsequent to the measurement date of \$578,726 and \$36,148, respectively, will be recognized as an increase or decrease to the net pension asset (liability) in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows.

| Year Ended December 31, | SWDB Plan             | SWH Plan         |
|-------------------------|-----------------------|------------------|
| 2023                    | (378,441)             | 26,711           |
| 2024                    | (666,235)             | (1,576)          |
| 2025                    | (375,206)             | (7,695)          |
| 2026                    | (107,605)             | 423              |
| 2027                    | 244,749               | 20,821           |
| Thereafter              | 158,956               | 22,193           |
| Total                   | <u>\$ (1,123,781)</u> | <u>\$ 60,876</u> |

*Actuarial Assumptions*

The actuarial valuations for the SWDB were used to determine the total pension asset (liability) and actuarially determined contributions for the fiscal year ending December 31, 2021. The valuation used the following actuarial assumptions and other inputs:

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|                                                                                 |                |
|---------------------------------------------------------------------------------|----------------|
| Inflation                                                                       | 2.5%           |
| Projected salary increases, including inflation                                 | 4.25% - 11.25% |
| Investment rate of return, net of plan investment expenses, including inflation | 7.0%           |
| Cost of living adjustments (COLA)                                               | 0.0%           |

For determining the total pension asset (liability) and actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. The preretirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5%). Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2021, are summarized in the following table:

| Asset Class           | Target Allocation | Long-Term Expected Real Rate of Return |
|-----------------------|-------------------|----------------------------------------|
| Global Equity         | 39%               | 8.23%                                  |
| Equity Long/Short     | 8%                | 6.87%                                  |
| Private Markets       | 26%               | 10.63%                                 |
| Fixed Income - Rates  | 10%               | 4.01%                                  |
| Fixed Income - Credit | 5%                | 5.25%                                  |
| Absolute Return       | 10%               | 5.60%                                  |
| Cash                  | 2%                | 2.32%                                  |
| Total                 | 100%              |                                        |

### Discount Rate

The discount rate used to measure the total pension asset (liability) was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates in the FPPA

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Board of Director's funding policy, which establishes the contractually required rates under State statutes. Based on this assumption, the plans' fiduciary net position was projected to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension asset (liability).

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 1.840% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

*Sensitivity of the Net Pension Asset (Liability) to Changes in the Discount Rate*

The following table presents the City's proportionate share of the net pension asset (liability) calculated using the discount rate of 7.00%, as well as the City's proportionate share of the net pension asset (liability) if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate, as follows:

|                                                                  | 1% Decrease<br>(6.0%) | Current<br>Discount Rate<br>(7.0%) | 1% Increase<br>(8.0%) |
|------------------------------------------------------------------|-----------------------|------------------------------------|-----------------------|
| Proportionate share of the SWDB<br>net pension (asset) liability | \$ (573,315)          | \$ (4,157,279)                     | \$ (7,126,394)        |
| Proportionate share of the SWH<br>net pension (asset) liability  | \$ (587,300)          | \$ (769,681)                       | \$ (921,960)          |

*Pension Plan Fiduciary Net Position*

Detailed information about the plans' fiduciary net position is available in FPPA's separately issued financial report, which may be obtained at [www.fppaco.org](http://www.fppaco.org).

**C. Defined Benefit Plan for Volunteer Firefighters**

General Information

*Plan Description*

The City gradually terminated the volunteer firefighter program as the emphasis changed to an all-career firefighter staff. The City provides an agent multiple-employer defined benefit pension plan for former volunteer firefighters as established by Title 31, Article 30, Section

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1101 of the Colorado Revised Statutes. The City Council serves as the plan's Board of Trustees. The Board of Trustees establishes and is authorized to amend the plan provisions, and determines the contributions made by the City. The plan is administered by the Fire & Police Pension Association of Colorado (FPPA). The annual financial report of FPPA may be obtained at [www.fppaco.org](http://www.fppaco.org).

*Plan Membership*

Plan membership consists of inactive volunteer firefighters and their beneficiaries. At January 1, 2022, plan membership consisted of the following:

|                              |           |
|------------------------------|-----------|
| Retirees and beneficiaries   | 37        |
| Inactive, nonretired members | <u>3</u>  |
| Total                        | <u>40</u> |

*Benefits Provided*

Any former volunteer firefighter who has both reached the age of 50 and completed 20 years of active service shall be eligible for a monthly pension of \$700. A firefighter who is disabled in the line of duty and whose disability is considered permanent shall be compensated in an amount determined by the Board of Trustees to be reasonable and proper considering the financial condition of the Fund. The Plan also provides for a lump-sum burial benefit of \$1,400 upon the death of a retired firefighter. Spouses of deceased firefighters receive a monthly benefit of \$350.

*Contributions*

The plan receives contributions from the City in an amount not to exceed one-half mill of property tax revenue. As established by the legislature, the State of Colorado contributes ninety percent of the City's contribution up to the \$300 monthly normal retirement benefit level. For monthly benefits beyond \$300, the State contribution is limited to the City's contribution before the increase in benefits. The on-behalf payments received from the State of Colorado are recorded as both revenues and expenditures during the year.

Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2019 determines the contribution amounts for 2020 and 2021. For the year ended December 31, 2022, the City and State contributions of \$119,164 and \$84,444, respectively, exceeded the actuarially determined contribution.

*Net Pension Asset (Liability), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

At December 31, 2022, the City reported a net pension liability of \$418,490, measured as of December 31, 2021. The total pension liability used to calculate the net pension asset (liability) was determined based on the January 1, 2019 actuarial valuation. For the year ended December 31, 2021, changes in the net pension asset (liability) of the City were as follows.

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|                                         | <b>Total Pension<br/>Liability<br/>(a)</b> | <b>Plan Fiduciary<br/>Net Position<br/>(b)</b> | <b>Net Pension<br/>Liability<br/>(a-b)</b> |
|-----------------------------------------|--------------------------------------------|------------------------------------------------|--------------------------------------------|
| Balances, December 31, 2020             | \$ 2,227,368                               | \$ 1,543,426                                   | \$ 683,942                                 |
| Interest on the Total Pension Liability | 148,830                                    | -                                              | 148,830                                    |
| City Contributions                      | -                                          | 119,164                                        | (119,164)                                  |
| State Contributions                     | -                                          | 84,444                                         | (84,444)                                   |
| Changes in Experience                   | -                                          | -                                              | -                                          |
| Net Investment Income                   | -                                          | 222,390                                        | (222,390)                                  |
| Benefit Payments                        | (205,940)                                  | (205,940)                                      | -                                          |
| Administrative Expenses                 | -                                          | (11,716)                                       | 11,716                                     |
| Balances, December 31, 2021             | <u>\$ 2,170,258</u>                        | <u>\$ 1,751,768</u>                            | <u>\$ 418,490</u>                          |

For the year ended December 31, 2022, the City recognized pension income for this plan of (\$83,094). At December 31, 2022, the City reported deferred inflows of resources related to the plan from the following sources:

|                                                                          | <u>Deferred<br/>Inflows of<br/>Resources</u> |
|--------------------------------------------------------------------------|----------------------------------------------|
| Net difference between projected and actual earnings on plan investments | <u>\$ 150,988</u>                            |
| Total                                                                    | <u>\$ 150,988</u>                            |

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

| <u>Year Ended December 31,</u> |                     |
|--------------------------------|---------------------|
| 2023                           | \$ (34,983)         |
| 2024                           | (55,634)            |
| 2025                           | (37,405)            |
| 2026                           | (22,966)            |
| 2027                           | -                   |
| Thereafter                     | <u>-</u>            |
| Total                          | <u>\$ (150,988)</u> |

*Actuarial Assumptions*

The significant actuarial assumptions used to measure the total pension liability were determined by an actuarial valuation as of January 1, 2019 and are as follows:

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|                                                                                 |                                                  |
|---------------------------------------------------------------------------------|--------------------------------------------------|
| Inflation                                                                       | 2.50%                                            |
| Projected salary increases, including inflation                                 | N/A                                              |
| Investment rate of return, net of plan investment expenses, including inflation | 7.00%                                            |
| Retirement age                                                                  | 50% per year of eligibility until 100% at age 65 |

The following mortality rates were adopted:

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 are summarized in the following table:

| <u>Asset Class</u>    | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|-----------------------|--------------------------|-----------------------------------------------|
| Global Equity         | 39%                      | 8.23%                                         |
| Equity Long/Short     | 8%                       | 6.87%                                         |
| Private Markets       | 26%                      | 10.63%                                        |
| Fixed Income - Rates  | 10%                      | 4.01%                                         |
| Fixed Income - Credit | 5%                       | 5.25%                                         |
| Absolute Return       | 10%                      | 5.60%                                         |
| Cash                  | 2%                       | 2.32%                                         |
| Total                 | 100%                     |                                               |

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*Discount Rate*

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 1.84% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00%.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the City's net pension liability calculated using the discount rate of 7.00%, as well as the City's net pension liability if it were calculated using a discount that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate, as follows:

|                              | <b>1% Decrease<br/>(6.0%)</b> | <b>Current<br/>Discount Rate<br/>(7.0%)</b> | <b>1% Increase<br/>(8.0%)</b> |
|------------------------------|-------------------------------|---------------------------------------------|-------------------------------|
| City's Net Pension Liability | \$ 608,577                    | \$ 418,490                                  | \$ 255,613                    |

*Pension Plan Fiduciary Net Position*

Detailed information about the plan's fiduciary net position is available in FPPA's separately issued financial report, which may be obtained at [www.fppaco.org](http://www.fppaco.org).

**D. Pension Expense**

For the year ended December 31, 2022, the City's Governmental Activities recognized total net pension income of (\$578,842) across all plans.

**Note 9. Other Postemployment Benefits**

**Statewide Death & Disability Plan**

*General Information*

*Plan Description*

The City contributes to the Statewide Death & Disability Plan, a cost-sharing multiple-employer defined benefit death and disability plan administered by the Fire & Police Pension Association of Colorado (FPPA). All commissioned police officers, firefighters, and ambulance personnel are members of the plan. Contributions to the plan are used solely for the payment of death and disability benefits. Benefits are established by State statutes and generally allow for benefits upon the death or disability of a plan member prior to retirement.

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FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the plan. That report may be obtained at [www.fppaco.org](http://www.fppaco.org).

*Benefits Provided*

The plan provides pre-retirement death benefits, as follows:

- Off-duty: 40% of the base salary paid to the beneficiary, with an additional 10% of base salary if a surviving spouse has two or more dependent children or if there is no spouse and three or more dependent children.
- On-duty: 70% of the base salary paid to the beneficiary with adjustments for dependent children not living in the members household.

The plan provides disability benefits as follows:

- Total disability: 70% of the base salary preceding disability.
- Permanent occupational disability: 50% of the base salary preceding disability.
- Temporary occupational disability: 40% of the base salary preceding disability for up to 5 years.

Benefit adjustments are granted periodically at the discretion of the FPPA Board of Directors. Total disability retirees receive an automatic increase of 3% annually. For other annuitants, the increase may reflect CPI, but in no case may be higher than 3%.

Once a member is eligible to retire, all plan benefit obligations cease.

*Contributions*

Prior to 1997, the Plan was primarily funded by the State of Colorado, whose contributions were established by Colorado statute. In 1997 the State made a one-time contribution of \$39 million to fund past and future service costs for all firefighters and police officers hired prior

to January 1, 1997. During 2022, Colorado Revised Statutes (CRS) 31-31-811 was amended to provide additional payments from the State to the Plan on July 1, 2022 and July 1, 2023 of \$6.7 million each.

Members hired on or after January 1, 1997, began contributing 2.4% of base salary to the Plan as of January 1, 1997. Effective January 1, 2022, the contribution rate increased to 3.2% of base salary and may be increase 0.2% annually by the FPPA Board. This percentage can vary depending on actuarial experience. All contributions are made by members or on behalf of members. The contribution may be paid entirely by the employer or member, or may be split between the employer and the member as determined at the local level. Contributions to the plan for the year ended December 31, 2022 were \$195,850, equal to the required contributions.

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

The City has no requirement to contribute to the plan and does not receive contributions from a nonemployer entity. Therefore, the City does not report a net OPEB liability, or deferred outflows of resources and deferred inflows of resources related to OPEB.

*OPEB Plan Fiduciary Net Position* - Detailed information about the plan's fiduciary net position is available in FPPA's separately issued financial report, which may be obtained at [www.fppaco.org](http://www.fppaco.org).

**Note 10. Risk Management**

The City is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God. For these risks of loss, the City acquires insurance for property liability, police professional liability, errors and omissions, excess liability, and crime coverage through the Colorado Intergovernmental Risk Sharing Agency (CIRSA). The City does not exercise oversight responsibility nor does it exercise significant influence over CIRSA's operations. Premiums and coverage obtained from CIRSA are comparable to those provided by commercial carriers.

CIRSA is an organization created by an intergovernmental agreement to provide property, general and automobile liability, and public official coverage to its members. Coverage is provided through CIRSA self-funding and various excess insurance contracts that limit maximum losses and minimize exposure on large risks. CIRSA does not have a legal obligation to pay losses or loss adjustment expenses in excess of its annually established loss fund and amounts recoverable under excess specific aggregate insurance contracts. Losses and loss adjustment expenses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members.

The City continues to carry commercial insurance coverage for other risks of loss including workers compensation and employee health and accident insurance. The amount of settlements has not exceeded insurance coverage in any of the past three fiscal years.

The Insurance Fund, an internal service fund, was established to account for claims and insurance premiums related to property and liability risks. The City is responsible for the first \$25,000 of each liability claim and the first \$100,000 for each property claim.

Changes in the balances of claims liabilities during the past two years are as follows:

|                                           | <u>2022</u>      | <u>2021</u>      |
|-------------------------------------------|------------------|------------------|
| Claims Payable, Beginning Balance         | \$ 58,299        | \$ 38,260        |
| Claims Incurred and Changes in Provisions | 40,456           | 188,554          |
| Claims Paid                               | <u>(73,855)</u>  | <u>(168,515)</u> |
| Claims Payable, Ending Balance            | <u>\$ 24,900</u> | <u>\$ 58,299</u> |

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The City established the Employee Benefit Fund, an internal service fund, to manage and account for the rising costs of all employee insurance benefits. Under the provisions of the current employee health insurance plan, the City pays a fixed monthly premium, per participant, and is fully insured.

## **Note 11. Commitments and Contingencies**

### Grants

The City has received grants to assist with the construction of facilities and other projects. Under the terms of certain grant agreements, the grants are subject to review and audit by the grantor. Such audits could lead to a request for reimbursements to the grantor for expenditures disallowed. City management believes any disallowance would be immaterial.

### Legal Contingencies

Various claims and lawsuits are pending against the City. After consideration of applicable insurance policy coverage, and the relative merits of each claim or lawsuit, it is the opinion of the City management that the potential ultimate responsibility resulting from these actions, if any, will not have a material adverse financial effect on the City.

### Water Capacity Agreements

The City is participating in several long-term agreements for future raw water storage to meet the water needs of a growing population. These agreements commit the City to future financial obligations and are summarized as follows.

#### Goose Haven Reservoir Expansion

On September 12, 2012, the City entered into a contract for the construction of raw water reservoirs with Rock Products of Colorado, LLC, at the Goose Haven property. This project was expected to last between five and eight years with variability due to soil/gravel demand. Subsequent change orders have brought the total contract price to \$24,676,789 as of December 31, 2022, of which a total of \$15,074,044 has been completed and paid, less retainage withheld of \$776,914. The City may terminate the contract at any time upon ten days written notice to Rock Products. After each phase has been completed, the City's approval must be obtained before proceeding to the next phase. The project is currently anticipated to be complete by 2024.

#### Gross Reservoir Expansion

The City participates in the Gross Reservoir Expansion Project, a project designed to raise the existing dam at Gross Reservoir by 131 feet and increase the reservoir's capacity by 77,000 acre feet of water, of which 5,000 acre-feet will be shared between the City of Lafayette and the City of Boulder. The project has been delayed while facing legal challenges. It is expected that the project will move forward towards completion in the next several years. The City's financial commitment to the project amounts to roughly \$2,475,740 which will be payable in 2022 and 2024, under the current project agreement.

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Windy Gap Firming Project

The City is a participant in the Windy Gap Firming Project. The project, which is led by the Northern Colorado Water Conservancy District, will be located just west of Carter Lake, Colorado. The project consists of a diversion dam on the Colorado River, a 90,000-acre-foot reservoir and a connectivity channel to connect the Colorado River and the new reservoir. The project is being funded through a collaboration of local water providers with each participant funding their share of the costs in exchange for a share of the water rights once the project is completed.

Total project costs are currently estimated to be \$600 million and construction, which began in 2021, is scheduled for completion in 2026. The City's participation in the project amounts to 1% of the project total, which equates to \$6,000,000 payable in annual installments for 30 years until approximately 2052. In addition to project costs, the City will also be responsible for a portion of operations and maintenance costs after construction is completed. Due to the early stage of the project and the uncertainty of construction costs over periods of time, the costs and construction timeline disclosed here are preliminary estimates based on information available at the time this report was issued. As of December 31, 2022, the City had contributed \$1,124,513 to the project since the project began in 2011.

Northern Integrated Supply Project

The City is a participant in the Northern Integrated Supply Project (NISP). This project, which is led by the Northern Colorado Water Conservancy District, will create two new reservoirs to provide an additional 40,000 acre feet of water to participants annually. The project will also include building and burying pipelines for water delivery and improving related water delivery systems. The project is being funded through a collaboration of local water providers with each participant funding their share of the costs in exchange for a share of the water rights once the project is completed.

The total project costs are currently estimated to be \$2.0 billion and construction is scheduled for completion in 2029. The City's participation in this project amounts to 4.5% of the project total, which equates to roughly \$90.0 million payable in annual installments through 2058. In addition to project costs, the City will also be responsible for a portion of operations and maintenance costs after construction is completed. Due to the early

stage of the project and the uncertainty of construction costs over extended periods of time, the costs and construction timeline disclosed here are preliminary estimates based on information available at the time this report was issued. As of December 31, 2022, the City had contributed \$4,391,210 to the project since the project began in 2004.

Water Reclamation Treatment Facility Project

Due to additional regulations set forth by the Colorado Department of Public Health and Environment (CDPHE), the City must upgrade its Water Reclamation Facility to reduce discharges of total inorganic nitrogen and phosphorous to Coal Creek. The project will be constructed in two phases, with a total cost estimate of \$46.4 million, expected to be completed by mid-2025. To finance the project, the City issued \$46.5 million in revenue

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bonds in November 2021. As of December 31, 2022, Phase I of the project was approximately 30% complete, with \$14,256,044 paid to the contractor.

Commitments and Encumbrances

At year-end, commitments and encumbrances by fund were as follows:

|                                   | <u>Governmental</u> | <u>Proprietary</u> | <u>Total</u>  |
|-----------------------------------|---------------------|--------------------|---------------|
| General Fund                      | \$ 1,068,795        | \$ -               | \$ 1,068,795  |
| Parks, Open Space and Trails Fund | 503,225             | -                  | 503,225       |
| Capital Projects Fund             | 7,044,615           | -                  | 7,044,615     |
| Fleet Fund                        | 463,578             | -                  | 463,578       |
| Golf Course Fund                  | -                   | 524,807            | 524,807       |
| Water Utility Fund                | -                   | 317,539            | 317,539       |
| Water Reclamation Utility Fund    | -                   | 28,632,145         | 28,632,145    |
| Storm Water Fund                  | -                   | 101,078            | 101,078       |
|                                   | <hr/>               | <hr/>              | <hr/>         |
| Claims Payable, Ending Balance    | \$ 9,080,213        | \$ 29,575,569      | \$ 38,655,782 |

The commitments and encumbrances reflected in the above table technically lapse at the end of the year, but are expected to be reappropriated and become part of the subsequent year's budget because performance under the various executory contracts is expected in the next year.

The vast majority of the amounts reflected in the above table are related to the capital projects detailed in the previous pages.

Other Contingencies

Due to significant flooding during September 2013, the City had substantial repairs that needed to be made to the Coal Creek Trail. With the flood being deemed a disaster, the City is working with Federal and State government agencies to assist in defraying the costs of the repairs. The costs for the flood related projects have been submitted for reimbursement from FEMA. In addition, there were significant project cost over-runs which were also submitted to FEMA for approval which has not yet been authorized. The repair to the flood damaged areas is 100% completed as of December 31, 2015, and requests for reimbursements have been submitted to FEMA.

**Note 12. Leases**

For the year ended December 31, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this standard is to enhance the relevance and consistency of information about governments' leasing activities. This standard establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

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The City entered into 9 lease agreements as lessee for the use of copier and print equipment. As of December 31, 2022, the value of the lease liability was \$104,396. The interest rate on the leases ranged from 0.24% to 3.05%. The City is required to make monthly fixed payments of \$2,897 and a quarterly fixed payment of \$2,649. The value of the rights to use these assets as of December 31, 2022, was \$140,837 with accumulated amortization of \$34,003.

The City entered into a lease agreement as lessee for the use of land. As of December 31, 2022, the value of the lease liability is zero. The lease has an interest rate of 0.29%. The City is required to make annual fixed payments of \$37,923. The value of the rights to use this asset as of December 31, 2022, was \$70,666 with accumulated amortization of \$47,286.

The City entered into a lease agreement as lessee for the use of a building. As of December 31, 2022, the value of the lease liability was \$869,504. The lease has an interest rate of 1.55%. The City is required to make monthly fixed payments of \$3,307. The value of the rights to use this asset as of December 31, 2022, was \$896,916 with accumulated amortization of \$45,413.

The City has accrued a receivable for 13 infrastructure leases. The remaining receivable for these leases was \$2,990,840 for the year ended December 31, 2022. Deferred inflows related to these leases were \$2,571,896 as of December 31, 2022. Interest revenue recognized on these leases was \$25,824 for the year ended December 31, 2022. Principal receipts of \$404,229 were recognized during the fiscal year. The interest rate on the leases ranged from 0.24% to 1.55%.

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The tables below disclose the schedule of future payments included in the measurement of the lease receivable.

| <b>Proprietary</b> |                           |                          |                       |
|--------------------|---------------------------|--------------------------|-----------------------|
| <b>Fiscal Year</b> | <b>Principal Payments</b> | <b>Interest Payments</b> | <b>Total Payments</b> |
| 2023               | 35,565                    | 8,939                    | 44,504                |
| 2024               | 35,621                    | 8,534                    | 44,155                |
| 2025               | 35,678                    | 8,123                    | 43,802                |
| 2026               | 35,738                    | 7,705                    | 43,443                |
| 2027               | 35,801                    | 7,279                    | 43,080                |
| 2028 - 2032        | 180,029                   | 29,749                   | 209,778               |
| 2033 - 2037        | 182,007                   | 17,933                   | 199,940               |
| 2038 - 2042        | 118,089                   | 5,149                    | 123,238               |

| <b>Governmental</b> |                           |                          |                       |
|---------------------|---------------------------|--------------------------|-----------------------|
| <b>Fiscal Year</b>  | <b>Principal Payments</b> | <b>Interest Payments</b> | <b>Total Payments</b> |
| 2023                | 230,747                   | 15,655                   | 246,402               |
| 2024                | 96,765                    | 15,212                   | 111,977               |
| 2025                | 97,877                    | 13,986                   | 111,863               |
| 2026                | 100,428                   | 13,141                   | 113,570               |
| 2027                | 98,285                    | 12,276                   | 110,561               |
| 2028 - 2032         | 521,721                   | 49,908                   | 571,630               |
| 2033 - 2037         | 425,008                   | 31,124                   | 456,133               |
| 2038 - 2042         | 372,868                   | 13,903                   | 386,771               |
| 2043 - 2047         | 282,193                   | 5,470                    | 287,663               |
| 2049                | 106,420                   | 665                      | 107,085               |

The tables below disclose the schedule of future payments included in the measurement of the lease liability.

| <b>Proprietary</b> |                           |                          |                       |
|--------------------|---------------------------|--------------------------|-----------------------|
| <b>Fiscal Year</b> | <b>Principal Payments</b> | <b>Interest Payments</b> | <b>Total Payments</b> |
| 2023               | 1,853                     | 1                        | 1,854                 |

| <b>Governmental</b> |                           |                          |                       |
|---------------------|---------------------------|--------------------------|-----------------------|
| <b>Fiscal Year</b>  | <b>Principal Payments</b> | <b>Interest Payments</b> | <b>Total Payments</b> |
| 2023                | 55,611                    | 14,878                   | 70,489                |
| 2024                | 54,677                    | 14,059                   | 68,736                |
| 2025                | 56,806                    | 13,202                   | 70,008                |
| 2026                | 48,996                    | 12,329                   | 61,324                |
| 2027                | 43,251                    | 11,485                   | 54,736                |
| 2028 - 2032         | 205,594                   | 47,829                   | 253,422               |
| 2033 - 2037         | 264,082                   | 29,703                   | 293,786               |
| 2038 - 2041         | 243,030                   | 7,431                    | 250,462               |

**City of Lafayette, Colorado**  
**Notes to the Financial Statements**  
**As of and for the year ended December 31, 2022**

**Note 13 – Litigation Settlements**

On March 16, 2023, the City reached a settlement with Castle Rock Construction Company for \$1.9 million to resolve the dispute between the parties in connection with the South Boulder Road and 120<sup>th</sup> Avenue road widening project.

## **Required Supplementary Information**

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**CITY OF LAFAYETTE, COLORADO**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended December 31, 2022**

|                                        | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b> | <b>Variance with<br/>Final Budget</b> |
|----------------------------------------|----------------------------|-------------------------|---------------|---------------------------------------|
| <b>Revenues</b>                        |                            |                         |               |                                       |
| Taxes                                  |                            |                         |               |                                       |
| Property Taxes                         | \$ 6,695,940               | \$ 6,695,940            | \$ 6,895,881  | \$ 199,941                            |
| Fire and Ambulance Property Taxes      | 2,964,032                  | 2,964,032               | 2,844,629     | (119,403)                             |
| Specific Ownership Taxes               | 486,820                    | 486,820                 | 479,716       | (7,104)                               |
| General Sales and Use Taxes            | 15,591,581                 | 15,591,581              | 17,368,772    | 1,777,191                             |
| Building Use Taxes                     | 1,560,000                  | 1,560,000               | 1,434,501     | (125,499)                             |
| Motor Vehicle Use Taxes                | 2,060,000                  | 2,060,000               | 2,198,842     | 138,842                               |
| Franchise Taxes                        | 1,150,000                  | 1,150,000               | 1,338,805     | 188,805                               |
| Excise Taxes                           | 807,250                    | 807,250                 | 657,650       | (149,600)                             |
| Total Taxes                            | 31,315,623                 | 31,315,623              | 33,218,796    | 1,903,173                             |
| Licenses and Permits                   |                            |                         |               |                                       |
| Business Licenses                      | 7,575                      | 7,575                   | 7,710         | 135                                   |
| Contractor Licenses                    | 111,100                    | 111,100                 | 123,075       | 11,975                                |
| Liquor Licenses                        | 30,300                     | 30,300                  | 20,476        | (9,824)                               |
| Marijuana Licenses                     | 101,000                    | 101,000                 | 107,750       | 6,750                                 |
| Construction Permits                   | 656,500                    | 656,500                 | 539,524       | (116,976)                             |
| Mobile Home Permits                    | 8,605                      | 8,605                   | 8,520         | (85)                                  |
| Miscellaneous Licenses                 | 1,414                      | 1,414                   | 978           | (436)                                 |
| Total Licenses and Permits             | 916,494                    | 916,494                 | 808,033       | (108,461)                             |
| Intergovernmental                      |                            |                         |               |                                       |
| Federal, State, and County Grants      | 220,002                    | 361,849                 | 471,456       | 109,607                               |
| Cigarette Tax                          | 45,450                     | 45,450                  | 40,640        | (4,810)                               |
| Total Intergovernmental                | 265,452                    | 407,299                 | 512,096       | 104,797                               |
| Contributions and Grants               |                            |                         |               |                                       |
| Public Art Fees                        | 30,000                     | 30,000                  | 20,040        | (9,960)                               |
| Miscellaneous Contributions and Grants | 726,500                    | 726,500                 | 751,652       | 25,152                                |
| Total Contributions and Grants         | 756,500                    | 756,500                 | 771,692       | 15,192                                |

**CITY OF LAFAYETTE, COLORADO**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (continued)**  
**For the Year Ended December 31, 2022**

|                                 | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>     | <b>Variance</b>  |
|---------------------------------|----------------------------|-------------------------|-------------------|------------------|
| <b>Revenues (continued)</b>     |                            |                         |                   |                  |
| Charges for Services            |                            |                         |                   |                  |
| Building Fees                   | 873,650                    | 873,650                 | 793,576           | (80,074)         |
| Culture and Recreation Fees     | 2,057,139                  | 2,057,139               | 1,805,666         | (251,473)        |
| Cemetery Fees                   | 40,000                     | 40,000                  | 31,970            | (8,030)          |
| Administrative Fees             | 1,767,830                  | 1,767,830               | 1,767,830         | -                |
| Pawn Shop Fees                  | 7,575                      | 7,575                   | 5,084             | (2,491)          |
| Police Service Fees             | 50,500                     | 50,500                  | 52,591            | 2,091            |
| Ambulance Fees                  | 505,000                    | 505,000                 | 669,691           | 164,691          |
| Sidewalk Maintenance Fees       | 353,500                    | 353,500                 | 417,885           | 64,385           |
| Miscellaneous Services          | 30,300                     | 30,300                  | 28,068            | (2,232)          |
| Total Charges for Services      | <u>5,685,494</u>           | <u>5,685,494</u>        | <u>5,572,361</u>  | <u>(113,133)</u> |
| Fines and Forfeitures           |                            |                         |                   |                  |
| Fines                           | 441,158                    | 441,158                 | 270,870           | (170,288)        |
| Court Costs                     | 12,120                     | 12,120                  | 25,210            | 13,090           |
| Total Fines and Forfeitures     | <u>453,278</u>             | <u>453,278</u>          | <u>296,080</u>    | <u>(157,198)</u> |
| Investment Earnings             | <u>300,000</u>             | <u>300,000</u>          | <u>(399,484)</u>  | <u>(699,484)</u> |
| Special Assessments             |                            |                         |                   |                  |
| Special Assessments - Principal | 30,000                     | 30,000                  | 11,491            | (18,509)         |
| Total Special Assessments       | <u>30,000</u>              | <u>30,000</u>           | <u>11,491</u>     | <u>(18,509)</u>  |
| Lease Revenue                   | <u>-</u>                   | <u>-</u>                | <u>389,182</u>    | <u>389,182</u>   |
| Miscellaneous Revenue           | <u>419,601</u>             | <u>419,601</u>          | <u>990,287</u>    | <u>570,686</u>   |
| <b>Total Revenues</b>           | <u>40,142,442</u>          | <u>40,284,289</u>       | <u>42,170,534</u> | <u>1,497,063</u> |
| <b>Expenditures</b>             |                            |                         |                   |                  |
| General Government              |                            |                         |                   |                  |
| City Council                    | 255,838                    | 255,838                 | 147,319           | 108,519          |
| Non-Departmental                | (57,802)                   | 282,388                 | 458,833           | (176,445)        |
| Community Boards                | 298,812                    | 298,812                 | 250,134           | 48,678           |
| City Administration             | 896,196                    | 996,196                 | 680,396           | 315,800          |
| City Clerk                      | 321,049                    | 321,049                 | 282,509           | 38,540           |
| Arts & Cultural Resources       | 683,438                    | 770,885                 | 583,836           | 187,049          |
| Communications                  | 522,930                    | 582,930                 | 418,058           | 164,872          |
| Sustainability                  | 183,960                    | 244,178                 | 196,136           | 48,042           |
| Economic Development            | 986,124                    | 1,136,124               | 947,321           | 188,803          |
| Human Resources                 | 960,001                    | 960,001                 | 697,331           | 262,670          |
| Financial Services              | 1,498,601                  | 1,548,601               | 1,349,989         | 198,612          |
| Information Systems             | 2,745,040                  | 2,969,488               | 2,483,812         | 485,676          |
| Facility Maintenance            | 1,348,871                  | 1,348,871               | 1,145,636         | 203,235          |
| Planning                        | 1,716,987                  | 1,791,987               | 1,333,188         | 458,799          |
| Total General Government        | <u>12,360,045</u>          | <u>13,507,348</u>       | <u>10,974,498</u> | <u>2,532,850</u> |
| Judicial                        |                            |                         |                   |                  |
| City Attorney                   | 494,100                    | 494,100                 | 372,428           | 121,672          |
| Municipal Court                 | 230,380                    | 230,380                 | 221,811           | 8,569            |
| Total Judicial                  | <u>724,480</u>             | <u>724,480</u>          | <u>594,239</u>    | <u>130,241</u>   |

**CITY OF LAFAYETTE, COLORADO**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (continued)**  
**For the Year Ended December 31, 2022**

|                                             | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>        | <b>Variance</b>     |
|---------------------------------------------|----------------------------|-------------------------|----------------------|---------------------|
| <b>Expenditures (Continued)</b>             |                            |                         |                      |                     |
| Public Safety                               |                            |                         |                      |                     |
| Police                                      | 8,779,649                  | 8,592,030               | 7,965,987            | 626,043             |
| Fire & Ambulance                            | 6,452,618                  | 6,086,428               | 6,412,290            | (325,862)           |
| Total Public Safety                         | 15,232,267                 | 14,678,458              | 14,378,277           | 300,181             |
| Public Works                                |                            |                         |                      |                     |
| Administration, Engineering, Streets, Fleet | 2,497,439                  | 2,982,282               | 2,824,323            | 157,959             |
| Solid Waste and Recycling                   | -                          | 8,988                   | -                    | 8,988               |
| Total Public Works                          | 2,497,439                  | 2,991,270               | 2,824,323            | 166,947             |
| Culture and Recreation                      |                            |                         |                      |                     |
| Administration - Parks, Open Space and Golf | 441,171                    | 441,171                 | 306,065              | 135,106             |
| Cemeteries                                  | 179,443                    | 179,443                 | 147,389              | 32,054              |
| Streetscapes                                | 206,525                    | 206,525                 | 189,635              | 16,890              |
| Administration - Recreation                 | 376,164                    | 384,289                 | 260,245              | 124,044             |
| Water Park                                  | 531,760                    | 536,135                 | 401,147              | 134,988             |
| Recreation Center                           | 430,257                    | 430,257                 | 305,624              | 124,633             |
| Aquatics                                    | 666,677                    | 666,677                 | 657,520              | 9,157               |
| General Programs                            | 688,583                    | 808,942                 | 724,952              | 83,990              |
| Guest Services                              | 754,782                    | 754,782                 | 641,276              | 113,506             |
| Library                                     | 1,627,988                  | 1,627,988               | 1,534,614            | 93,374              |
| Senior Services                             | 583,840                    | 583,840                 | 529,558              | 54,282              |
| Total Culture and Recreation                | 6,487,190                  | 6,620,049               | 5,698,025            | 922,024             |
| Capital Outlay                              | 1,075,000                  | 2,032,254               | 761,678              | 1,270,576           |
| <b>Total Expenditures</b>                   | <b>38,376,421</b>          | <b>40,553,859</b>       | <b>35,231,040</b>    | <b>5,322,819</b>    |
| <b>Excess (Deficiency) of</b>               |                            |                         |                      |                     |
| <b>Revenues Over (Under) Expenditures</b>   | <b>1,766,021</b>           | <b>(269,570)</b>        | <b>6,939,494</b>     | <b>7,209,064</b>    |
| <b>Other Financing Sources (Uses)</b>       |                            |                         |                      |                     |
| Transfers Out                               | (5,765,581)                | (5,555,391)             | (5,555,391)          | -                   |
| <b>Total Other Financing Sources (Uses)</b> | <b>(5,765,581)</b>         | <b>(5,555,391)</b>      | <b>(5,555,391)</b>   | <b>-</b>            |
| <b>Net Change in Fund Balance</b>           | <b>\$ (3,999,560)</b>      | <b>\$ (5,824,961)</b>   | <b>1,384,103</b>     | <b>\$ 7,209,064</b> |
| <b>Fund Balance, January 1, as restated</b> |                            |                         | <b>41,753,685</b>    |                     |
| <b>Fund Balance, December 31</b>            |                            |                         | <b>\$ 43,137,788</b> |                     |

**CITY OF LAFAYETTE, COLORADO**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION ASSET (LIABILITY)**  
**AND CONTRIBUTIONS - FPPA STATEWIDE DEFINED BENEFIT PLAN**  
**December 31, 2022**

|                                                                                                       | 12/31/21     | 12/31/20     | 12/31/19     | 12/31/18     | 12/31/17     | 12/31/16     | 12/31/15     | 12/31/14     |
|-------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Proportionate Share of the Net Pension Asset (Liability)</b>                                       |              |              |              |              |              |              |              |              |
| City's Proportion of the Net Pension Asset (Liability)                                                | 0.76711938%  | 0.75679573%  | 0.78378978%  | 0.78576440%  | 0.81676070%  | 0.85565153%  | 0.80549388%  | 0.87129653%  |
| City's Proportionate Share of the Net Pension Asset (Liability)                                       | \$ 4,157,279 | \$ 1,643,007 | \$ 443,283   | \$ (993,422) | \$ 1,175,039 | \$ (309,183) | \$ 14,197    | \$ 983,824   |
| City's Covered Payroll                                                                                | \$ 6,167,777 | \$ 5,798,032 | \$ 5,477,229 | \$ 4,984,563 | \$ 4,443,217 | \$ 4,007,283 | \$ 3,536,132 | \$ 3,550,217 |
| City's Proportionate Share of the Net Pension Asset (Liability)<br>as a Percentage of Covered Payroll | 67.40%       | 28.34%       | 8.09%        | -19.93%      | 26.45%       | -7.72%       | 0.40%        | 27.71%       |
| Plan Fiduciary Net Position as a Percentage of the<br>Total Pension Liability                         | 116%         | 107%         | 102%         | 95%          | 106%         | 98%          | 100%         | 107%         |
|                                                                                                       | 12/31/22     | 12/31/21     | 12/31/20     | 12/31/19     | 12/31/18     | 12/31/17     | 12/31/16     | 12/31/15     |
| <b>City Contributions</b>                                                                             |              |              |              |              |              |              |              |              |
| Statutorily Required Contribution                                                                     | \$ 578,726   | \$ 563,023   | \$ 486,291   | \$ 462,143   | \$ 421,080   | \$ 382,198   | \$ 350,326   | \$ 282,891   |
| Contributions in Relation to the Statutorily<br>Required Contribution                                 | 578,726      | 563,023      | 486,291      | 462,143      | 421,080      | 382,198      | 350,326      | 282,891      |
| Contribution Deficiency (Excess)                                                                      | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| City's Covered Payroll                                                                                | \$ 6,775,462 | \$ 6,167,777 | \$ 5,798,032 | \$ 5,477,229 | \$ 4,984,563 | \$ 4,443,217 | \$ 4,007,283 | \$ 3,536,132 |
| Contributions as a Percentage of Covered Payroll                                                      | 8.54%        | 9.13%        | 8.39%        | 8.44%        | 8.45%        | 8.60%        | 8.74%        | 8.00%        |

*This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.*

**CITY OF LAFAYETTE, COLORADO**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION ASSET (LIABILITY)**  
**AND CONTRIBUTIONS - FPPA STATEWIDE HYBRID PLAN**  
**December 31, 2022**

|                                                                                                    | 12/31/21     | 12/31/20    | 12/31/19    | 12/31/18    | 12/31/17    | 12/31/16    | 12/31/15    | 12/31/14    |
|----------------------------------------------------------------------------------------------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Proportionate Share of the Net Pension Asset (Liability)</b>                                    |              |             |             |             |             |             |             |             |
| City's Proportion of the Net Pension Asset (Liability)                                             | 2.02976636%  | 2.35531010% | 2.57220703% | 2.48579006% | 2.37955093% | 2.63850182% | 3.76985257% | 4.59097399% |
| City's Proportionate Share of the Net Pension Asset (Liability)                                    | \$ 769,681   | \$ 647,830  | \$ 500,912  | \$ 343,125  | \$ 465,267  | \$ 287,207  | \$ 397,075  | \$ 544,473  |
| City's Covered Payroll                                                                             | 336,912      | 392,192     | 402,426     | 388,412     | 356,707     | 334,524     | 486,714     | 557,147     |
| City's Proportionate Share of the Net Pension Asset (Liability) as a Percentage of Covered Payroll | 228.45%      | 165.18%     | 124.47%     | 88.34%      | 130.43%     | 85.86%      | 81.58%      | 97.73%      |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                         | 149%         | 138%        | 130%        | 123%        | 139%        | 126%        | 129%        | 141%        |
|                                                                                                    | 12/31/22     | 12/31/21    | 12/31/20    | 12/31/19    | 12/31/18    | 12/31/17    | 12/31/16    | 12/31/15    |
| <b>City Contributions</b>                                                                          |              |             |             |             |             |             |             |             |
| Statutorily Required Contribution                                                                  | \$ 36,148    | \$ 35,710   | \$ 40,004   | \$ 41,048   | \$ 39,618   | \$ 36,384   | \$ 34,121   | \$ 49,645   |
| Contributions in Relation to the Statutorily Required Contribution                                 | 36,148       | 35,710      | 40,004      | 41,048      | 39,618      | 36,384      | 34,121      | 49,645      |
| Contribution Deficiency (Excess)                                                                   | \$ -         | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| City's Covered Payroll                                                                             | \$ 3,175,171 | \$ 336,912  | \$ 392,192  | \$ 402,426  | \$ 388,412  | \$ 356,707  | \$ 334,524  | \$ 486,714  |
| Contributions as a Percentage of Covered Payroll                                                   | 1.14%        | 10.60%      | 10.20%      | 10.20%      | 10.20%      | 10.20%      | 10.20%      | 10.20%      |

*This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.*

**CITY OF LAFAYETTE, COLORADO**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN NET PENSION ASSET (LIABILITY) AND RELATED RATIOS**  
**AND CONTRIBUTIONS VOLUNTEER FIRE DEPARTMENT PENSION PLAN**  
**December 31, 2022**

|                                                                            | 12/31/21            | 12/31/20            | 12/31/19            | 12/31/18            | 12/31/17            | 12/31/16              | 12/31/15              | 12/31/14              |
|----------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|-----------------------|-----------------------|
| <b>Total Pension Liability</b>                                             |                     |                     |                     |                     |                     |                       |                       |                       |
| Interest                                                                   | \$ 148,830          | \$ 153,192          | \$ 157,331          | \$ 162,805          | \$ 166,718          | \$ 167,949            | \$ 170,993            | \$ 178,910            |
| Difference between Expected and Actual Experience                          | -                   | (6,322)             | -                   | 56,490              | -                   | (45,180)              | -                     | (74,942)              |
| Changes of Assumptions                                                     | -                   | -                   | -                   | 79,350              | -                   | 76,440                | -                     | -                     |
| Benefit Payments                                                           | (205,940)           | (212,340)           | (220,440)           | (222,840)           | (215,069)           | (216,163)             | (207,166)             | (211,810)             |
| Net Change in Total Pension Liability                                      | (57,110)            | (65,470)            | (63,109)            | 75,805              | (48,351)            | (16,954)              | (36,173)              | (107,842)             |
| Total Pension Liability - Beginning                                        | 2,227,368           | 2,292,838           | 2,355,947           | 2,280,142           | 2,328,493           | 2,345,447             | 2,381,620             | 2,489,462             |
| Total Pension Liability - Ending                                           | <u>\$ 2,170,258</u> | <u>\$ 2,227,368</u> | <u>\$ 2,292,838</u> | <u>\$ 2,355,947</u> | <u>\$ 2,280,142</u> | <u>\$ 2,328,493</u>   | <u>\$ 2,345,447</u>   | <u>\$ 2,381,620</u>   |
| <b>Plan Fiduciary Net Position</b>                                         |                     |                     |                     |                     |                     |                       |                       |                       |
| Employer Contributions                                                     | \$ 119,164          | \$ 119,164          | \$ 119,164          | \$ 119,164          | \$ 119,164          | \$ 119,164            | \$ 119,164            | \$ 119,164            |
| State of Colorado Contributions                                            | 84,444              | 42,222              | -                   | 42,222              | 42,222              | 42,222                | 42,222                | 42,222                |
| Net Investment Income                                                      | 222,390             | 170,424             | 182,674             | 1,564               | 179,646             | 63,877                | 23,339                | 81,117                |
| Benefit Payments                                                           | (205,940)           | (212,340)           | (220,440)           | (222,840)           | (215,069)           | (216,163)             | (207,166)             | (211,810)             |
| Administrative Expenses                                                    | (11,716)            | (8,841)             | (11,543)            | (9,680)             | (9,182)             | (2,202)               | (3,034)               | (2,279)               |
| Net Change in Plan Fiduciary Net Position                                  | 208,342             | 110,629             | 69,855              | (69,570)            | 116,781             | 6,898                 | (25,475)              | 28,414                |
| Plan Fiduciary Net Position - Beginning                                    | 1,543,426           | 1,432,797           | 1,362,942           | 1,432,512           | 1,315,731           | 1,308,833             | 1,334,308             | 1,305,894             |
| Plan Fiduciary Net Position - Ending                                       | <u>\$ 1,751,768</u> | <u>\$ 1,543,426</u> | <u>\$ 1,432,797</u> | <u>\$ 1,362,942</u> | <u>\$ 1,432,512</u> | <u>\$ 1,315,731</u>   | <u>\$ 1,308,833</u>   | <u>\$ 1,334,308</u>   |
| City's Net Pension Asset (Liability) - Ending                              | <u>\$ (418,490)</u> | <u>\$ (683,942)</u> | <u>\$ (860,041)</u> | <u>\$ (993,005)</u> | <u>\$ (847,630)</u> | <u>\$ (1,012,762)</u> | <u>\$ (1,036,614)</u> | <u>\$ (1,047,312)</u> |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 81%                 | 69%                 | 62%                 | 58%                 | 63%                 | 57%                   | 56%                   | 56%                   |
|                                                                            | 12/31/22            | 12/31/21            | 12/31/20            | 12/31/19            | 12/31/18            | 12/31/17              | 12/31/16              | 12/31/15              |
| <b>City Contributions</b>                                                  |                     |                     |                     |                     |                     |                       |                       |                       |
| Actuarially Determined Contribution                                        | \$ 86,293           | \$ 86,293           | \$ 84,663           | \$ 84,663           | \$ 84,663           | \$ 93,525             | \$ 93,525             | \$ 119,164            |
| Contributions in Relation to the Actuarially Determined Contribution       | (203,608)           | (161,386)           | (119,164)           | (161,386)           | (161,386)           | (161,386)             | (161,386)             | (161,386)             |
| Contribution Deficiency (Excess)                                           | <u>\$ (117,315)</u> | <u>\$ (75,093)</u>  | <u>\$ (34,501)</u>  | <u>\$ (76,723)</u>  | <u>\$ (76,723)</u>  | <u>\$ (67,861)</u>    | <u>\$ (67,861)</u>    | <u>\$ (42,222)</u>    |

*This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.*

## **Note 1. Budgets and Budgetary Accounting**

The City follows the following procedures in establishing the budgetary data reflected in the financial statements.

On or before September 20, the City Administrator submits to the City Council a proposed budget for the subsequent fiscal year commencing January 1. This budget includes proposed expenditures and the means of financing them. The budget is presented at the fund level, but includes supporting schedules presented at the object (or account) level. The City uses generally accepted accounting principles (GAAP) as the basis for budgeting revenues and expenditures for all funds except for proprietary funds. In the proprietary funds, capital outlay and debt principal payments are budgeted but depreciation is not budgeted.

A Public Hearing on the proposed budget is held before its final adoption to obtain any comments from citizens.

On or before the last Thursday in October for the ensuing year, the budget is legally enacted through the adoption of an appropriation ordinance at the fund level.

Budget revisions occur at the fund level and may only be made through Council Ordinance. The City Administrator may re-allocate the budget between Departments. Department Heads, with the approval of the City Administrator and Finance Director, may re-allocate the total budget within a Department.

The City Council may make additional appropriations during the fiscal year for unanticipated revenues received by the City. Such appropriations are approved on a consensus basis by the City Council throughout the year.

After October 1 of the fiscal year, all previous appropriations amendments are formally adopted at the fund level by ordinance.

All appropriations, except for capital projects, lapse at year-end. Any unspent appropriations may be carried forward to the subsequent budget year with the approval of a budget amendment by City Council. Capital projects appropriations are automatically carried forward until completion of the projects.

## **Note 2. Contributions to the Volunteer Plan**

The Volunteer Fire Department Pension Plan's net pension liability and associated amounts are measured at December 31, 2021, based on the actuarial valuation as of January 1, 2021, which is a one-year lag compared to the City's fiscal year ended December 31, 2022. Covered payroll is not applicable for volunteers. Therefore, no covered payroll information is presented in the accompanying schedule.

## Note 2. Contributions to the Volunteer Plan (continued)

### Contributions

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

The significant actuarial assumptions used to measure the total pension liability are as follows:

|                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Actuarial Method                     | Entry Age Normal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Amortization Method                  | Level dollar, Open *                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Amortization Period                  | 20 Years *                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Asset Valuation Method               | 5-Year Smoothed Fair Value                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Long-term Investment Rate of Return* | 7.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Projected Salary Increases           | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Cost of Living Adjustments           | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Retirement Age                       | 50% per year of eligibility until 100% at age 65.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Mortality                            | Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality.<br>Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years,<br>Disabled: 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. |
| Includes Inflation at                | 2.5%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

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

## **Other Supplementary Information**

### **Combining and Individual Fund Statements and Budgetary Comparison Schedules**

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## **Nonmajor Governmental Funds**

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### Special Revenue Funds

Special Revenue Funds are used to account for specific revenue sources that are legally restricted to expenditures for specific purposes. Following are the special revenue funds included in this section:

- *Lafayette City Center General Improvement District*
- *Exempla General Improvement District*
- *Lafayette Corporate Campus General Improvement District*
- *Lafayette Tech Center General Improvement District*
- *Health & Human Services Fund*
- *Public Safety Fund*
- *Grant Fund*

### Capital Project Funds

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary fund types. The City's nonmajor capital projects funds in this section are as follows:

- *Legacy Open Space Fund* is used to account for sales and use taxes collected for the acquisition and maintenance of open space.
- *Parks, Open Space, & Trails (POST) Fund* is used to account for sales and use taxes and dedicated development fees collected for the acquisition, development, and maintenance of parks and open space.
- *Conservation Trust Fund* is used to account for the accumulation of monies received from the proceeds of the Colorado State Lottery. Expenditures related to the maintenance of existing parks and recreation infrastructures are recorded in this fund.

This section also includes a budgetary comparison schedule for the Capital Projects Fund – a major fund.

### Debt Service Fund

*The Debt Service Fund* is used to account for the accumulation of resources and payment of bond principal and interest from governmental resources. The City's Debt Service Fund currently accounts for the 2016 General Obligation Refunding & Improvement Bond issuance.

### Permanent Fund – Cemetery Endowment

*The Cemetery Endowment Fund* is a permanent fund used to separately account for an endowment care trust that occurred prior to the City acquiring ownership in the Coal Creek Cemetery.

**CITY OF LAFAYETTE, COLORADO**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**December 31, 2022**

|                                                                          | Special Revenue Funds           |                     |                                         |                                 |                            |                   |                     |
|--------------------------------------------------------------------------|---------------------------------|---------------------|-----------------------------------------|---------------------------------|----------------------------|-------------------|---------------------|
|                                                                          | Lafayette<br>City Center<br>GID | Exempla<br>GID      | Lafayette<br>Corporate<br>Campus<br>GID | Lafayette<br>Tech Center<br>GID | Health & Human<br>Services | Public Safety     | Grants              |
| <b>Assets</b>                                                            |                                 |                     |                                         |                                 |                            |                   |                     |
| Cash and Investments                                                     | \$ 162,804                      | \$ 973,100          | \$ 596,841                              | \$ 202,111                      | \$ 635,071                 | \$ 712,709        | \$ 7,812,964        |
| Receivables                                                              | 23,947                          | 152,787             | 257,217                                 | 157,018                         | 75,821                     | 201,225           | 81                  |
| <b>Total Assets</b>                                                      | <b>\$ 186,751</b>               | <b>\$ 1,125,887</b> | <b>\$ 854,058</b>                       | <b>\$ 359,129</b>               | <b>\$ 710,892</b>          | <b>\$ 913,934</b> | <b>\$ 7,813,045</b> |
| <b>Liabilities</b>                                                       |                                 |                     |                                         |                                 |                            |                   |                     |
| Accounts Payable                                                         | \$ -                            | \$ -                | \$ -                                    | \$ -                            | \$ 137                     | \$ 37,021         | \$ -                |
| Interfund Payables                                                       | -                               | -                   | -                                       | -                               | -                          | -                 | -                   |
| Deposits Payable                                                         | 75,000                          | -                   | -                                       | -                               | -                          | -                 | -                   |
| Accrued Liabilities                                                      | -                               | -                   | -                                       | -                               | -                          | 5,360             | -                   |
| <b>Total Liabilities</b>                                                 | <b>75,000</b>                   | <b>-</b>            | <b>-</b>                                | <b>-</b>                        | <b>137</b>                 | <b>42,381</b>     | <b>-</b>            |
| <b>Deferred Inflows of Resources</b>                                     |                                 |                     |                                         |                                 |                            |                   |                     |
| Unavailable Revenue - Property Taxes                                     | 4,205                           | 6,352               | 254,603                                 | 155,886                         | -                          | -                 | -                   |
| Unavailable Revenue - Other                                              | -                               | -                   | -                                       | -                               | -                          | -                 | 7,713,170           |
| <b>Total Deferred Inflows of Resources</b>                               | <b>4,205</b>                    | <b>6,352</b>        | <b>254,603</b>                          | <b>155,886</b>                  | <b>-</b>                   | <b>-</b>          | <b>7,713,170</b>    |
| Nonspendable                                                             | -                               | -                   | -                                       | -                               | -                          | -                 | -                   |
| Restricted                                                               | 107,546                         | 1,119,535           | 599,455                                 | 203,243                         | 710,755                    | 871,553           | 99,875              |
| Committed                                                                | -                               | -                   | -                                       | -                               | -                          | -                 | -                   |
| <b>Total Fund Balance</b>                                                | <b>107,546</b>                  | <b>1,119,535</b>    | <b>599,455</b>                          | <b>203,243</b>                  | <b>710,755</b>             | <b>871,553</b>    | <b>99,875</b>       |
| <b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b> | <b>\$ 186,751</b>               | <b>\$ 1,125,887</b> | <b>\$ 854,058</b>                       | <b>\$ 359,129</b>               | <b>\$ 710,892</b>          | <b>\$ 913,934</b> | <b>\$ 7,813,045</b> |

**CITY OF LAFAYETTE, COLORADO**  
**COMBINING BALANCE SHEET (continued)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**December 31, 2022**

|                                                                          | Capital Projects Funds |                               |                    | Debt Service Fund   | Permanent Fund     |                      |
|--------------------------------------------------------------------------|------------------------|-------------------------------|--------------------|---------------------|--------------------|----------------------|
|                                                                          | Legacy Open Space      | Parks, Open Space, and Trails | Conservation Trust | Debt Service        | Cemetery Endowment | Total                |
| <b>Assets</b>                                                            |                        |                               |                    |                     |                    |                      |
| Cash and Investments                                                     | \$ 4,667,959           | \$ 1,850,503                  | \$ 966,671         | \$ 173,180          | \$ 45,975          | \$ 18,799,888        |
| Receivables                                                              | 198,911                | 368,606                       | 2,752              | 1,006,420           | 134                | 2,444,919            |
| <b>Total Assets</b>                                                      | <b>\$ 4,866,870</b>    | <b>\$ 2,219,109</b>           | <b>\$ 969,423</b>  | <b>\$ 1,179,600</b> | <b>\$ 46,109</b>   | <b>\$ 21,244,807</b> |
| <b>Liabilities</b>                                                       |                        |                               |                    |                     |                    |                      |
| Accounts Payable                                                         | \$ 70,081              | \$ 277,822                    | \$ 27,135          | \$ -                | \$ -               | \$ 412,196           |
| Interfund Payables                                                       | 1,974,412              | -                             | -                  | -                   | -                  | 1,974,412            |
| Deposits Payable                                                         | -                      | -                             | -                  | -                   | -                  | 75,000               |
| Accrued Liabilities                                                      | -                      | 15,474                        | -                  | -                   | -                  | 20,834               |
| <b>Total Liabilities</b>                                                 | <b>2,044,493</b>       | <b>293,296</b>                | <b>27,135</b>      | <b>-</b>            | <b>-</b>           | <b>2,482,442</b>     |
| <b>Deferred Inflows of Resources</b>                                     |                        |                               |                    |                     |                    |                      |
| Unavailable Revenue - Property Taxes                                     | -                      | -                             | -                  | 1,003,169           | -                  | 1,424,215            |
| Unavailable Revenue - Other                                              | -                      | 179,336                       | -                  | -                   | -                  | 7,892,506            |
| <b>Total Deferred Inflows of Resources</b>                               | <b>-</b>               | <b>179,336</b>                | <b>-</b>           | <b>1,003,169</b>    | <b>-</b>           | <b>9,316,721</b>     |
| Nonspendable                                                             | -                      | -                             | -                  | -                   | 46,109             | 46,109               |
| Restricted                                                               | 2,822,377              | 1,746,477                     | 942,288            | -                   | -                  | 9,223,104            |
| Committed                                                                | -                      | -                             | -                  | 176,431             | -                  | 176,431              |
| <b>Total Fund Balance</b>                                                | <b>2,822,377</b>       | <b>1,746,477</b>              | <b>942,288</b>     | <b>176,431</b>      | <b>46,109</b>      | <b>9,445,644</b>     |
| <b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b> | <b>\$ 4,866,870</b>    | <b>\$ 2,219,109</b>           | <b>\$ 969,423</b>  | <b>\$ 1,179,600</b> | <b>\$ 46,109</b>   | <b>\$ 21,244,807</b> |

**CITY OF LAFAYETTE, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2022**

|                                                                      | Special Revenue Funds           |                     |                                         |                                 |                            |                   |                  |
|----------------------------------------------------------------------|---------------------------------|---------------------|-----------------------------------------|---------------------------------|----------------------------|-------------------|------------------|
|                                                                      | Lafayette<br>City Center<br>GID | Exempla<br>GID      | Lafayette<br>Corporate<br>Campus<br>GID | Lafayette<br>Tech Center<br>GID | Health & Human<br>Services | Public Safety     | Grants           |
| <b>Revenues</b>                                                      |                                 |                     |                                         |                                 |                            |                   |                  |
| Taxes                                                                |                                 |                     |                                         |                                 |                            |                   |                  |
| Property Taxes                                                       | \$ 3,644                        | \$ 6,474            | \$ 255,276                              | \$ 153,866                      | \$ -                       | \$ -              | \$ -             |
| Specific Ownership Taxes                                             | 163                             | 291                 | 11,396                                  | 7,087                           | -                          | -                 | -                |
| General Sales and Use Taxes                                          | -                               | -                   | -                                       | -                               | 604,653                    | 1,632,562         | -                |
| Building Use Taxes                                                   | -                               | -                   | -                                       | -                               | 47,817                     | 129,105           | -                |
| Motor Vehicle Use Taxes                                              | -                               | -                   | -                                       | -                               | 73,295                     | 197,896           | -                |
| Total Taxes                                                          | 3,807                           | 6,765               | 266,672                                 | 160,953                         | 725,765                    | 1,959,563         | -                |
| Intergovernmental                                                    | -                               | -                   | -                                       | -                               | -                          | -                 | -                |
| Contributions and Grants                                             | -                               | -                   | -                                       | -                               | -                          | -                 | -                |
| Investment Earnings                                                  | (1,991)                         | (11,895)            | (6,318)                                 | (1,838)                         | (9,472)                    | (6,891)           | 97,825           |
| Miscellaneous                                                        | -                               | (2)                 | 1                                       | -                               | -                          | -                 | -                |
| <b>Total Revenues</b>                                                | <b>1,816</b>                    | <b>(5,132)</b>      | <b>260,355</b>                          | <b>159,115</b>                  | <b>716,293</b>             | <b>1,952,672</b>  | <b>97,825</b>    |
| <b>Expenditures</b>                                                  |                                 |                     |                                         |                                 |                            |                   |                  |
| Operating                                                            |                                 |                     |                                         |                                 |                            |                   |                  |
| General Government                                                   | 155                             | 636                 | 4,533                                   | 2,758                           | 5,538                      | 14,644            | 1,117            |
| Culture and Recreation                                               | -                               | -                   | -                                       | -                               | -                          | -                 | -                |
| Public Safety                                                        | -                               | -                   | -                                       | -                               | -                          | 618,475           | -                |
| Capital Outlay                                                       | -                               | -                   | -                                       | -                               | -                          | -                 | -                |
| Debt Service                                                         |                                 |                     |                                         |                                 |                            |                   |                  |
| Principal                                                            | -                               | -                   | 115,000                                 | 65,000                          | -                          | -                 | -                |
| Interest on Bonded Debt                                              | -                               | -                   | 113,200                                 | 89,700                          | -                          | -                 | -                |
| Interfund Loan Interest                                              | -                               | -                   | -                                       | -                               | -                          | -                 | -                |
| Fiscal Charges                                                       | -                               | -                   | -                                       | 333                             | -                          | -                 | -                |
| <b>Total Expenditures</b>                                            | <b>155</b>                      | <b>636</b>          | <b>232,733</b>                          | <b>157,791</b>                  | <b>5,538</b>               | <b>633,119</b>    | <b>1,117</b>     |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>1,661</b>                    | <b>(5,768)</b>      | <b>27,622</b>                           | <b>1,324</b>                    | <b>710,755</b>             | <b>1,319,553</b>  | <b>96,708</b>    |
| <b>Other Financing Sources</b>                                       |                                 |                     |                                         |                                 |                            |                   |                  |
| Proceeds from Sale of Assets                                         | -                               | -                   | -                                       | -                               | -                          | -                 | -                |
| Transfers In                                                         | -                               | -                   | -                                       | -                               | -                          | -                 | -                |
| Transfers Out                                                        | -                               | -                   | -                                       | -                               | -                          | (448,000)         | -                |
| <b>Total Other Financing Sources</b>                                 | <b>-</b>                        | <b>-</b>            | <b>-</b>                                | <b>-</b>                        | <b>-</b>                   | <b>(448,000)</b>  | <b>-</b>         |
| <b>Net Change in Fund Balance</b>                                    | <b>1,661</b>                    | <b>(5,768)</b>      | <b>27,622</b>                           | <b>1,324</b>                    | <b>710,755</b>             | <b>871,553</b>    | <b>96,708</b>    |
| <b>Fund Balance, January 1 (as restated)</b>                         | <b>105,885</b>                  | <b>1,125,303</b>    | <b>571,833</b>                          | <b>201,919</b>                  | <b>-</b>                   | <b>-</b>          | <b>3,167</b>     |
| <b>Fund Balance, December 31</b>                                     | <b>\$ 107,546</b>               | <b>\$ 1,119,535</b> | <b>\$ 599,455</b>                       | <b>\$ 203,243</b>               | <b>\$ 710,755</b>          | <b>\$ 871,553</b> | <b>\$ 99,875</b> |

**CITY OF LAFAYETTE, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE (continued)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2022**

|                                                                  | Capital Projects Funds |                               |                    | Debt Service Fund | Permanent Fund     |                     |
|------------------------------------------------------------------|------------------------|-------------------------------|--------------------|-------------------|--------------------|---------------------|
|                                                                  | Legacy Open Space      | Parks, Open Space, and Trails | Conservation Trust | Debt Service      | Cemetery Endowment | Total               |
| <b>Revenues</b>                                                  |                        |                               |                    |                   |                    |                     |
| Taxes                                                            |                        |                               |                    |                   |                    |                     |
| Property Taxes                                                   | \$ -                   | \$ -                          | \$ -               | \$ 1,001,566      | \$ -               | \$ 1,420,826        |
| Specific Ownership Taxes                                         | -                      | -                             | -                  | -                 | -                  | 18,937              |
| General Sales and Use Taxes                                      | 1,435,341              | 1,435,341                     | -                  | -                 | -                  | 5,107,897           |
| Building Use Taxes                                               | 119,542                | 119,542                       | -                  | -                 | -                  | 416,006             |
| Motor Vehicle Use Taxes                                          | 183,237                | 183,237                       | -                  | -                 | -                  | 637,665             |
| Total Taxes                                                      | 1,738,120              | 1,738,120                     | -                  | 1,001,566         | -                  | 7,601,331           |
| Intergovernmental                                                | -                      | 400,945                       | 388,509            | -                 | -                  | 789,454             |
| Contributions and Grants                                         | -                      | 676,623                       | -                  | -                 | -                  | 676,623             |
| Investment Earnings                                              | (58,130)               | (14,431)                      | (12,324)           | (14,698)          | (562)              | (40,725)            |
| Miscellaneous                                                    | 250                    | 12,917                        | -                  | -                 | -                  | 13,166              |
| <b>Total Revenues</b>                                            | <b>1,680,240</b>       | <b>2,814,174</b>              | <b>376,185</b>     | <b>986,868</b>    | <b>(562)</b>       | <b>9,039,849</b>    |
| <b>Expenditures</b>                                              |                        |                               |                    |                   |                    |                     |
| Operating                                                        |                        |                               |                    |                   |                    |                     |
| General Government                                               | -                      | -                             | -                  | 10,381            | 22                 | 39,784              |
| Culture and Recreation                                           | 16,025                 | 2,442,083                     | 128,523            | -                 | -                  | 2,586,631           |
| Public Safety                                                    | -                      | -                             | -                  | -                 | -                  | 618,475             |
| Capital Outlay                                                   | 76,810                 | 707,390                       | -                  | -                 | -                  | 784,200             |
| Debt Service                                                     |                        |                               |                    |                   |                    |                     |
| Principal                                                        | -                      | -                             | -                  | 855,000           | -                  | 1,035,000           |
| Interest on Bonded Debt                                          | -                      | -                             | -                  | 145,450           | -                  | 348,350             |
| Interfund Loan Interest                                          | 49,562                 | -                             | -                  | -                 | -                  | 49,562              |
| Fiscal Charges                                                   | -                      | -                             | -                  | 250               | -                  | 583                 |
| <b>Total Expenditures</b>                                        | <b>142,397</b>         | <b>3,149,473</b>              | <b>128,523</b>     | <b>1,011,081</b>  | <b>22</b>          | <b>5,462,585</b>    |
| <b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b> | <b>1,537,843</b>       | <b>(335,299)</b>              | <b>247,662</b>     | <b>(24,213)</b>   | <b>(584)</b>       | <b>3,577,264</b>    |
| <b>Other Financing Sources</b>                                   |                        |                               |                    |                   |                    |                     |
| Proceeds from Sale of Assets                                     | -                      | 5,298                         | -                  | -                 | -                  | 5,298               |
| Transfers In                                                     | -                      | 309,696                       | -                  | -                 | -                  | 309,696             |
| Transfers Out                                                    | (309,696)              | (217,568)                     | -                  | -                 | -                  | (975,264)           |
| <b>Total Other Financing Sources</b>                             | <b>(309,696)</b>       | <b>97,426</b>                 | <b>-</b>           | <b>-</b>          | <b>-</b>           | <b>(660,270)</b>    |
| <b>Net Change in Fund Balance</b>                                | <b>1,228,147</b>       | <b>(237,873)</b>              | <b>247,662</b>     | <b>(24,213)</b>   | <b>(584)</b>       | <b>2,916,994</b>    |
| <b>Fund Balance, January 1 (as restated)</b>                     | <b>1,594,230</b>       | <b>1,984,350</b>              | <b>694,626</b>     | <b>200,644</b>    | <b>46,693</b>      | <b>6,528,650</b>    |
| <b>Fund Balance, December 31</b>                                 | <b>\$ 2,822,377</b>    | <b>\$ 1,746,477</b>           | <b>\$ 942,288</b>  | <b>\$ 176,431</b> | <b>\$ 46,109</b>   | <b>\$ 9,445,644</b> |

**CITY OF LAFAYETTE, COLORADO**  
**LAFAYETTE CITY CENTER GID SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended December 31, 2022**

|                                             | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>     | <b>Variance with<br/>Final Budget</b> |
|---------------------------------------------|----------------------------|-------------------------|-------------------|---------------------------------------|
| <b>Revenues</b>                             |                            |                         |                   |                                       |
| Property Taxes                              | \$ 3,645                   | \$ 3,645                | \$ 3,644          | \$ (1)                                |
| Specific Ownership Taxes                    | 500                        | 500                     | 163               | (337)                                 |
| Investment Earnings                         | 1,000                      | 1,000                   | (1,991)           | (2,991)                               |
| <b>Total Revenues</b>                       | <b>5,145</b>               | <b>5,145</b>            | <b>1,816</b>      | <b>(3,329)</b>                        |
| <b>Expenditures</b>                         |                            |                         |                   |                                       |
| Operating Expenditures                      |                            |                         |                   |                                       |
| General Government                          | 58                         | 58                      | 155               | (97)                                  |
| <b>Total Expenditures</b>                   | <b>58</b>                  | <b>58</b>               | <b>155</b>        | <b>(97)</b>                           |
| <b>Excess of Revenues Over Expenditures</b> | <b>5,087</b>               | <b>5,087</b>            | <b>1,661</b>      | <b>(3,426)</b>                        |
| <b>Net Change in Fund Balance</b>           | <b>\$ 5,087</b>            | <b>\$ 5,087</b>         | <b>1,661</b>      | <b>\$ (3,426)</b>                     |
| <b>Fund Balance - January 1</b>             |                            |                         | <b>105,885</b>    |                                       |
| <b>Fund Balance - December 31</b>           |                            |                         | <b>\$ 107,546</b> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**EXEMPLA GID SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended December 31, 2022**

|                                             | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual</u>       | <u>Variance with<br/>Final Budget</u> |
|---------------------------------------------|----------------------------|-------------------------|---------------------|---------------------------------------|
| <b>Revenues</b>                             |                            |                         |                     |                                       |
| Property Taxes                              | \$ 6,553                   | \$ 6,553                | \$ 6,474            | \$ (79)                               |
| Specific Ownership Taxes                    | 500                        | 500                     | 291                 | (209)                                 |
| Investment Earnings                         | 1,000                      | 1,000                   | (11,895)            | (12,895)                              |
| Miscellaneous                               | -                          | -                       | (2)                 | (2)                                   |
| <b>Total Revenues</b>                       | <u>8,053</u>               | <u>8,053</u>            | <u>(5,132)</u>      | <u>(13,185)</u>                       |
| <b>Expenditures</b>                         |                            |                         |                     |                                       |
| Operating Expenditures                      |                            |                         |                     |                                       |
| General Government                          | 175                        | 175                     | 636                 | (461)                                 |
| <b>Total Expenditures</b>                   | <u>175</u>                 | <u>175</u>              | <u>636</u>          | <u>(461)</u>                          |
| <b>Excess of Revenues Over Expenditures</b> | <u>7,878</u>               | <u>7,878</u>            | <u>(5,768)</u>      | <u>(13,646)</u>                       |
| <b>Net Change in Fund Balance</b>           | <u>\$ 7,878</u>            | <u>\$ 7,878</u>         | <u>(5,768)</u>      | <u>\$ (13,646)</u>                    |
| <b>Fund Balance - January 1</b>             |                            |                         | <u>1,125,303</u>    |                                       |
| <b>Fund Balance - December 31</b>           |                            |                         | <u>\$ 1,119,535</u> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**LAFAYETTE CORPORATE CAMPUS GID SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended December 31, 2022**

|                                             | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>     | <b>Variance with<br/>Final Budget</b> |
|---------------------------------------------|----------------------------|-------------------------|-------------------|---------------------------------------|
| <b>Revenues</b>                             |                            |                         |                   |                                       |
| Property Taxes                              | \$ 254,925                 | \$ 254,925              | \$ 255,276        | \$ 351                                |
| Specific Ownership Taxes                    | 10,000                     | 10,000                  | 11,396            | 1,396                                 |
| Investment Earnings                         | 7,000                      | 7,000                   | (6,318)           | (13,318)                              |
| Miscellaneous                               | -                          | -                       | 1                 | 1                                     |
| <b>Total Revenues</b>                       | <b>271,925</b>             | <b>271,925</b>          | <b>260,355</b>    | <b>(11,570)</b>                       |
| <b>Expenditures</b>                         |                            |                         |                   |                                       |
| Operating Expenditures                      |                            |                         |                   |                                       |
| General Government                          | 4,208                      | 4,208                   | 4,533             | (325)                                 |
| Debt Service                                |                            |                         |                   |                                       |
| Principal                                   | 115,000                    | 115,000                 | 115,000           | -                                     |
| Interest                                    | 132,400                    | 132,400                 | 113,200           | 19,200                                |
| Bond Trustee Fees                           | 500                        | 500                     | -                 | 500                                   |
| <b>Total Expenditures</b>                   | <b>252,108</b>             | <b>252,108</b>          | <b>232,733</b>    | <b>19,375</b>                         |
| <b>Excess of Revenues Over Expenditures</b> | <b>19,817</b>              | <b>19,817</b>           | <b>27,622</b>     | <b>7,805</b>                          |
| <b>Net Change in Fund Balance</b>           | <b>\$ 19,817</b>           | <b>\$ 19,817</b>        | <b>27,622</b>     | <b>\$ 7,805</b>                       |
| <b>Fund Balance - January 1</b>             |                            |                         | <b>571,833</b>    |                                       |
| <b>Fund Balance - December 31</b>           |                            |                         | <b>\$ 599,455</b> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**LAFAYETTE TECH CENTER GID SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended December 31, 2022**

|                                             | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>     | <b>Variance with<br/>Final Budget</b> |
|---------------------------------------------|----------------------------|-------------------------|-------------------|---------------------------------------|
| <b>Revenues</b>                             |                            |                         |                   |                                       |
| Property Taxes                              | \$ 158,540                 | \$ 158,540              | \$ 153,866        | \$ (4,674)                            |
| Specific Ownership Taxes                    | 5,000                      | 5,000                   | 7,087             | 2,087                                 |
| Investment Earnings                         | 3,000                      | 3,000                   | (1,838)           | (4,838)                               |
| <b>Total Revenues</b>                       | <b>166,540</b>             | <b>166,540</b>          | <b>159,115</b>    | <b>(7,425)</b>                        |
| <b>Expenditures</b>                         |                            |                         |                   |                                       |
| Operating Expenditures                      |                            |                         |                   |                                       |
| General Government                          | 2,715                      | 2,715                   | 2,758             | (43)                                  |
| Debt Service                                |                            |                         |                   |                                       |
| Principal                                   | 65,000                     | 65,000                  | 65,000            | -                                     |
| Interest                                    | 89,700                     | 89,700                  | 89,700            | -                                     |
| Bond Trustee Fees                           | 500                        | 500                     | 333               | 167                                   |
| <b>Total Expenditures</b>                   | <b>157,915</b>             | <b>157,915</b>          | <b>157,791</b>    | <b>124</b>                            |
| <b>Excess of Revenues Over Expenditures</b> | <b>8,625</b>               | <b>8,625</b>            | <b>1,324</b>      | <b>(7,301)</b>                        |
| <b>Net Change in Fund Balance</b>           | <b>\$ 8,625</b>            | <b>\$ 8,625</b>         | <b>1,324</b>      | <b>\$ (7,301)</b>                     |
| <b>Fund Balance - January 1</b>             |                            |                         | <b>201,919</b>    |                                       |
| <b>Fund Balance - December 31</b>           |                            |                         | <b>\$ 203,243</b> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**HEALTH & HUMAN SERVICES FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended December 31, 2022**

|                                             | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>     | <b>Variance with<br/>Final Budget</b> |
|---------------------------------------------|----------------------------|-------------------------|-------------------|---------------------------------------|
| <b>Revenues</b>                             |                            |                         |                   |                                       |
| Taxes                                       |                            |                         |                   |                                       |
| General Sales and Use Taxes                 | \$ -                       | \$ -                    | \$ 604,653        | \$ 604,653                            |
| Building Use Taxes                          | -                          | -                       | 47,817            | 47,817                                |
| Motor Vehicle Use Taxes                     | -                          | -                       | 73,295            | 73,295                                |
| Total Taxes                                 | -                          | -                       | 725,765           | 725,765                               |
| Investment Earnings                         | -                          | -                       | (9,472)           | (9,472)                               |
| <b>Total Revenues</b>                       | -                          | -                       | 716,293           | 716,293                               |
| <b>Expenditures</b>                         |                            |                         |                   |                                       |
| General Government                          | -                          | -                       | 5,538             | (5,538)                               |
| <b>Total Expenditures</b>                   | -                          | -                       | 5,538             | (5,538)                               |
| <b>Excess of Revenues Over Expenditures</b> | -                          | -                       | 710,755           | 710,755                               |
| <b>Net Change in Fund Balance</b>           | <u>\$ -</u>                | <u>\$ -</u>             | 710,755           | <u>\$ 710,755</u>                     |
| <b>Fund Balance - January 1</b>             |                            |                         | <u>-</u>          |                                       |
| <b>Fund Balance - December 31</b>           |                            |                         | <u>\$ 710,755</u> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**PUBLIC SAFETY FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended December 31, 2022**

|                                             | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>     | <b>Variance with<br/>Final Budget</b> |
|---------------------------------------------|----------------------------|-------------------------|-------------------|---------------------------------------|
| <b>Revenues</b>                             |                            |                         |                   |                                       |
| Taxes                                       |                            |                         |                   |                                       |
| General Sales and Use Taxes                 | \$ -                       | \$ 1,621,850            | \$ 1,632,562      | \$ 10,712                             |
| Building Use Taxes                          | -                          | 169,150                 | 129,105           | (40,045)                              |
| Motor Vehicle Use Taxes                     | -                          | 199,000                 | 197,896           | (1,104)                               |
| Total Taxes                                 | -                          | 1,990,000               | 1,959,563         | (30,437)                              |
| Investment Earnings                         | -                          | -                       | (6,891)           | (6,891)                               |
| <b>Total Revenues</b>                       | -                          | 1,990,000               | 1,952,672         | (37,328)                              |
| <b>Expenditures</b>                         |                            |                         |                   |                                       |
| Operating Expenditures                      |                            |                         |                   |                                       |
| General Government                          | -                          | 13,937                  | 14,644            | (707)                                 |
| Public Safety                               | -                          | 1,165,604               | 618,475           | 547,129                               |
| Capital Outlay                              | -                          | 160,000                 | -                 | 160,000                               |
| <b>Total Expenditures</b>                   | -                          | 1,339,541               | 633,119           | 706,422                               |
| <b>Excess of Revenues Over Expenditures</b> | -                          | 650,459                 | 1,319,553         | 669,094                               |
| <b>Other Financing Sources (Uses)</b>       |                            |                         |                   |                                       |
| Transfers Out                               | -                          | (448,000)               | (448,000)         | -                                     |
| <b>Total Other Financing Sources</b>        | -                          | (448,000)               | (448,000)         | -                                     |
| <b>Net Change in Fund Balance</b>           | <u>\$ -</u>                | <u>\$ 202,459</u>       | 871,553           | <u>\$ 669,094</u>                     |
| <b>Fund Balance - January 1</b>             |                            |                         | <u>-</u>          |                                       |
| <b>Fund Balance - December 31</b>           |                            |                         | <u>\$ 871,553</u> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**GRANT FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended December 31, 2022**

|                                               | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>    | <b>Variance with<br/>Final Budget</b> |
|-----------------------------------------------|----------------------------|-------------------------|------------------|---------------------------------------|
| <b>Revenues</b>                               |                            |                         |                  |                                       |
| Intergovernmental                             | \$ 3,856,585               | \$ 3,856,585            | \$ -             | \$ (3,856,585)                        |
| Investment Earnings                           | 26,400                     | 26,400                  | 97,825           | 71,425                                |
| <b>Total Revenues</b>                         | <b>3,882,985</b>           | <b>3,882,985</b>        | <b>97,825</b>    | <b>(3,785,160)</b>                    |
| <b>Expenditures</b>                           |                            |                         |                  |                                       |
| Operating Expenditures                        |                            |                         |                  |                                       |
| General Government                            | 2,000                      | 2,000                   | 1,117            | 883                                   |
| Capital Outlay                                | -                          | 5,338,000               | -                | 5,338,000                             |
| <b>Total Expenditures</b>                     | <b>2,000</b>               | <b>5,340,000</b>        | <b>1,117</b>     | <b>5,338,883</b>                      |
| <b>Excess of Revenues Over Expenditures</b>   | <b>3,880,985</b>           | <b>(1,457,015)</b>      | <b>96,708</b>    | <b>1,553,723</b>                      |
| <b>Net Change in Fund Balance</b>             | <b>\$ 3,880,985</b>        | <b>\$ (1,457,015)</b>   | <b>96,708</b>    | <b>\$ 1,553,723</b>                   |
| <b>Fund Balance - January 1 (as restated)</b> |                            |                         | <b>3,167</b>     |                                       |
| <b>Fund Balance - December 31</b>             |                            |                         | <b>\$ 99,875</b> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**LEGACY OPEN SPACE FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended December 31, 2022**

|                                             | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>       | <b>Variance with<br/>Final Budget</b> |
|---------------------------------------------|----------------------------|-------------------------|---------------------|---------------------------------------|
| <b>Revenues</b>                             |                            |                         |                     |                                       |
| Taxes                                       |                            |                         |                     |                                       |
| General Sales and Use Taxes                 | \$ 1,291,965               | \$ 1,291,965            | \$ 1,435,341        | \$ 143,376                            |
| Building Use Taxes                          | 135,000                    | 135,000                 | 119,542             | (15,458)                              |
| Motor Vehicle Use Taxes                     | 160,000                    | 160,000                 | 183,237             | 23,237                                |
| Total Taxes                                 | 1,586,965                  | 1,586,965               | 1,738,120           | 151,155                               |
| Investment Earnings                         | 35,000                     | 35,000                  | (58,130)            | (93,130)                              |
| Miscellaneous                               | -                          | -                       | 250                 | 250                                   |
| <b>Total Revenues</b>                       | <b>1,621,965</b>           | <b>1,621,965</b>        | <b>1,680,240</b>    | <b>58,275</b>                         |
| <b>Expenditures</b>                         |                            |                         |                     |                                       |
| Operating Expenditures                      |                            |                         |                     |                                       |
| Culture and Recreation                      | 59,050                     | 179,050                 | 16,025              | 163,025                               |
| Capital Outlay                              | 540,000                    | 1,017,784               | 76,810              | 940,974                               |
| Debt-related Expenditures                   |                            |                         |                     |                                       |
| Interfund Loan Principal                    | 258,094                    | 258,094                 | -                   | 258,094                               |
| Interfund Loan Interest                     | 49,561                     | 49,561                  | 49,562              | (1)                                   |
| <b>Total Expenditures</b>                   | <b>906,705</b>             | <b>1,504,489</b>        | <b>142,397</b>      | <b>1,362,092</b>                      |
| <b>Excess of Revenues Over Expenditures</b> | <b>715,260</b>             | <b>117,476</b>          | <b>1,537,843</b>    | <b>1,420,367</b>                      |
| <b>Other Financing Sources (Uses)</b>       |                            |                         |                     |                                       |
| Transfers Out                               | (309,696)                  | (309,696)               | (309,696)           | -                                     |
| <b>Total Other Financing Sources</b>        | <b>(309,696)</b>           | <b>(309,696)</b>        | <b>(309,696)</b>    | <b>-</b>                              |
| <b>Net Change in Fund Balance</b>           | <b>\$ 405,564</b>          | <b>\$ (192,220)</b>     | <b>1,228,147</b>    | <b>\$ 1,420,367</b>                   |
| <b>Fund Balance - January 1</b>             |                            |                         | <b>1,594,230</b>    |                                       |
| <b>Fund Balance - December 31</b>           |                            |                         | <b>\$ 2,822,377</b> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**PARKS, OPEN SPACE, AND TRAILS CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended December 31, 2022**

|                                                                      | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>       | <b>Variance with<br/>Final Budget</b> |
|----------------------------------------------------------------------|----------------------------|-------------------------|---------------------|---------------------------------------|
| <b>Revenues</b>                                                      |                            |                         |                     |                                       |
| Taxes                                                                |                            |                         |                     |                                       |
| General Sales and Use Taxes                                          | \$ 1,291,965               | \$ 1,291,965            | \$ 1,435,341        | \$ 143,376                            |
| Building Use Taxes                                                   | 135,000                    | 135,000                 | 119,542             | (15,458)                              |
| Motor Vehicle Use Taxes                                              | 160,000                    | 160,000                 | 183,237             | 23,237                                |
| Total Taxes                                                          | 1,586,965                  | 1,586,965               | 1,738,120           | 151,155                               |
| Intergovernmental                                                    | -                          | -                       | 400,945             | 400,945                               |
| Contributions and Grants                                             | 400,000                    | 400,000                 | 676,623             | 276,623                               |
| Investment Earnings                                                  | 18,000                     | 18,000                  | (14,431)            | (32,431)                              |
| Miscellaneous                                                        | -                          | -                       | 12,917              | 12,917                                |
| <b>Total Revenues</b>                                                | <b>2,004,965</b>           | <b>2,004,965</b>        | <b>2,814,174</b>    | <b>809,209</b>                        |
| <b>Expenditures</b>                                                  |                            |                         |                     |                                       |
| Operating Expenditures                                               |                            |                         |                     |                                       |
| Culture and Recreation                                               | 1,868,871                  | 2,419,580               | 2,442,083           | (22,503)                              |
| Capital Outlay                                                       | 774,000                    | 1,324,348               | 707,390             | 616,958                               |
| <b>Total Expenditures</b>                                            | <b>2,642,871</b>           | <b>3,743,928</b>        | <b>3,149,473</b>    | <b>594,455</b>                        |
| <b>Excess (Deficiency) of<br/>Revenues Over (Under) Expenditures</b> | <b>(637,906)</b>           | <b>(1,738,963)</b>      | <b>(335,299)</b>    | <b>1,403,664</b>                      |
| <b>Other Financing Sources</b>                                       |                            |                         |                     |                                       |
| Proceeds from Sale of Asset                                          | -                          | -                       | 5,298               | 5,298                                 |
| Transfers In                                                         | 309,696                    | 309,696                 | 309,696             | -                                     |
| Transfers Out                                                        | (217,568)                  | (217,568)               | (217,568)           | -                                     |
| <b>Total Other Financing Sources</b>                                 | <b>92,128</b>              | <b>92,128</b>           | <b>97,426</b>       | <b>5,298</b>                          |
| <b>Net Change in Fund Balance</b>                                    | <b>\$ (545,778)</b>        | <b>\$ (1,646,835)</b>   | <b>(237,873)</b>    | <b>\$ 1,408,962</b>                   |
| <b>Fund Balance - January 1</b>                                      |                            |                         | <b>1,984,350</b>    |                                       |
| <b>Fund Balance - December 31</b>                                    |                            |                         | <b>\$ 1,746,477</b> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**CONSERVATION TRUST CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended December 31, 2022**

|                                                                      | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>     | <b>Variance with<br/>Final Budget</b> |
|----------------------------------------------------------------------|----------------------------|-------------------------|-------------------|---------------------------------------|
| <b>Revenues</b>                                                      |                            |                         |                   |                                       |
| Intergovernmental                                                    | \$ 300,000                 | \$ 300,000              | \$ 388,509        | \$ 88,509                             |
| Investment Earnings                                                  | 2,000                      | 2,000                   | (12,324)          | (14,324)                              |
| <b>Total Revenues</b>                                                | <u>302,000</u>             | <u>302,000</u>          | <u>376,185</u>    | <u>74,185</u>                         |
| <b>Expenditures</b>                                                  |                            |                         |                   |                                       |
| Operating Expenditures                                               |                            |                         |                   |                                       |
| Culture and Recreation                                               | 402,750                    | 402,750                 | 128,523           | 274,227                               |
| <b>Total Expenditures</b>                                            | <u>402,750</u>             | <u>402,750</u>          | <u>128,523</u>    | <u>274,227</u>                        |
| <b>Excess (Deficiency) of<br/>Revenues Over (Under) Expenditures</b> | (100,750)                  | (100,750)               | 247,662           | 348,412                               |
| <b>Net Change in Fund Balance</b>                                    | <u>\$ (100,750)</u>        | <u>\$ (100,750)</u>     | 247,662           | <u>\$ 348,412</u>                     |
| <b>Fund Balance - January 1</b>                                      |                            |                         | <u>694,626</u>    |                                       |
| <b>Fund Balance - December 31</b>                                    |                            |                         | <u>\$ 942,288</u> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended December 31, 2022**

|                                                  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>     | <b>Variance with<br/>Final Budget</b> |
|--------------------------------------------------|----------------------------|-------------------------|-------------------|---------------------------------------|
| <b>Revenues</b>                                  |                            |                         |                   |                                       |
| Property Taxes                                   | \$ 1,000,950               | \$ 1,000,950            | \$ 1,001,566      | \$ 616                                |
| Investment Earnings                              | 5,000                      | 5,000                   | (14,698)          | (19,698)                              |
| <b>Total Revenues</b>                            | <u>1,005,950</u>           | <u>1,005,950</u>        | <u>986,868</u>    | <u>(19,082)</u>                       |
| <b>Expenditures</b>                              |                            |                         |                   |                                       |
| Operating Expenditures                           |                            |                         |                   |                                       |
| General Government                               | 10,009                     | 10,009                  | 10,381            | (372)                                 |
| Debt Service                                     |                            |                         |                   |                                       |
| Principal                                        | 855,000                    | 855,000                 | 855,000           | -                                     |
| Interest                                         | 145,450                    | 145,450                 | 145,450           | -                                     |
| Bond Trustee Fees                                | 500                        | 500                     | 250               | 250                                   |
| <b>Total Expenditures</b>                        | <u>1,010,959</u>           | <u>1,010,959</u>        | <u>1,011,081</u>  | <u>(122)</u>                          |
| <b>Deficiency of Revenues Under Expenditures</b> | <u>(5,009)</u>             | <u>(5,009)</u>          | <u>(24,213)</u>   | <u>(19,204)</u>                       |
| <b>Net Change in Fund Balance</b>                | <u>\$ (5,009)</u>          | <u>\$ (5,009)</u>       | <u>(24,213)</u>   | <u>\$ (19,204)</u>                    |
| <b>Fund Balance - January 1</b>                  |                            |                         | <u>200,644</u>    |                                       |
| <b>Fund Balance - December 31</b>                |                            |                         | <u>\$ 176,431</u> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**CEMETERY ENDOWMENT PERMANENT FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended December 31, 2022**

|                                                                      | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>    | <b>Variance with<br/>Final Budget</b> |
|----------------------------------------------------------------------|----------------------------|-------------------------|------------------|---------------------------------------|
| <b>Revenues</b>                                                      |                            |                         |                  |                                       |
| Investment Earnings                                                  | \$ 750                     | \$ 750                  | \$ (562)         | \$ (1,312)                            |
| <b>Total Revenues</b>                                                | <u>750</u>                 | <u>750</u>              | <u>(562)</u>     | <u>(1,312)</u>                        |
| <b>Expenditures</b>                                                  |                            |                         |                  |                                       |
| Operating Expenditures                                               |                            |                         |                  |                                       |
| General Government                                                   | 60                         | 60                      | 22               | 38                                    |
| <b>Total Expenditures</b>                                            | <u>60</u>                  | <u>60</u>               | <u>22</u>        | <u>38</u>                             |
| <b>Excess (Deficiency) of<br/>Revenues Over (Under) Expenditures</b> | 690                        | 690                     | (584)            | (1,274)                               |
| <b>Other Financing Sources (Uses)</b>                                |                            |                         |                  |                                       |
| Transfers Out                                                        | (967)                      | (967)                   | -                | 967                                   |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>(967)</u>               | <u>(967)</u>            | <u>-</u>         | <u>967</u>                            |
| <b>Net Change in Fund Balance</b>                                    | <u>\$ (277)</u>            | <u>\$ (277)</u>         | <u>(584)</u>     | <u>\$ (307)</u>                       |
| <b>Fund Balance - January 1</b>                                      |                            |                         | <u>46,693</u>    |                                       |
| <b>Fund Balance - December 31</b>                                    |                            |                         | <u>\$ 46,109</u> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Year Ended December 31, 2022**

|                                                  | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>        | <b>Variance with<br/>Final Budget</b> |
|--------------------------------------------------|----------------------------|-------------------------|----------------------|---------------------------------------|
| <b>Revenues</b>                                  |                            |                         |                      |                                       |
| Intergovernmental                                | \$ 10,471,184              | \$ 10,471,184           | \$ 1,665,888         | \$ (8,805,296)                        |
| Investment Earnings                              | 5,000                      | 5,000                   | (203,922)            | (208,922)                             |
| Miscellaneous                                    | (2,080,000)                | (2,080,000)             | -                    | 2,080,000                             |
| <b>Total Revenues</b>                            | <b>8,396,184</b>           | <b>8,396,184</b>        | <b>1,461,966</b>     | <b>(6,934,218)</b>                    |
| <b>Expenditures</b>                              |                            |                         |                      |                                       |
| Operating Expenditures                           |                            |                         |                      |                                       |
| General Government                               | -                          | -                       | 9,335                | (9,335)                               |
| Public Works                                     | -                          | -                       | 5,400                | (5,400)                               |
| Capital Outlay                                   | 12,780,000                 | 27,008,105              | 6,179,423            | 20,828,682                            |
| <b>Total Expenditures</b>                        | <b>12,780,000</b>          | <b>27,008,105</b>       | <b>6,194,158</b>     | <b>20,813,947</b>                     |
| <b>Deficiency of Revenues Under Expenditures</b> | <b>(4,383,816)</b>         | <b>(18,611,921)</b>     | <b>(4,732,192)</b>   | <b>13,879,729</b>                     |
| <b>Other Financing Sources</b>                   |                            |                         |                      |                                       |
| Transfers In                                     | 4,638,816                  | 4,638,816               | 4,688,816            | 50,000                                |
| <b>Total Other Financing Sources</b>             | <b>4,638,816</b>           | <b>4,638,816</b>        | <b>4,688,816</b>     | <b>50,000</b>                         |
| <b>Net Change in Fund Balance</b>                | <b>\$ 255,000</b>          | <b>\$ (13,973,105)</b>  | <b>(43,376)</b>      | <b>\$ 13,929,729</b>                  |
| <b>Fund Balance - January 1</b>                  |                            |                         | <b>15,727,051</b>    |                                       |
| <b>Fund Balance - December 31</b>                |                            |                         | <b>\$ 15,683,675</b> |                                       |

## **Enterprise Funds - Statements of Revenues, Expenses, and Changes in Fund Net Position – Actual and Budget (Non-GAAP Budgetary Basis)**

Enterprise funds are used to account for activities managed as a business with rates and fees intended to fund operational and capital expenses of the activity. The City reports the following nonmajor enterprise funds.

### Golf Course Fund

Accounts for the operation of the City's golf course.

### Storm Water Fund

To account for revenues and expenses related to providing storm water services to city residents.

### Waste Management Fund

Accounts for all revenues and expenses related to the operations of the City's Waste Management utility.

This section also includes budgetary comparison schedules for the City's major enterprise funds, the Water Utility and Water Reclamation Funds.

**CITY OF LAFAYETTE, COLORADO**  
**WATER UTILITY FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**For the Year Ended December 31, 2022**

|                                                | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>         | <b>Variance with<br/>Final Budget</b> |
|------------------------------------------------|----------------------------|-------------------------|-----------------------|---------------------------------------|
| <b>Revenues</b>                                |                            |                         |                       |                                       |
| Metered Water Sales                            | \$ 12,142,000              | \$ 12,142,000           | \$ 11,611,141         | \$ (530,859)                          |
| Payments in Lieu of Water                      | 2,000,000                  | 2,000,000               | 1,785,766             | (214,234)                             |
| Tap Fees                                       | 1,000,000                  | 1,000,000               | 1,114,629             | 114,629                               |
| Investment Earnings                            | 225,000                    | 225,000                 | (372,618)             | (597,618)                             |
| Miscellaneous                                  | 35,000                     | 35,000                  | 40,196                | 5,196                                 |
| <b>Total Revenues</b>                          | <b>15,402,000</b>          | <b>15,402,000</b>       | <b>14,179,114</b>     | <b>(1,222,886)</b>                    |
| <b>Expenditures</b>                            |                            |                         |                       |                                       |
| Operating Expenditures                         |                            |                         |                       |                                       |
| Personnel                                      | 2,014,525                  | 2,014,525               | 1,858,453             | 156,072                               |
| Operations                                     | 4,854,230                  | 5,385,476               | 3,408,484             | 1,976,992                             |
| Capital Outlay                                 | 36,927,334                 | 74,140,521              | 16,998,384            | 57,142,137                            |
| Debt-related Expenditures                      |                            |                         |                       |                                       |
| Principal                                      | 1,550,000                  | 1,550,000               | 1,050,000             | 500,000                               |
| Interest                                       | 860,250                    | 860,250                 | 305,250               | 555,000                               |
| Bond Trustee Fees                              | 303                        | 303                     | 303                   | -                                     |
| <b>Total Expenditures</b>                      | <b>46,206,642</b>          | <b>83,951,075</b>       | <b>23,620,874</b>     | <b>60,330,201</b>                     |
| <b>Other Financing Sources</b>                 |                            |                         |                       |                                       |
| Transfers Out                                  | (233,584)                  | (233,584)               | (233,584)             | -                                     |
| Proceeds from Debt Issuance                    | 29,450,000                 | 29,450,000              | -                     | (29,450,000)                          |
| <b>Total Other Financing Sources</b>           | <b>29,216,416</b>          | <b>29,216,416</b>       | <b>(233,584)</b>      | <b>(29,450,000)</b>                   |
| <b>Change in Net Position, Budgetary Basis</b> | <b>\$ (1,588,226)</b>      | <b>\$ (39,332,659)</b>  | <b>(9,675,344)</b>    | <b>\$ 29,657,315</b>                  |
| <b>Adjustments to GAAP Basis</b>               |                            |                         |                       |                                       |
| Debt Principal Paid                            |                            |                         | 1,050,000             |                                       |
| Change in Accrued Interest Payable             |                            |                         | 3,500                 |                                       |
| Construction and Capital Improvements          |                            |                         | 16,970,594            |                                       |
| Developer Dedications                          |                            |                         | 61,431                |                                       |
| Depreciation/Amortization                      |                            |                         | (2,127,194)           |                                       |
| Amortization of Bond-related Deferrals         |                            |                         | 42,453                |                                       |
| Equity Income from Component Unit              |                            |                         | 100,647               |                                       |
| Lease Activity                                 |                            |                         | 44,045                |                                       |
| <b>Change in Net Position, GAAP Basis</b>      |                            |                         | <b>6,470,132</b>      |                                       |
| <b>Total Net Position - January 1</b>          |                            |                         | <b>140,765,876</b>    |                                       |
| <b>Total Net Position - December 31</b>        |                            |                         | <b>\$ 147,236,008</b> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**WATER RECLAMATION UTILITY FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**For the Year Ended December 31, 2022**

|                                                | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>        | <b>Variance with<br/>Final Budget</b> |
|------------------------------------------------|----------------------------|-------------------------|----------------------|---------------------------------------|
| <b>Revenues</b>                                |                            |                         |                      |                                       |
| Waste Water Collection Fees                    | \$ 6,430,908               | \$ 6,430,908            | \$ 6,614,766         | \$ 183,858                            |
| Tap Fees                                       | 1,000,000                  | 1,000,000               | 702,969              | (297,031)                             |
| Investment Earnings                            | 75,000                     | 75,000                  | 739,405              | 664,405                               |
| <b>Total Revenues</b>                          | <b>7,505,908</b>           | <b>7,505,908</b>        | <b>8,057,140</b>     | <b>551,232</b>                        |
| <b>Expenditures</b>                            |                            |                         |                      |                                       |
| Operating Expenditures                         |                            |                         |                      |                                       |
| Personnel                                      | 1,465,832                  | 1,465,832               | 1,171,922            | 293,910                               |
| Operations                                     | 2,531,230                  | 3,012,944               | 1,299,762            | 1,713,182                             |
| Capital Outlay                                 | 308,589                    | 47,617,681              | 12,808,433           | 34,809,248                            |
| Debt-related Expenditures                      |                            |                         |                      |                                       |
| Principal                                      | 1,060,000                  | 1,060,000               | 910,000              | 150,000                               |
| Interest                                       | 1,120,000                  | 1,120,000               | 1,226,870            | (106,870)                             |
| <b>Total Expenditures</b>                      | <b>6,485,651</b>           | <b>54,276,457</b>       | <b>17,416,987</b>    | <b>36,859,470</b>                     |
| <b>Other Financing Sources</b>                 |                            |                         |                      |                                       |
| Transfers Out                                  | (217,169)                  | (217,169)               | (217,169)            | -                                     |
| <b>Total Other Financing Sources</b>           | <b>(217,169)</b>           | <b>(217,169)</b>        | <b>(217,169)</b>     | <b>-</b>                              |
| <b>Change in Net Position, Budgetary Basis</b> | <b>\$ 803,088</b>          | <b>\$ (46,987,718)</b>  | <b>(9,577,016)</b>   | <b>\$ 37,410,702</b>                  |
| <b>Adjustments to GAAP Basis</b>               |                            |                         |                      |                                       |
| Debt Principal Paid                            |                            |                         | 910,000              |                                       |
| Change in Accrued Interest Payable             |                            |                         | (3,802)              |                                       |
| Construction and Capital Improvements          |                            |                         | 12,807,675           |                                       |
| Developer Dedications                          |                            |                         | 68,751               |                                       |
| Depreciation                                   |                            |                         | (1,045,072)          |                                       |
| Amortization of Bond-related Deferrals         |                            |                         | 75,947               |                                       |
| <b>Change in Net Position, GAAP Basis</b>      |                            |                         | <b>3,236,483</b>     |                                       |
| <b>Total Net Position - January 1</b>          |                            |                         | <b>43,191,654</b>    |                                       |
| <b>Total Net Position - December 31</b>        |                            |                         | <b>\$ 46,428,137</b> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**GOLF COURSE FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**For the Year Ended December 31, 2022**

|                                                | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>       | <b>Variance with<br/>Final Budget</b> |
|------------------------------------------------|----------------------------|-------------------------|---------------------|---------------------------------------|
| <b>Revenues</b>                                |                            |                         |                     |                                       |
| Golf Sales and Services                        | \$ 2,929,612               | \$ 3,929,612            | \$ 3,690,095        | \$ (239,517)                          |
| Investment Earnings                            | 9,070                      | 9,070                   | (23,959)            | (33,029)                              |
| Miscellaneous                                  | 1,669                      | 1,669                   | (8,056)             | (9,725)                               |
| <b>Total Revenues</b>                          | <b>2,940,351</b>           | <b>3,940,351</b>        | <b>3,658,080</b>    | <b>(282,271)</b>                      |
| <b>Expenditures</b>                            |                            |                         |                     |                                       |
| Operating Expenditures                         |                            |                         |                     |                                       |
| Personnel                                      | 1,353,494                  | 1,353,494               | 1,441,447           | (87,953)                              |
| Operations                                     | 1,268,536                  | 1,468,536               | 1,272,494           | 196,042                               |
| Capital Outlay                                 | 212,180                    | 728,180                 | 129,006             | 599,174                               |
| <b>Total Expenditures</b>                      | <b>2,834,210</b>           | <b>3,550,210</b>        | <b>2,842,947</b>    | <b>707,263</b>                        |
| <b>Other Financing Sources</b>                 |                            |                         |                     |                                       |
| Transfers Out                                  | (4,744)                    | (4,744)                 | (4,744)             | -                                     |
| <b>Total Other Financing Sources</b>           | <b>(4,744)</b>             | <b>(4,744)</b>          | <b>(4,744)</b>      | <b>-</b>                              |
| <b>Change in Net Position, Budgetary Basis</b> | <b>\$ 101,397</b>          | <b>\$ 385,397</b>       | <b>810,389</b>      | <b>\$ 424,992</b>                     |
| <b>Adjustments to GAAP Basis</b>               |                            |                         |                     |                                       |
| Construction and Capital Improvements          |                            |                         | 129,006             |                                       |
| Depreciation                                   |                            |                         | (329,446)           |                                       |
| <b>Change in Net Position, GAAP Basis</b>      |                            |                         | <b>609,949</b>      |                                       |
| <b>Total Net Position - January 1</b>          |                            |                         | <b>4,955,615</b>    |                                       |
| <b>Total Net Position - December 31</b>        |                            |                         | <b>\$ 5,565,564</b> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**STORM WATER FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**For the Year Ended December 31, 2022**

|                                                | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>        | <b>Variance with<br/>Final Budget</b> |
|------------------------------------------------|----------------------------|-------------------------|----------------------|---------------------------------------|
| <b>Revenues</b>                                |                            |                         |                      |                                       |
| Storm Water Collection Fees                    | \$ 1,763,244               | \$ 1,763,244            | \$ 1,958,274         | \$ 195,030                            |
| Storm Water Development Fees                   | 582,250                    | 582,250                 | 111,377              | (470,873)                             |
| Investment Earnings                            | 7,500                      | 7,500                   | (74,655)             | (82,155)                              |
| Miscellaneous                                  | 7,139                      | 7,139                   | -                    | (7,139)                               |
| <b>Total Revenues</b>                          | <b>2,360,133</b>           | <b>2,360,133</b>        | <b>1,994,996</b>     | <b>(365,137)</b>                      |
| <b>Expenditures</b>                            |                            |                         |                      |                                       |
| Operating Expenditures                         |                            |                         |                      |                                       |
| Personnel                                      | 278,151                    | 278,151                 | 212,325              | 65,826                                |
| Operations                                     | 440,549                    | 614,227                 | 372,992              | 241,235                               |
| Capital Outlay                                 | 19,000                     | 309,425                 | -                    | 309,425                               |
| <b>Total Expenditures</b>                      | <b>737,700</b>             | <b>1,201,803</b>        | <b>585,317</b>       | <b>616,486</b>                        |
| <b>Other Financing Sources</b>                 |                            |                         |                      |                                       |
| Transfers Out                                  | (90,470)                   | (90,470)                | (90,470)             | -                                     |
| <b>Total Other Financing Sources</b>           | <b>(90,470)</b>            | <b>(90,470)</b>         | <b>(90,470)</b>      | <b>-</b>                              |
| <b>Change in Net Position, Budgetary Basis</b> | <b>\$ 1,531,963</b>        | <b>\$ 1,067,860</b>     | <b>1,319,209</b>     | <b>\$ 251,349</b>                     |
| <b>Adjustments to GAAP Basis</b>               |                            |                         |                      |                                       |
| Developer Dedications                          |                            |                         | 76,060               |                                       |
| Depreciation                                   |                            |                         | (440,547)            |                                       |
| <b>Change in Net Position, GAAP Basis</b>      |                            |                         | <b>954,722</b>       |                                       |
| <b>Total Net Position - January 1</b>          |                            |                         | <b>12,486,010</b>    |                                       |
| <b>Total Net Position - December 31</b>        |                            |                         | <b>\$ 13,440,732</b> |                                       |

**CITY OF LAFAYETTE, COLORADO**  
**WASTE MANAGEMENT FUND**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**For the Year Ended December 31, 2022**

|                                                | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>    | <b>Variance with<br/>Final Budget</b> |
|------------------------------------------------|----------------------------|-------------------------|------------------|---------------------------------------|
| <b>Revenues</b>                                |                            |                         |                  |                                       |
| Solid Waste, Recycling and Compost Fees        | \$ 2,411,917               | \$ 2,411,917            | \$ 2,283,577     | \$ (128,340)                          |
| Investment Earnings                            | -                          | -                       | (13,298)         | (13,298)                              |
| <b>Total Revenues</b>                          | <u>2,411,917</u>           | <u>2,411,917</u>        | <u>2,270,279</u> | <u>(141,638)</u>                      |
| <b>Expenditures</b>                            |                            |                         |                  |                                       |
| Operating Expenditures                         |                            |                         |                  |                                       |
| General Government                             | 2,509,705                  | 2,615,336               | 2,423,229        | 192,107                               |
| <b>Total Expenditures</b>                      | <u>2,509,705</u>           | <u>2,615,336</u>        | <u>2,423,229</u> | <u>192,107</u>                        |
| <b>Other Financing Sources</b>                 |                            |                         |                  |                                       |
| Transfers In                                   | 100,000                    | 180,000                 | 180,000          | -                                     |
| <b>Total Other Financing Sources</b>           | <u>100,000</u>             | <u>180,000</u>          | <u>180,000</u>   | <u>-</u>                              |
| <b>Change in Net Position, Budgetary Basis</b> | <u>\$ 2,212</u>            | <u>\$ (23,419)</u>      | <u>27,050</u>    | <u>\$ 50,469</u>                      |
| <b>Adjustments to GAAP Basis</b>               |                            |                         |                  |                                       |
| <b>Change in Net Position, GAAP Basis</b>      |                            |                         | 27,050           |                                       |
| <b>Total Net Position - January 1</b>          |                            |                         | -                |                                       |
| <b>Total Net Position - December 31</b>        |                            |                         | <u>\$ 27,050</u> |                                       |

## **INTERNAL SERVICE FUNDS - DESCRIPTIONS**

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis. The City's Internal Service Funds account for the following services:

### Employee Benefit Fund

To account for the allocation of costs associated with employee insurance plans.

### Fleet Management Fund

Accounts for the cyclical replacement of the City's fleet of vehicles.

### Insurance Fund

To account for the allocation of costs associated with the City's insurance plans.

**CITY OF LAFAYETTE, COLORADO**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**December 31, 2022**

|                                                 | <b>Employee<br/>Benefit<br/>Fund</b> | <b>Fleet<br/>Management<br/>Fund</b> | <b>Insurance<br/>Fund</b> | <b>Total</b> |
|-------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------|--------------|
| <b>Assets</b>                                   |                                      |                                      |                           |              |
| <b>Current Assets</b>                           |                                      |                                      |                           |              |
| Cash and Investments                            | \$ 716,206                           | \$ 848,891                           | \$ 772,212                | \$ 2,337,309 |
| Receivables                                     | 330,969                              | 3,083                                | 1,839                     | 335,891      |
| <b>Total Current Assets</b>                     | 1,047,175                            | 851,974                              | 774,051                   | 2,673,200    |
| <b>Noncurrent Assets</b>                        |                                      |                                      |                           |              |
| Capital Assets, Net of Accumulated Depreciation | -                                    | 1,242,640                            |                           | 1,242,640    |
| <b>Total Noncurrent Assets</b>                  | -                                    | 1,242,640                            | -                         | 1,242,640    |
| <b>Liabilities</b>                              |                                      |                                      |                           |              |
| <b>Current Liabilities</b>                      |                                      |                                      |                           |              |
| Accounts Payable                                | 430                                  | -                                    | 150,939                   | 151,369      |
| Claims Payable                                  | 20,376                               | -                                    | 24,900                    | 45,276       |
| Accrued Liabilities                             | -                                    | 2,279                                | -                         | 2,279        |
| Compensated Absences - Current Portion          | 981,649                              | 22,608                               | -                         | 1,004,257    |
| <b>Total Current Liabilities</b>                | 1,002,455                            | 24,887                               | 175,839                   | 1,203,181    |
| <b>Noncurrent Liabilities</b>                   |                                      |                                      |                           |              |
| Compensated Absences - Noncurrent Portion       | 170,376                              | -                                    | -                         | 170,376      |
| <b>Net Position</b>                             |                                      |                                      |                           |              |
| Net Investment in Capital Assets                | -                                    | 1,242,641                            | -                         | 1,242,641    |
| Unrestricted                                    | (125,656)                            | 827,086                              | 598,212                   | 1,299,642    |
| <b>Total Net Position</b>                       | \$ (125,656)                         | \$ 2,069,727                         | \$ 598,212                | \$ 2,542,283 |

**CITY OF LAFAYETTE, COLORADO**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**For the Year Ended December 31, 2022**

|                                                 | <b>Employee<br/>Benefit<br/>Fund</b> | <b>Fleet<br/>Management<br/>Fund</b> | <b>Insurance<br/>Fund</b> | <b>Total</b>        |
|-------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------|---------------------|
| <b>Operating Revenues</b>                       |                                      |                                      |                           |                     |
| City Contributions                              | \$ 3,951,753                         | \$ 2,348,110                         | \$ 940,245                | \$ 7,240,108        |
| Employee Contributions                          | 79,451                               | -                                    | -                         | 79,451              |
| Miscellaneous                                   | 35,838                               | -                                    | 75,834                    | 111,672             |
| <b>Total Operating Revenues</b>                 | <b>4,067,042</b>                     | <b>2,348,110</b>                     | <b>1,016,079</b>          | <b>7,431,231</b>    |
| <b>Operating Expenses</b>                       |                                      |                                      |                           |                     |
| Depreciation                                    | -                                    | 91,772                               | -                         | 91,772              |
| Premiums and Claims                             | 4,077,112                            | -                                    | 778,129                   | 4,855,241           |
| Payroll                                         | -                                    | 167,021                              | -                         | 167,021             |
| Miscellaneous                                   | 17,309                               | 4,547                                | 359                       | 22,215              |
| <b>Total Operating Expenses</b>                 | <b>4,094,421</b>                     | <b>263,340</b>                       | <b>778,488</b>            | <b>5,136,249</b>    |
| <b>Operating Income (Loss)</b>                  | <b>(27,379)</b>                      | <b>2,084,770</b>                     | <b>237,591</b>            | <b>2,294,982</b>    |
| <b>Nonoperating Revenues and (Expenses)</b>     |                                      |                                      |                           |                     |
| Investment Earnings                             | (7,508)                              | (15,043)                             | (6,813)                   | (29,364)            |
| <b>Total Nonoperating Revenues and Expenses</b> | <b>(7,508)</b>                       | <b>(15,043)</b>                      | <b>(6,813)</b>            | <b>(29,364)</b>     |
| <b>Transfers</b>                                |                                      |                                      |                           |                     |
| Transfers Out                                   | -                                    | -                                    | (450,000)                 | (450,000)           |
| <b>Total Other Financing Sources</b>            | <b>-</b>                             | <b>-</b>                             | <b>(450,000)</b>          | <b>(450,000)</b>    |
| <b>Change in Net Position</b>                   | <b>(34,887)</b>                      | <b>2,069,727</b>                     | <b>(219,222)</b>          | <b>1,815,618</b>    |
| <b>Net Position, January 1</b>                  | <b>(90,769)</b>                      | <b>-</b>                             | <b>817,434</b>            | <b>726,665</b>      |
| <b>Net Position, December 31</b>                | <b>\$ (125,656)</b>                  | <b>\$ 2,069,727</b>                  | <b>\$ 598,212</b>         | <b>\$ 2,542,283</b> |

**CITY OF LAFAYETTE, COLORADO**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**For the Year Ended December 31, 2022**

|                                                                                                      | <b>Employee<br/>Benefit<br/>Fund</b> | <b>Fleet<br/>Management<br/>Fund</b> | <b>Insurance<br/>Fund</b> | <b>Total</b>        |
|------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------|---------------------|
| <b>Cash Flows From Operating Activities</b>                                                          |                                      |                                      |                           |                     |
| Receipts for Interfund Services Provided                                                             | \$ 3,622,588                         | \$ 2,348,110                         | \$ 940,245                | \$ 6,910,943        |
| Receipts from Employees                                                                              | 79,451                               | -                                    | -                         | 79,451              |
| Miscellaneous Receipts                                                                               | 35,838                               | -                                    | 75,834                    | 111,672             |
| Payments to Vendors and Suppliers                                                                    | (4,036,210)                          | (240,734)                            | (691,532)                 | (4,968,476)         |
| Payments to Employees                                                                                |                                      | 2,279                                |                           | 2,279               |
| <b>Net Cash Provided by Operating Activities</b>                                                     | <b>(298,333)</b>                     | <b>2,109,655</b>                     | <b>324,547</b>            | <b>2,135,869</b>    |
| <b>Cash Flows from Noncapital Financing Activities</b>                                               |                                      |                                      |                           |                     |
| Transfers Out to Other Funds                                                                         | -                                    | -                                    | (450,000)                 | (450,000)           |
| <b>Net Cash Used by Noncapital Financing Activities</b>                                              | <b>-</b>                             | <b>-</b>                             | <b>(450,000)</b>          | <b>(450,000)</b>    |
| Acquisition and Construction of Capital Assets                                                       | -                                    | (1,242,640)                          | -                         | (1,242,640)         |
| <b>Related Financing Activities</b>                                                                  | <b>-</b>                             | <b>(1,242,640)</b>                   | <b>-</b>                  | <b>(1,242,640)</b>  |
| Investment Income Received                                                                           | (5,066)                              | (9,820)                              | (4,800)                   | (19,686)            |
| <b>Net Cash Used by Investing Activities</b>                                                         | <b>(5,066)</b>                       | <b>(9,820)</b>                       | <b>(4,800)</b>            | <b>(19,686)</b>     |
| <b>Net Increase in Cash and Cash Equivalents</b>                                                     | <b>(303,398)</b>                     | <b>857,195</b>                       | <b>(130,253)</b>          | <b>423,544</b>      |
| <b>Cash and Cash Equivalents - January 1 (as restated)</b>                                           | <b>440,161</b>                       | <b>-</b>                             | <b>406,897</b>            | <b>847,057</b>      |
| <b>Cash and Cash Equivalents - December 31</b>                                                       | <b>\$ 136,763</b>                    | <b>\$ 857,195</b>                    | <b>\$ 276,644</b>         | <b>\$ 1,270,602</b> |
| <b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b>        |                                      |                                      |                           |                     |
| Operating Income (Loss)                                                                              | \$ (27,379)                          | \$ 2,084,770                         | \$ 237,591                | \$ 2,294,982        |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities |                                      |                                      |                           |                     |
| Changes in Assets and Liabilities                                                                    |                                      |                                      |                           |                     |
| Receivables                                                                                          | (329,165)                            | -                                    | -                         | (329,165)           |
| Accounts Payable                                                                                     | (14,492)                             | -                                    | 120,355                   | 105,863             |
| Claims Payable                                                                                       | 2,801                                | -                                    | (33,399)                  | (30,598)            |
| Accrued Liabilities                                                                                  | -                                    | 2,279                                | -                         | 2,279               |
| Compensated Absences                                                                                 | 69,902                               | 22,606                               | -                         | 92,508              |
| <b>Total Adjustments</b>                                                                             | <b>(270,954)</b>                     | <b>24,885</b>                        | <b>86,956</b>             | <b>(159,113)</b>    |
| <b>Net Cash Provided by Operating Activities</b>                                                     | <b>\$ (298,333)</b>                  | <b>\$ 2,109,655</b>                  | <b>\$ 324,547</b>         | <b>\$ 2,135,869</b> |
| <b>Reconciliation of Cash and Cash Equivalents to Statement of Net Position:</b>                     |                                      |                                      |                           |                     |
| Unrestricted cash and cash equivalents                                                               | \$ 136,763                           | \$ 857,195                           | \$ 276,644                | \$ 1,270,602        |
| Restricted cash and cash equivalents                                                                 | -                                    | -                                    | -                         | -                   |
| Unrestricted investments                                                                             | 579,443                              | (8,304)                              | 495,568                   | 1,066,707           |
| <b>Total Cash and Investments</b>                                                                    | <b>\$ 716,206</b>                    | <b>\$ 848,891</b>                    | <b>\$ 772,212</b>         | <b>\$ 2,337,309</b> |

**CITY OF LAFAYETTE, COLORADO**  
**EMPLOYEE BENEFIT FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2022**

|                                                | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>       | <b>Variance</b>     |
|------------------------------------------------|----------------------------|-------------------------|---------------------|---------------------|
| <b>Revenues</b>                                |                            |                         |                     |                     |
| City Contributions                             | \$ 4,469,499               | \$ 4,469,499            | \$ 3,951,753        | \$ (517,746)        |
| Employee Contributions                         | 114,000                    | 114,000                 | 79,451              | (34,549)            |
| Investment Earnings                            | 8,000                      | 8,000                   | (7,508)             | (15,508)            |
| Miscellaneous                                  | 11,375                     | 11,375                  | 35,838              | 24,463              |
| <b>Total Revenues</b>                          | <b>4,602,874</b>           | <b>4,602,874</b>        | <b>4,059,534</b>    | <b>(543,340)</b>    |
| <b>Expenses</b>                                |                            |                         |                     |                     |
| Premiums and Claims                            | 4,213,436                  | 4,213,436               | 4,077,112           | 136,324             |
| Miscellaneous                                  | 85,625                     | 85,625                  | 17,309              | 68,316              |
| <b>Total Expenses</b>                          | <b>4,299,061</b>           | <b>4,299,061</b>        | <b>4,094,421</b>    | <b>204,640</b>      |
| <b>Change in Net Position, Budgetary Basis</b> | <b>\$ 303,813</b>          | <b>\$ 303,813</b>       | <b>(34,887)</b>     | <b>\$ (338,700)</b> |
| <b>Net Position, January 1</b>                 |                            |                         | <b>(90,769)</b>     |                     |
| <b>Net Position, December 31</b>               |                            |                         | <b>\$ (125,656)</b> |                     |

**CITY OF LAFAYETTE, COLORADO**  
**FLEET MANAGEMENT FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2022**

|                                                | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>       | <b>Variance</b>     |
|------------------------------------------------|----------------------------|-------------------------|---------------------|---------------------|
| <b>Revenues</b>                                |                            |                         |                     |                     |
| City Contributions                             | \$ 2,240,297               | \$ 2,240,297            | \$ 2,348,110        | \$ 107,813          |
| Investment Earnings                            | -                          | -                       | (15,043)            | (15,043)            |
| <b>Total Revenues</b>                          | <u>2,240,297</u>           | <u>2,240,297</u>        | <u>2,333,067</u>    | <u>92,770</u>       |
| <b>Expenses</b>                                |                            |                         |                     |                     |
| Operating Expenditures                         |                            |                         |                     |                     |
| Public Works                                   | 124,441                    | 124,441                 | 167,021             | (42,580)            |
| Capital Outlay                                 | 1,600,000                  | 1,600,000               | -                   | 1,600,000           |
| Miscellaneous                                  | -                          | -                       | 4,547               | (4,547)             |
| <b>Total Expenditures</b>                      | <u>1,724,441</u>           | <u>1,724,441</u>        | <u>171,568</u>      | <u>1,552,873</u>    |
| <b>Change in Net Position, Budgetary Basis</b> | <u>\$ 515,856</u>          | <u>\$ 515,856</u>       | <u>2,161,499</u>    | <u>\$ 1,645,643</u> |
| <b>Net Position, January 1</b>                 |                            |                         | <u>-</u>            |                     |
| <b>Net Position, December 31</b>               |                            |                         | <u>\$ 2,161,499</u> |                     |
| <b>Adjustments to GAAP Basis</b>               |                            |                         |                     |                     |
| Construction and Capital Improvements          |                            |                         |                     |                     |
| Depreciation                                   |                            |                         | (91,772)            |                     |
| <b>Change in Net Position, GAAP Basis</b>      |                            |                         | <u>2,069,727</u>    |                     |
| <b>Total Net Position - January 1</b>          |                            |                         | <u>-</u>            |                     |
| <b>Total Net Position - December 31</b>        |                            |                         | <u>\$ 2,069,727</u> |                     |

**CITY OF LAFAYETTE, COLORADO**  
**INSURANCE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended December 31, 2022**

|                                                | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>     | <b>Variance</b>   |
|------------------------------------------------|----------------------------|-------------------------|-------------------|-------------------|
| <b>Revenues</b>                                |                            |                         |                   |                   |
| City Contributions                             | \$ 975,000                 | \$ 975,000              | \$ 940,245        | \$ (34,755)       |
| Investment Earnings                            | 12,000                     | 12,000                  | (6,813)           | (18,813)          |
| Miscellaneous                                  | -                          | -                       | 75,834            | 75,834            |
| <b>Total Revenues</b>                          | <b>987,000</b>             | <b>987,000</b>          | <b>1,009,266</b>  | <b>22,266</b>     |
| <b>Expenses</b>                                |                            |                         |                   |                   |
| Premiums and Claims                            | 985,200                    | 985,200                 | 778,129           | 207,071           |
| Miscellaneous                                  | -                          | -                       | 359               | (359)             |
| <b>Total Expenditures</b>                      | <b>985,200</b>             | <b>985,200</b>          | <b>778,488</b>    | <b>206,712</b>    |
| <b>Other Financing Sources (Uses)</b>          |                            |                         |                   |                   |
| Transfers Out                                  | (450,000)                  | (450,000)               | (450,000)         | -                 |
| <b>Total Other Financing Sources</b>           | <b>(450,000)</b>           | <b>(450,000)</b>        | <b>(450,000)</b>  | <b>-</b>          |
| <b>Change in Net Position, Budgetary Basis</b> | <b>\$ (448,200)</b>        | <b>\$ (448,200)</b>     | <b>(219,222)</b>  | <b>\$ 228,978</b> |
| <b>Net Position, January 1</b>                 |                            |                         | <b>817,434</b>    |                   |
| <b>Net Position, December 31</b>               |                            |                         | <b>\$ 598,212</b> |                   |

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## Statistical Section

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This part of the City of Lafayette’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

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| Financial Trends<br><i>These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.</i>                                                                      | 145         |
| Revenue Capacity<br><i>These schedules contain trend information to help the reader assess the City’s most significant local revenue sources, property and sales taxes.</i>                                                                         | 154         |
| Debt Capacity<br><i>These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.</i>                             | 157         |
| Demographic and Economic Information<br><i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.</i>                                     | 163         |
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**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 1 - NET POSITION BY COMPONENT**  
**LAST 10 FISCAL YEARS**  
**(Accrual basis of accounting)**

|                                             | 2013           | 2014           | 2015           | 2016           | 2017           |
|---------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Governmental activities                     |                |                |                |                |                |
| Net investment in capital assets            | \$ 114,421,149 | \$ 114,371,840 | \$ 116,503,967 | \$ 115,675,547 | \$ 122,568,073 |
| Restricted                                  | 7,010,330      | 8,041,313      | 8,917,272      | 10,519,487     | 10,396,066     |
| Unrestricted                                | 24,341,245     | 25,881,640     | 29,093,640     | 34,646,358     | 38,027,329     |
| Total governmental activities net position  | 145,772,724    | 148,294,793    | 154,514,879    | 160,841,392    | 170,991,468    |
| Business-type activities                    |                |                |                |                |                |
| Net investment in capital assets            | 76,713,275     | 83,127,944     | 85,694,242     | 91,252,731     | 99,364,335     |
| Restricted                                  | -              | 374,882        | 566,315        | 566,315        | -              |
| Unrestricted                                | 35,156,446     | 40,196,094     | 41,540,521     | 43,695,273     | 45,525,566     |
| Total business-type activities net position | 111,869,721    | 123,698,920    | 127,801,078    | 135,514,319    | 144,889,901    |
| Net investment in capital assets            | 191,134,424    | 197,499,784    | 202,198,209    | 206,928,278    | 221,932,408    |
| Restricted                                  | 7,010,330      | 8,416,195      | 9,483,587      | 11,085,802     | 10,396,066     |
| Unrestricted                                | 59,497,691     | 66,077,734     | 70,634,161     | 78,341,631     | 83,552,895     |
| Total primary governmental net position     | \$ 257,642,445 | \$ 271,993,713 | \$ 282,315,957 | \$ 296,355,711 | \$ 315,881,369 |
|                                             |                |                |                | 2021           |                |
|                                             | 2018           | 2019           | 2020           | as restated    | 2022           |
| Governmental activities                     |                |                |                |                |                |
| Net investment in capital assets            | \$ 129,041,362 | \$ 139,645,432 | \$ 142,464,808 | \$ 140,364,345 | \$ 146,729,467 |
| Restricted                                  | 12,249,044     | 8,917,533      | 4,245,493      | 7,795,522      | 8,970,337      |
| Unrestricted                                | 42,884,343     | 45,402,656     | 55,480,775     | 60,828,208     | 63,718,769     |
| Total governmental activities net position  | 184,174,749    | 193,965,621    | 202,191,076    | 208,988,075    | 219,418,573    |
| Business-type activities                    |                |                |                |                |                |
| Net investment in capital assets            | 106,120,369    | 114,556,005    | 126,787,732    | 130,852,365    | 147,145,150    |
| Restricted                                  | -              | -              | -              | -              | -              |
| Unrestricted                                | 49,565,131     | 53,687,768     | 61,335,621     | 70,546,790     | 65,552,341     |
| Total business-type activities net position | 155,685,500    | 168,243,773    | 188,123,353    | 201,399,155    | 212,697,491    |
| Net investment in capital assets            | 235,161,731    | 254,201,437    | 269,252,540    | 271,216,710    | 293,874,617    |
| Restricted                                  | 12,249,044     | 8,917,533      | 4,245,493      | 7,795,522      | 8,970,337      |
| Unrestricted                                | 92,449,474     | 99,090,424     | 116,816,396    | 131,374,998    | 129,271,110    |
| Total primary governmental net position     | \$ 339,860,249 | \$ 362,209,394 | \$ 390,314,429 | \$ 410,387,230 | \$ 432,116,064 |

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 2 - CHANGES IN NET POSITION**  
**LAST 10 FISCAL YEARS**  
**(Accrual basis of accounting)**

|                                                 | 2013          | 2014          | 2015          | 2016          | 2017          |
|-------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <b>Expenses</b>                                 |               |               |               |               |               |
| Governmental activities:                        |               |               |               |               |               |
| General government                              | \$ 6,036,981  | \$ 7,773,581  | \$ 6,158,688  | \$ 6,502,498  | \$ 6,723,312  |
| Judicial                                        | 437,265       | 499,622       | 406,578       | 522,216       | 599,522       |
| Public safety                                   | 8,396,253     | 9,073,242     | 8,402,027     | 9,831,186     | 10,707,135    |
| Public works                                    | 5,662,462     | 5,761,464     | 6,405,900     | 6,999,101     | 6,882,121     |
| Culture and recreation                          | 6,535,879     | 6,798,724     | 7,043,976     | 6,903,106     | 7,659,774     |
| Interest on long-term debt                      | 1,262,467     | 1,210,706     | 1,154,003     | 1,238,737     | 1,103,901     |
| Total governmental activities expenses          | 28,331,307    | 31,117,339    | 29,571,172    | 31,996,844    | 33,675,765    |
| Business-type activities:                       |               |               |               |               |               |
| Water                                           | 5,410,699     | 5,526,849     | 5,519,561     | 5,586,019     | 6,720,281     |
| Water reclamation                               | 2,800,165     | 2,784,170     | 2,798,608     | 2,834,235     | 2,949,268     |
| Golf course                                     | 1,888,000     | 1,984,280     | 2,090,819     | 2,219,448     | 2,522,940     |
| Storm water                                     | 828,224       | 838,052       | 944,296       | 1,212,323     | 738,324       |
| Waste Management                                | -             | -             | -             | -             | -             |
| Total business-type activities expenses         | 10,927,088    | 11,133,351    | 11,353,284    | 11,852,025    | 12,930,813    |
| Total primary governmental expenses             | \$ 39,258,395 | \$ 42,250,690 | \$ 40,924,456 | \$ 43,848,869 | \$ 46,606,578 |
| <b>Program Revenues</b>                         |               |               |               |               |               |
| Governmental activities:                        |               |               |               |               |               |
| Charges for services                            |               |               |               |               |               |
| General government                              | \$ 2,241,222  | \$ 2,414,326  | \$ 2,886,488  | \$ 1,605,901  | \$ 2,179,555  |
| Judicial                                        | 854,704       | 872,342       | 606,976       | 528,248       | 683,610       |
| Public safety                                   | 517,540       | 396,491       | 394,345       | 583,071       | 510,737       |
| Public works                                    | 179,399       | 14,075        | 10,582        | 1,624,090     | 1,693,094     |
| Culture and recreation                          | 1,831,286     | 1,837,201     | 1,979,019     | 2,022,257     | 2,079,420     |
| Total charges for services                      | 5,624,151     | 5,534,435     | 5,877,410     | 6,363,567     | 7,146,416     |
| Operating grants and contributions              | 1,213,497     | 1,360,175     | 1,275,835     | 1,561,461     | 1,893,068     |
| Capital grants and contributions                | 5,856,595     | 2,812,361     | 2,825,043     | 3,004,817     | 4,705,396     |
| Total governmental activities program revenues  | 12,694,243    | 9,706,971     | 9,978,288     | 10,929,845    | 13,744,880    |
| Business-type activities:                       |               |               |               |               |               |
| Charges for services                            |               |               |               |               |               |
| Water                                           | 5,881,253     | 6,026,348     | 6,550,201     | 7,574,216     | 8,103,541     |
| Water reclamation                               | 2,004,400     | 2,745,581     | 3,336,595     | 4,520,574     | 5,010,334     |
| Golf course                                     | 644,484       | 651,519       | 669,625       | 682,188       | 742,156       |
| Storm water                                     | 2,286,621     | 2,605,171     | 2,602,784     | 2,493,470     | 2,662,369     |
| Waste Management                                | -             | -             | -             | -             | -             |
| Total charges for services                      | 10,816,758    | 12,028,619    | 13,159,205    | 15,270,448    | 16,518,400    |
| Operating grants and contributions              | -             | -             | -             | -             | -             |
| Capital grants and contributions                | 6,233,629     | 12,469,981    | 3,484,379     | 6,180,956     | 7,815,507     |
| Total business-type activities program revenues | 17,050,387    | 24,498,600    | 16,643,584    | 21,451,404    | 24,333,907    |
| Total primary government program revenues       | \$ 29,744,630 | \$ 34,205,571 | \$ 26,621,872 | \$ 32,381,249 | \$ 38,078,787 |

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 2 - CHANGES IN NET POSITION**  
**LAST 10 YEARS**  
**(Accrual basis of accounting)**

|                                                 | <b>2018</b>          | <b>2019</b>          | <b>2020</b>          | <b>2021<br/>as restated</b> | <b>2022</b>          |
|-------------------------------------------------|----------------------|----------------------|----------------------|-----------------------------|----------------------|
| <b>Expenses</b>                                 |                      |                      |                      |                             |                      |
| Governmental activities:                        |                      |                      |                      |                             |                      |
| General government                              | \$ 7,151,022         | \$ 10,857,506        | \$ 11,808,272        | \$ 13,031,557               | \$ 10,712,187        |
| Judicial                                        | 670,461              | 646,084              | 674,308              | 646,977                     | 594,238              |
| Public safety                                   | 11,047,434           | 13,054,675           | 12,865,275           | 13,755,192                  | 14,995,855           |
| Public works                                    | 7,395,459            | 6,229,133            | 7,362,746            | 6,160,913                   | 4,499,090            |
| Culture and recreation                          | 8,646,648            | 10,321,126           | 9,871,651            | 8,311,174                   | 9,968,290            |
| Interest on long-term debt                      | 1,018,000            | 513,808              | 583,817              | 406,237                     | 412,254              |
| Total governmental activities expenses          | <u>35,929,024</u>    | <u>41,622,332</u>    | <u>43,166,069</u>    | <u>42,312,050</u>           | <u>41,181,914</u>    |
| Business-type activities:                       |                      |                      |                      |                             |                      |
| Water                                           | 8,045,332            | 7,516,930            | 8,666,922            | 8,086,464                   | 7,672,483            |
| Water reclamation                               | 3,948,819            | 3,942,419            | 3,934,458            | 4,403,948                   | 4,672,239            |
| Golf course                                     | 2,816,838            | 2,588,749            | 2,838,295            | 3,115,510                   | 3,043,387            |
| Storm water                                     | 850,754              | 1,072,171            | 1,079,200            | 1,524,928                   | 1,025,864            |
| Waste Management                                | -                    | -                    | -                    | -                           | 2,423,229            |
| Total business-type activities expenses         | <u>15,661,743</u>    | <u>15,120,269</u>    | <u>16,518,875</u>    | <u>17,130,850</u>           | <u>18,837,202</u>    |
| Total primary governmental expenses             | <u>\$ 51,590,767</u> | <u>\$ 56,742,601</u> | <u>\$ 59,684,944</u> | <u>\$ 59,442,900</u>        | <u>\$ 60,019,116</u> |
| <b>Program Revenues</b>                         |                      |                      |                      |                             |                      |
| Governmental activities:                        |                      |                      |                      |                             |                      |
| Charges for services                            |                      |                      |                      |                             |                      |
| General government                              | \$ 7,040,872         | \$ 5,055,582         | \$ 8,664,208         | \$ 5,208,240                | \$ 3,434,561         |
| Judicial                                        | 40,543               | 56,524               | 15,345               | 16,941                      | 25,210               |
| Public safety                                   | 816,621              | 924,782              | 638,377              | 668,997                     | 978,108              |
| Public works                                    | 2,043,810            | 2,266,949            | 2,453,665            | 2,592,238                   | 417,885              |
| Culture and recreation                          | 2,327,660            | 2,309,753            | 514,892              | 1,384,447                   | 1,805,666            |
| Total charges for services                      | <u>12,269,506</u>    | <u>10,613,590</u>    | <u>12,286,487</u>    | <u>9,870,863</u>            | <u>6,661,430</u>     |
| Operating grants and contributions              | <u>1,703,572</u>     | <u>1,533,961</u>     | <u>2,853,744</u>     | <u>2,390,809</u>            | <u>2,015,410</u>     |
| Capital grants and contributions                | <u>4,204,821</u>     | <u>5,007,198</u>     | <u>569,682</u>       | <u>3,124,611</u>            | <u>1,280,209</u>     |
| Total governmental activities program revenues  | <u>18,177,899</u>    | <u>17,154,749</u>    | <u>15,709,913</u>    | <u>15,386,283</u>           | <u>9,957,049</u>     |
| Business-type activities:                       |                      |                      |                      |                             |                      |
| Charges for services                            |                      |                      |                      |                             |                      |
| Water                                           | 8,593,015            | 8,329,244            | 10,043,302           | 9,659,867                   | 11,611,141           |
| Water reclamation                               | 5,351,810            | 5,730,381            | 5,780,462            | 6,186,342                   | 6,614,766            |
| Golf course                                     | 992,136              | 1,686,419            | 3,010,262            | 3,657,234                   | 3,690,095            |
| Storm water                                     | 2,643,366            | 2,544,709            | 1,820,957            | 1,936,114                   | 1,958,274            |
| Waste Management                                | -                    | -                    | -                    | -                           | 2,283,577            |
| Total charges for services                      | <u>17,580,327</u>    | <u>18,290,753</u>    | <u>20,654,983</u>    | <u>21,439,557</u>           | <u>26,157,853</u>    |
| Operating grants and contributions              | <u>-</u>             | <u>-</u>             | <u>3,663</u>         | <u>-</u>                    | <u>-</u>             |
| Capital grants and contributions                | <u>8,096,157</u>     | <u>4,869,851</u>     | <u>14,513,251</u>    | <u>4,711,175</u>            | <u>3,555,016</u>     |
| Total business-type activities program revenues | <u>25,676,484</u>    | <u>23,160,604</u>    | <u>35,171,897</u>    | <u>26,150,732</u>           | <u>29,712,869</u>    |
| Total primary government program revenues       | <u>\$ 43,854,383</u> | <u>\$ 40,315,353</u> | <u>\$ 50,881,810</u> | <u>\$ 41,537,015</u>        | <u>\$ 39,669,918</u> |

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 2 - CHANGES IN NET POSITION (continued)**  
**LAST 10 YEARS**  
**(Accrual basis of accounting)**

|                                                     | 2013            | 2014            | 2015            | 2016            | 2017            |
|-----------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Net (Expense)/Revenue</b>                        |                 |                 |                 |                 |                 |
| Governmental activities                             | \$ (15,637,064) | \$ (21,410,368) | \$ (19,592,884) | \$ (21,066,999) | \$ (19,930,885) |
| Business-type activities                            | 6,123,299       | 13,365,249      | 5,290,300       | 9,599,379       | 11,403,094      |
| Total primary government net expenses               | (9,513,765)     | (8,045,119)     | (14,302,584)    | (11,467,620)    | (8,527,791)     |
| <b>General Revenues and Changes in Net Position</b> |                 |                 |                 |                 |                 |
| Governmental activities:                            |                 |                 |                 |                 |                 |
| Taxes                                               |                 |                 |                 |                 |                 |
| Property taxes                                      | 5,989,776       | 6,027,624       | 8,963,672       | 8,090,573       | 9,025,797       |
| Sales and use taxes                                 | 13,523,535      | 14,523,678      | 12,964,800      | 15,347,393      | 16,641,430      |
| Franchise taxes                                     | 1,074,357       | 1,130,471       | 1,113,899       | 1,107,958       | 1,132,143       |
| Other taxes                                         | -               | -               | 184,287         | 459,674         | 487,125         |
| Total taxes                                         | 20,587,668      | 21,681,773      | 23,226,658      | 25,005,598      | 27,286,495      |
| Unrestricted grants and contributions               | 37,280          | 44,440          | 54,371          | 55,656          | 48,530          |
| Investment earnings                                 | 44,309          | 281,317         | 249,474         | 288,540         | 380,639         |
| Lease Revenue                                       | -               | -               | -               | -               | -               |
| Other general revenues                              | -               | -               | -               | 6,897           | -               |
| Gain (loss) on sale of capital assets               | 36,046          | 65,997          | 90,349          | 35,690          | 11,780          |
| Transfers                                           | 1,553,181       | 1,858,910       | 1,668,352       | 2,001,131       | 2,353,517       |
| Total governmental activities                       | 22,258,484      | 23,932,437      | 25,289,204      | 27,393,512      | 30,080,961      |
| Business-type activities:                           |                 |                 |                 |                 |                 |
| Investment earnings                                 | 2,314           | 322,860         | 257,340         | 281,716         | 336,344         |
| Gain on sale of capital assets                      | -               | -               | 53,870          | 12,420          | (10,339)        |
| Lease Revenue                                       | -               | -               | -               | -               | -               |
| Transfers                                           | (1,553,181)     | (1,858,910)     | (1,668,352)     | (2,001,131)     | (2,353,517)     |
| Other general revenues                              | -               | -               | -               | (10,143)        | -               |
| Total business-type activities                      | (1,550,867)     | (1,536,050)     | (1,357,142)     | (1,717,138)     | (2,027,512)     |
| Total primary government                            | 20,707,617      | 22,396,387      | 23,932,062      | 25,676,374      | 28,053,449      |
| <b>Changes in Net Position</b>                      |                 |                 |                 |                 |                 |
| Governmental activities                             | 6,621,420       | 2,522,069       | 5,696,320       | 6,326,513       | 10,150,076      |
| Business-type activities                            | 4,572,432       | 11,829,199      | 3,933,158       | 7,882,241       | 9,375,582       |
| Total primary government change in net position     | \$ 11,193,852   | \$ 14,351,268   | \$ 9,629,478    | \$ 14,208,754   | \$ 19,525,658   |

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 2 - CHANGES IN NET POSITION (continued)**  
**LAST 10 YEARS**  
**(Accrual basis of accounting)**

|                                                     | 2018            | 2019            | 2020            | 2021<br>as restated | 2022            |
|-----------------------------------------------------|-----------------|-----------------|-----------------|---------------------|-----------------|
| <b>Net (Expense)/Revenue</b>                        |                 |                 |                 |                     |                 |
| Governmental activities                             | \$ (17,751,125) | \$ (24,467,583) | \$ (27,456,156) | \$ (26,925,767)     | \$ (31,224,865) |
| Business-type activities                            | 10,014,741      | 8,040,335       | 18,653,022      | 9,019,882           | 10,875,667      |
| Total primary government net expenses               | (7,736,384)     | (16,427,248)    | (8,803,134)     | (17,905,885)        | (20,349,198)    |
| <b>General Revenues and Changes in Net Position</b> |                 |                 |                 |                     |                 |
| Governmental activities:                            |                 |                 |                 |                     |                 |
| Taxes                                               |                 |                 |                 |                     |                 |
| Property taxes                                      | 10,050,460      | 10,108,623      | 10,999,124      | 10,866,128          | 11,659,988      |
| Sales and use taxes                                 | 18,105,109      | 19,709,451      | 20,709,008      | 23,887,554          | 27,163,677      |
| Franchise taxes                                     | 1,141,404       | 1,147,437       | 1,128,766       | 1,242,389           | 1,338,805       |
| Other taxes                                         | 539,644         | 648,815         | 811,317         | 775,956             | 657,650         |
| Total taxes                                         | 29,836,617      | 31,614,326      | 33,648,215      | 36,772,027          | 40,820,120      |
| Unrestricted grants and contributions               | 112,986         | 46,891          | -               | 206,091             | 201,705         |
| Investment earnings                                 | 791,498         | 1,389,129       | 1,263,231       | (143,262)           | (673,495)       |
| Lease Revenue                                       | -               | -               | -               | -                   | 389,182         |
| Other general revenues                              | 193,305         | 396,057         | 323,490         | 892,573             | 917,851         |
| Gain (loss) on sale of capital assets               | -               | -               | -               | -                   | -               |
| Transfers                                           | -               | -               | -               | -                   | -               |
| Total governmental activities                       | 30,934,406      | 33,446,403      | 35,234,936      | 37,727,429          | 41,655,363      |
| Business-type activities:                           |                 |                 |                 |                     |                 |
| Interest                                            | 780,858         | 1,427,832       | 1,223,701       | (189,661)           | 254,875         |
| Gain on sale of capital assets                      | -               | 144,719         | 2,857           | -                   | -               |
| Lease Revenue                                       | -               | -               | -               | -                   | 35,007          |
| Transfers                                           | -               | -               | -               | -                   | -               |
| Other general revenues                              | -               | -               | -               | 161,460             | 132,787         |
| Total business-type activities                      | 780,858         | 1,572,551       | 1,226,558       | (28,201)            | 422,669         |
| Total primary government                            | 31,715,264      | 35,018,954      | 36,461,494      | 37,699,228          | 42,078,032      |
| <b>Changes in Net Position</b>                      |                 |                 |                 |                     |                 |
| Governmental activities                             | 13,183,281      | 8,978,820       | 7,778,780       | 10,801,662          | 10,430,498      |
| Business-type activities                            | 10,795,599      | 9,612,886       | 19,879,580      | 8,991,681           | 11,298,336      |
| Total primary government change in net position     | \$ 23,978,880   | \$ 18,591,706   | \$ 27,658,360   | \$ 19,793,343       | \$ 21,728,834   |

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 3 - FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST 10 FISCAL YEARS**  
**(Modified accrual basis of accounting)**

|                                | <b>2013</b>          | <b>2014</b>          | <b>2015</b>          | <b>2016</b>                 | <b>2017</b>          |
|--------------------------------|----------------------|----------------------|----------------------|-----------------------------|----------------------|
| General Fund                   |                      |                      |                      |                             |                      |
| Nonspendable                   | \$ 1,419,660         | \$ 1,160,334         | \$ 1,220,730         | \$ 1,123,593                | \$ 21,186            |
| Restricted                     | 1,400,512            | 1,478,013            | 1,618,129            | 1,620,000                   | 1,670,472            |
| Committed                      | 1,445,337            | 1,184,653            | 1,172,303            | 1,573,308                   | 2,128,070            |
| Assigned                       | 125,755              | 108,056              | 88,987               | 69,135                      | 48,509               |
| Unassigned                     | 10,992,811           | 12,710,609           | 16,080,562           | 19,969,686                  | 24,288,624           |
| Total General Fund             | <u>\$ 15,384,075</u> | <u>\$ 16,641,665</u> | <u>\$ 20,180,711</u> | <u>\$ 24,355,722</u>        | <u>\$ 28,156,861</u> |
| All other governmental funds   |                      |                      |                      |                             |                      |
| Nonspendable                   | \$ 783,203           | \$ 775,640           | \$ 952,318           | \$ 760,476                  | \$ 752,913           |
| Restricted                     | 5,563,432            | 6,516,914            | 7,252,745            | 8,849,960                   | 8,679,196            |
| Committed                      | 4,873,414            | 5,456,443            | 5,618,263            | 10,348,187                  | 7,185,012            |
| Assigned                       | 1,954,154            | 1,982,627            | 1,159,996            | 1,401,210                   | 1,105,481            |
| Unassigned, reported in:       |                      |                      |                      |                             |                      |
| Special revenue funds          | -                    | -                    | -                    | -                           | (45,967)             |
| Total other governmental funds | <u>\$ 13,174,203</u> | <u>\$ 14,731,624</u> | <u>\$ 14,983,322</u> | <u>\$ 21,359,833</u>        | <u>\$ 17,676,635</u> |
|                                | <b>2018</b>          | <b>2019</b>          | <b>2020</b>          | <b>2021<br/>as restated</b> | <b>2022</b>          |
| General Fund                   |                      |                      |                      |                             |                      |
| Nonspendable                   | \$ 726,473           | \$ 726,610           | \$ 3,311,185         | \$ 2,936,380                | \$ 2,414,113         |
| Restricted                     | 1,954,611            | 1,083,515            | 1,145,548            | 1,070,683                   | 983,307              |
| Committed                      | 2,687,395            | 3,557,446            | 6,020,012            | 7,287,700                   | 7,981,442            |
| Assigned                       | 29,510               | 29,510               | -                    | -                           | -                    |
| Unassigned                     | 24,589,087           | 23,953,740           | 29,655,613           | 30,458,922                  | 31,758,926           |
| Total General Fund             | <u>\$ 29,987,076</u> | <u>\$ 29,350,821</u> | <u>\$ 40,132,358</u> | <u>\$ 41,753,685</u>        | <u>\$ 43,137,788</u> |
| All other governmental funds   |                      |                      |                      |                             |                      |
| Nonspendable                   | \$ 46,398            | \$ 46,398            | \$ 46,843            | \$ 46,693                   | \$ 46,109            |
| Restricted                     | 10,248,035           | 7,787,620            | 3,053,102            | 6,681,313                   | 9,623,104            |
| Committed                      | 9,606,633            | 11,020,663           | 11,193,240           | 15,527,695                  | 15,460,106           |
| Assigned                       | 1,266,857            | 1,080,825            | 819,997              | -                           | -                    |
| Unassigned, reported in:       |                      |                      |                      |                             |                      |
| Special revenue funds          | -                    | -                    | -                    | -                           | -                    |
| Total other governmental funds | <u>\$ 21,167,923</u> | <u>\$ 19,935,506</u> | <u>\$ 15,113,182</u> | <u>\$ 22,255,701</u>        | <u>\$ 25,129,319</u> |

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**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 4 - CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST 10 FISCAL YEARS**  
**(Modified accrual basis of accounting)**

|                                                            | 2013          | 2014          | 2015          | 2016          | 2017          |
|------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <b>Revenues</b>                                            |               |               |               |               |               |
| Taxes                                                      | \$ 20,587,669 | \$ 21,681,773 | \$ 22,945,886 | \$ 25,005,598 | \$ 27,286,495 |
| Intergovernmental                                          | 1,477,961     | 1,363,711     | 1,413,681     | 1,635,143     | 1,427,665     |
| Contributions and grants                                   | 37,473        | 1,220,461     | 697,628       | 584,200       | 1,647,745     |
| Charges for services                                       | 4,165,126     | 4,136,496     | 5,171,768     | 5,124,412     | 5,652,813     |
| Licenses and permits                                       | 614,540       | 747,009       | 618,042       | 720,295       | 979,192       |
| Fines and forfeitures                                      | 854,705       | 872,342       | 606,896       | 528,249       | 683,609       |
| Investment earnings                                        | 4,368         | 260,952       | 214,475       | 269,195       | 336,921       |
| Leases                                                     | -             | -             | -             | -             | -             |
| Special assessments                                        | 1,398,646     | 685,372       | 685,607       | 645,831       | 1,008,632     |
| Miscellaneous                                              | 1,852,418     | 447,671       | 111,928       | 121,815       | 69,443        |
| Total revenues                                             | 30,992,906    | 31,415,787    | 32,465,911    | 34,634,738    | 39,092,515    |
| <b>Expenditures</b>                                        |               |               |               |               |               |
| General government                                         | 5,556,017     | 7,469,068     | 5,825,901     | 6,278,283     | 6,442,287     |
| Judicial                                                   | 436,782       | 499,437       | 406,017       | 522,888       | 598,409       |
| Public safety                                              | 7,761,736     | 8,210,875     | 8,283,373     | 9,591,173     | 9,926,889     |
| Public works                                               | 2,697,682     | 2,847,425     | 3,399,974     | 4,069,936     | 3,909,343     |
| Culture and recreation                                     | 5,335,310     | 5,496,260     | 5,847,442     | 5,847,316     | 6,591,737     |
| Capital outlay                                             | 3,856,496     | 3,243,624     | 3,878,010     | 2,585,398     | 10,561,281    |
| Debt service                                               |               |               |               |               |               |
| Capital lease payments                                     | 138,677       | 144,500       | 149,090       | 149,360       | 149,360       |
| Principal                                                  | 1,330,000     | 1,385,000     | 1,445,000     | 4,910,000     | 2,005,000     |
| Interest and fiscal charges                                | 1,210,810     | 1,163,498     | 1,108,713     | 1,067,153     | 1,143,785     |
| Total expenditures                                         | 28,323,510    | 30,459,687    | 30,343,520    | 35,021,507    | 41,328,091    |
| Excess of revenues over<br>(under) expenditures            | 2,669,396     | 956,100       | 2,122,391     | (386,769)     | (2,235,576)   |
| <b>Other financing sources (uses)</b>                      |               |               |               |               |               |
| Proceeds from debt                                         | \$ -          | \$ -          | \$ -          | \$ 8,265,000  | \$ -          |
| Debt premium                                               | -             | -             | -             | 806,481       | -             |
| Issuance costs                                             | -             | -             | -             | (134,321)     | -             |
| Contributions                                              | -             | -             | -             | -             | -             |
| Proceeds from insurance claims                             | -             | -             | -             | -             | -             |
| Transfers in                                               | 5,480,866     | 5,918,411     | 5,975,513     | 5,968,865     | 8,468,804     |
| Transfers out                                              | (3,927,686)   | (4,059,500)   | (4,307,160)   | (3,967,734)   | (6,115,287)   |
| Total other financing sources (uses)                       | 1,553,180     | 1,858,911     | 1,668,353     | 10,938,291    | 2,353,517     |
| Net change in fund balances                                | \$ 4,222,576  | \$ 2,815,011  | \$ 3,790,744  | \$ 10,551,522 | \$ 117,941    |
| Debt service as a percentage<br>of noncapital expenditures | 11.0%         | 9.9%          | 10.2%         | 18.9%         | 10.7%         |

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 4 - CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (continued)**  
**LAST 10 FISCAL YEARS**  
**(Modified accrual basis of accounting)**

|                                                            | 2018          | 2019           | 2020          | 2021<br>as restated | 2022          |
|------------------------------------------------------------|---------------|----------------|---------------|---------------------|---------------|
| <b>Revenues</b>                                            |               |                |               |                     |               |
| Taxes                                                      | \$ 29,836,617 | \$ 31,489,183  | \$ 33,730,980 | \$ 36,772,027       | \$ 40,820,127 |
| Intergovernmental                                          | 2,318,448     | 3,359,068      | 2,887,366     | 3,275,857           | 2,967,438     |
| Contributions and grants                                   | 340,850       | 179,086        | 352,730       | 1,643,537           | 1,448,315     |
| Charges for services                                       | 10,515,841    | 9,073,357      | 11,137,082    | 8,707,583           | 5,572,361     |
| Licenses and permits                                       | 1,064,668     | 995,596        | 1,048,797     | 1,123,655           | 808,033       |
| Fines and forfeitures                                      | 737,742       | 519,562        | 262,996       | 185,789             | 296,080       |
| Investment earnings                                        | 754,402       | 1,342,119      | 1,222,655     | (138,259)           | (644,131)     |
| Leases                                                     | -             | -              | -             | -                   | 389,182       |
| Special assessments                                        | 521,414       | 42,419         | 23,869        | 603,106             | 11,491        |
| Miscellaneous                                              | 1,089,294     | 478,104        | 323,490       | 1,188,164           | 1,003,453     |
| Total revenues                                             | 47,179,276    | 47,478,494     | 50,989,965    | 53,361,459          | 52,672,349    |
| <b>Expenditures</b>                                        |               |                |               |                     |               |
| General government                                         | 6,933,635     | 10,396,258     | 10,949,273    | 11,300,900          | 11,023,617    |
| Judicial                                                   | 670,175       | 647,938        | 676,532       | 646,977             | 594,239       |
| Public safety                                              | 11,037,480    | 11,769,985     | 12,276,373    | 13,002,895          | 14,996,752    |
| Public works                                               | 4,543,803     | 3,838,929      | 4,296,452     | 4,651,133           | 2,829,723     |
| Culture and recreation                                     | 7,359,613     | 8,772,331      | 5,973,542     | 6,791,328           | 8,284,656     |
| Capital outlay                                             | 7,891,497     | 9,700,705      | 10,166,371    | 6,703,830           | 7,725,301     |
| Debt service                                               |               |                |               |                     |               |
| Capital lease payments                                     | 112,020       | -              | -             | -                   | -             |
| Principal                                                  | 2,245,000     | 5,540,000      | 965,000       | 1,235,000           | 1,035,000     |
| Interest and fiscal charges                                | 1,064,550     | 562,252        | 502,018       | 460,871             | 398,495       |
| Total expenditures                                         | 41,857,773    | 51,228,398     | 45,805,561    | 44,792,934          | 46,887,783    |
| Excess of revenues over<br>(under) expenditures            | 5,321,503     | (3,749,904)    | 5,184,404     | 8,568,525           | 5,784,566     |
| <b>Other financing sources (uses)</b>                      |               |                |               |                     |               |
| Proceeds from debt                                         | \$ -          | \$ -           | \$ -          | \$ -                | \$ -          |
| Debt premium                                               | -             | -              | -             | -                   | -             |
| Issuance costs                                             | -             | -              | -             | -                   | -             |
| Contributions                                              | -             | 1,591,936      | -             | -                   | -             |
| Proceeds from insurance claims                             | -             | -              | -             | 111,391             | 5,298         |
| Transfers in                                               | 8,389,399     | 8,526,484      | 5,731,072     | 6,628,830           | 4,998,512     |
| Transfers out                                              | (8,389,399)   | (8,526,484)    | (4,956,263)   | (6,544,848)         | (6,530,655)   |
| Total other financing sources (uses)                       | -             | 1,591,936      | 774,809       | 195,373             | (1,526,845)   |
| Net change in fund balances                                | \$ 5,321,503  | \$ (2,157,968) | \$ 5,959,213  | \$ 8,763,898        | \$ 4,257,721  |
| Debt service as a percentage<br>of noncapital expenditures | 10.1%         | 14.7%          | 4.1%          | 4.3%                | 3.6%          |

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 5 - GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE**  
**LAST 10 FISCAL YEARS**

| <b>Year</b> | <b>General<br/>Property<br/>Tax<sup>1</sup></b> | <b>Fire<br/>District<br/>Tax</b> | <b>Specific<br/>Ownership<br/>Tax</b> | <b>Sales<br/>Tax</b> | <b>Use<br/>Tax<sup>2</sup></b> | <b>Franchise<br/>Tax</b> | <b>Excise<br/>Tax</b> | <b>Total<br/>General Tax<br/>Revenues</b> |
|-------------|-------------------------------------------------|----------------------------------|---------------------------------------|----------------------|--------------------------------|--------------------------|-----------------------|-------------------------------------------|
| 2013        | \$ 5,699,638                                    | \$ 5,300                         | \$ 284,838                            | \$ 10,124,604        | \$ 3,398,931                   | \$ 1,074,357             | \$ -                  | \$ 20,587,668                             |
| 2014        | 5,713,092                                       | 5,300                            | 309,232                               | 10,850,273           | 3,673,405                      | 1,130,471                | -                     | 21,681,773                                |
| 2015        | 6,668,265                                       | 5,300                            | 378,366                               | 11,643,115           | 3,591,148                      | 1,113,899                | 184,286               | 23,584,379                                |
| 2016        | 7,677,373                                       | 5,300                            | 407,900                               | 11,998,522           | 4,104,099                      | 1,107,958                | 459,674               | 25,760,826                                |
| 2017        | 7,941,715                                       | 5,300                            | 455,589                               | 12,739,227           | 3,902,203                      | 1,132,143                | 487,125               | 26,663,302                                |
| 2018        | 9,518,598                                       | 5,300                            | 526,563                               | 13,285,429           | 4,819,679                      | 1,141,404                | 539,644               | 29,836,617                                |
| 2019        | 9,462,728                                       | 5,300                            | 515,452                               | 14,781,930           | 4,927,521                      | 1,147,437                | 648,815               | 31,489,183                                |
| 2020        | 10,614,570                                      | 5,300                            | 504,397                               | 15,047,658           | 5,661,350                      | 1,128,766                | 768,939               | 33,730,980                                |
| 2021        | 10,340,982                                      | 5,300                            | 519,846                               | 17,362,457           | 6,525,097                      | 1,242,389                | 775,956               | 36,772,027                                |
| 2022        | 11,156,035                                      | 5,300                            | 498,653                               | 21,900,682           | 5,262,995                      | 1,338,805                | 657,650               | 40,820,120                                |

<sup>1</sup> Includes property taxes from general improvement districts.

<sup>2</sup> Includes taxes on building materials and motor vehicles.

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 6 - DIRECT AND OVERLAPPING SALES TAX RATES**  
**LAST 10 FISCAL YEARS**

| Fiscal<br>Year | City of<br>Lafayette | State of<br>Colorado | Boulder<br>County | Overlapping Rates                      |                                                    | Total<br>Overlapping<br>Sales Tax<br>Rate |
|----------------|----------------------|----------------------|-------------------|----------------------------------------|----------------------------------------------------|-------------------------------------------|
|                |                      |                      |                   | Regional<br>Transportation<br>District | Scientific &<br>Cultural<br>Facilities<br>District |                                           |
| 2013           | 3.500%               | 2.900%               | 0.800%            | 1.000%                                 | 0.100%                                             | 8.300%                                    |
| 2014           | 3.500%               | 2.900%               | 0.800%            | 1.000%                                 | 0.100%                                             | 8.300%                                    |
| 2015           | 3.500%               | 2.900%               | 0.800%            | 1.000%                                 | 0.100%                                             | 8.300%                                    |
| 2016           | 3.500%               | 2.900%               | 0.985%            | 1.000%                                 | 0.100%                                             | 8.485%                                    |
| 2017           | 3.500%               | 2.900%               | 0.985%            | 1.000%                                 | 0.100%                                             | 8.485%                                    |
| 2018           | 3.500%               | 2.900%               | 0.985%            | 1.000%                                 | 0.100%                                             | 8.485%                                    |
| 2019           | 3.500%               | 2.900%               | 0.985%            | 1.000%                                 | 0.100%                                             | 8.485%                                    |
| 2020           | 3.500%               | 2.900%               | 0.985%            | 1.000%                                 | 0.100%                                             | 8.485%                                    |
| 2021           | 3.500%               | 2.900%               | 0.985%            | 1.000%                                 | 0.100%                                             | 8.485%                                    |
| 2022           | 3.500%               | 2.900%               | 0.985%            | 1.000%                                 | 0.100%                                             | 8.485%                                    |

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 7 PRINCIPAL SALES TAXPAYERS**  
**LAST 10 FISCAL YEARS**

|                                                      | <b>2013</b>          | <b>2014</b>          | <b>2015</b>          | <b>2016</b>          | <b>2017</b>          |
|------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Aggregate top thirty filers <sup>1</sup>             | \$ 6,839,683         | \$ 7,138,865         | \$ 7,636,689         | \$ 7,620,719         | \$ 7,682,414         |
| Aggregate all other filers                           | 3,284,921            | 3,711,408            | 4,006,426            | 4,377,803            | 5,056,813            |
| Total sales tax                                      | <u>\$ 10,124,604</u> | <u>\$ 10,850,273</u> | <u>\$ 11,643,115</u> | <u>\$ 11,998,522</u> | <u>\$ 12,739,227</u> |
| Top thirty filers as a percentage of total sales tax | 67.6%                | 65.8%                | 65.6%                | 63.5%                | 60.3%                |
|                                                      | <b>2018</b>          | <b>2019</b>          | <b>2020</b>          | <b>2021</b>          | <b>2022</b>          |
| Aggregate top thirty filers <sup>1</sup>             | \$ 8,375,538         | \$ 8,931,483         | \$ 9,390,968         | \$ 10,737,800        | \$ 12,468,427        |
| Aggregate all other filers                           | 4,909,891            | 5,850,447            | 5,656,690            | 6,624,657            | 9,432,255            |
| Total sales tax                                      | <u>\$ 13,285,429</u> | <u>\$ 14,781,930</u> | <u>\$ 15,047,658</u> | <u>\$ 17,362,457</u> | <u>\$ 21,900,682</u> |
| Top thirty filers as a percentage of total sales tax | 63.0%                | 60.4%                | 62.4%                | 61.8%                | 56.9%                |

<sup>1</sup> Colorado State Statutes and City of Lafayette Ordinances prohibit disclosure of individual sales tax information. Therefore, the current year top thirty filers are not individually listed.

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 8 - RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST 10 FISCAL YEARS**

| Fiscal<br>Year | Governmental Activities |              |                    |              |            |
|----------------|-------------------------|--------------|--------------------|--------------|------------|
|                | Sales Tax               | Limited Tax  | General            | Demand       | Leases     |
|                | Revenue                 | Revenue      | Obligation         |              |            |
|                | Bonds                   | Bonds        | Bonds <sup>1</sup> | Bonds        |            |
| 2013           | \$ 5,355,000            | \$ 4,565,000 | \$ 4,676,179       | \$ 3,955,000 | \$ 640,676 |
| 2014           | 4,540,000               | 4,400,000    | 4,270,635          | 3,955,000    | 519,062    |
| 2015           | 3,695,000               | 4,220,000    | 3,850,091          | 3,955,000    | 388,033    |
| 2016           | 2,820,000               | 4,030,000    | 9,071,481          | 3,955,000    | 251,625    |
| 2017           | 1,915,000               | 3,820,000    | 8,100,833          | 3,955,000    | 109,903    |
| 2018           | 975,000                 | 3,615,000    | 7,245,185          | 3,630,000    | -          |
| 2019           | -                       | 3,470,000    | 6,374,537          | -            | -          |
| 2020           | -                       | 3,315,000    | 5,483,889          | -            | -          |
| 2021           | -                       | 2,910,000    | 4,566,575          | -            | -          |
| 2022           | -                       | 2,730,000    | 3,631,594          | -            | 972,047    |

| Fiscal<br>Year | Business-Type Activities |                         |           |              |        | Government-Wide Metrics |                                 |                     |
|----------------|--------------------------|-------------------------|-----------|--------------|--------|-------------------------|---------------------------------|---------------------|
|                | Water                    | Water                   | Golf      | Term Loan    | Leases | Total                   | Debt Per<br>Capita <sup>2</sup> | Percent             |
|                | Revenue                  | Reclamation             | Revenue   |              |        | Primary                 |                                 | Personal            |
|                | Bonds <sup>1</sup>       | Rev. Bonds <sup>1</sup> | Bonds     | Payable      |        | Government              |                                 | Income <sup>2</sup> |
| 2013           | \$ 16,124,218            | \$ -                    | \$ 62,900 | \$ 4,463,277 | \$ -   | \$ 39,842,250           | \$ 1,496                        | 4.23%               |
| 2014           | 15,151,332               | -                       | -         | 3,965,090    | -      | 36,801,119              | 1,436                           | 4.00%               |
| 2015           | 14,153,446               | -                       | -         | 3,449,672    | -      | 33,711,242              | 1,192                           | 3.23%               |
| 2016           | 13,135,560               | -                       | -         | 2,917,322    | -      | 36,180,988              | 1,279                           | 2.92%               |
| 2017           | 12,107,674               | -                       | -         | 2,362,398    | -      | 32,370,808              | 1,130                           | 2.34%               |
| 2018           | 11,044,788               | -                       | -         | 1,805,703    | -      | 28,315,676              | 951                             | 1.86%               |
| 2019           | 9,961,902                | -                       | -         | 1,228,089    | -      | 21,034,528              | 712                             | 1.47%               |
| 2020           | 8,839,016                | -                       | -         | 628,801      | -      | 18,266,706              | 600                             | 1.16%               |
| 2021           | 7,689,997                | 46,927,077              | -         | -            | -      | 62,093,649              | 2,021                           | 4.06%               |
| 2022           | 6,521,688                | 45,941,129              | -         | -            | 1,853  | 59,798,311              | 1,948                           | 3.65%               |

<sup>1</sup> Including related issuance premium.

<sup>2</sup> See Schedule 12 for Population and Personal Income figures.

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 9 - RATIO OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT LIMIT**  
**LAST 10 FISCAL YEARS**

|                                                   | <b>2013</b>   | <b>2014</b>   | <b>2015</b>   | <b>2016</b>    | <b>2017</b>    |
|---------------------------------------------------|---------------|---------------|---------------|----------------|----------------|
| General bonded debt outstanding                   | \$ 34,738,297 | \$ 32,316,967 | \$ 29,873,537 | \$ 33,012,041  | \$ 29,898,507  |
| Less:                                             |               |               |               |                |                |
| Water reclamation revenue bonds                   | -             | -             | -             | -              | -              |
| Water revenue bonds                               | 16,124,218    | 15,151,332    | 14,153,446    | 13,135,560     | 12,107,674     |
| Limited tax obligation bonds                      | 4,565,000     | 4,400,000     | 4,220,000     | 4,030,000      | 3,820,000      |
| Sales tax revenue bonds                           | 5,355,000     | 4,540,000     | 3,695,000     | 2,820,000      | 1,915,000      |
| Demand bonds                                      | 3,955,000     | 3,955,000     | 3,955,000     | 3,955,000      | 3,955,000      |
| Golf course revenue bonds                         | 62,900        | -             | -             | -              | -              |
| Total net debt applicable to debt limit           | 4,676,179     | 4,270,635     | 3,850,091     | 9,071,481      | 8,100,833      |
| Estimated actual property values <sup>1</sup>     | 3,266,721,780 | 3,311,284,288 | 3,384,173,618 | 4,131,951,237  | 5,270,411,840  |
| Legal debt limit <sup>2</sup>                     | 98,001,653    | 99,338,529    | 101,525,209   | 123,958,537    | 158,112,355    |
| Legal debt margin <sup>3</sup>                    | \$ 93,325,474 | \$ 95,067,894 | \$ 97,675,118 | \$ 114,887,056 | \$ 150,011,522 |
| Outstanding debt as a<br>percentage of debt limit | 5%            | 4%            | 4%            | 7%             | 5%             |
| Population                                        | 26,629        | 25,621        | 28,278        | 28,278         | 28,641         |
| Net general bonded debt per capita                | \$ 176        | \$ 167        | \$ 136        | \$ 321         | \$ 283         |

<sup>1</sup> Source: Boulder County Assessor's Office. The Estimated Actual Property Values are from the previous year, but are used to calculate current year tax revenues and debt limits.

<sup>2</sup> Debt limit is 3% of Estimated Taxable Actual Real Estate Value.

<sup>3</sup> The legal debt margin is the city's available borrowing authority.

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 9 - RATIO OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT LIMIT**  
**LAST 10 FISCAL YEARS (continued)**

|                                                   | 2018           | 2019           | 2020           | 2021           | 2022           |
|---------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| General bonded debt outstanding                   | \$ 26,509,973  | \$ 19,806,439  | \$ 17,637,905  | \$ 62,093,649  | \$ 58,824,411  |
| Less:                                             |                |                |                |                |                |
| Water reclamation revenue bonds                   | -              | -              | -              | 46,927,077     | 45,941,129     |
| Water revenue bonds                               | 11,044,788     | 9,961,902      | 8,839,016      | 7,689,997      | 6,521,688      |
| Limited tax obligation bonds                      | 3,615,000      | 3,470,000      | 3,315,000      | 2,910,000      | 2,730,000      |
| Sales tax revenue bonds                           | 975,000        | -              | -              | -              | -              |
| Demand bonds                                      | 3,630,000      | -              | -              | -              | -              |
| Golf course revenue bonds                         | -              | -              | -              | -              | -              |
| Total net debt applicable to debt limit           | 7,245,185      | 6,374,537      | 5,483,889      | 4,566,575      | 3,631,594      |
| Estimated actual property values <sup>1</sup>     | 5,412,207,877  | 6,030,016,835  | 6,128,680,458  | 6,673,623,372  | 6,760,401,480  |
| Legal debt limit <sup>2</sup>                     | 162,366,236    | 180,900,505    | 183,860,414    | 200,208,701    | 202,812,044    |
| Legal debt margin <sup>3</sup>                    | \$ 155,121,051 | \$ 174,525,968 | \$ 178,376,525 | \$ 195,642,126 | \$ 199,180,450 |
| Outstanding debt as a<br>percentage of debt limit | 4%             | 4%             | 3%             | 2%             | 2%             |
| Population                                        | 29,782         | 29,538         | 29,587         | 31,002         | 30,699         |
| Net general bonded debt per capita                | \$ 243         | \$ 216         | \$ 185         | \$ 147         | \$ 118         |

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 10 - DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**As of December 31, 2022**

| <u>Jurisdiction</u>                              | <u>Debt<br/>Outstanding</u> | <u>Percentage<br/>Applicable<br/>To<br/>Government</u> | <u>Estimated<br/>Share of<br/>Overlapping<br/>Debt</u> |
|--------------------------------------------------|-----------------------------|--------------------------------------------------------|--------------------------------------------------------|
| Direct Debt:                                     |                             |                                                        |                                                        |
| City of Lafayette                                | \$ 7,333,642                | 100.00%                                                | \$ 7,333,642                                           |
| Overlapping:                                     |                             |                                                        |                                                        |
| Boulder Valley School District RE-2 <sup>1</sup> | <u>726,425,000</u>          | 8.40%                                                  | <u>61,042,643</u>                                      |
| Total                                            | <u>\$ 733,758,642</u>       |                                                        | <u>\$ 68,376,285</u>                                   |

Direct debt includes general obligation bonds, revenue bonds, demand bonds, capital leases, and notes payable from governmental activities.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The percentage of overlapping governmental debt is the City's portion of Boulder County's property value. This percentage is from Boulder County.

<sup>1</sup> The following entities overlap the City, but have no general obligation debt outstanding: Boulder County, Lafayette Rural Fire Protection District, Lefthand Water District, Louisville Fire Protection District, Urban Drainage and Flood Control District and the Regional Transportation District.

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 11 - PLEDGED REVENUE COVERAGE**  
**LAST 10 FISCAL YEARS**

| <b>Lafayette Corporate Campus GID</b> |                                     |                              |                              |                               |                 |                                 |
|---------------------------------------|-------------------------------------|------------------------------|------------------------------|-------------------------------|-----------------|---------------------------------|
| <b>Fiscal Year</b>                    | <b>Gross Resources <sup>1</sup></b> | <b>Expenses <sup>2</sup></b> | <b>Net Available Revenue</b> | <b>Scheduled Debt Service</b> |                 | <b>Coverage <sup>3, 4</sup></b> |
|                                       |                                     |                              |                              | <b>Principal</b>              | <b>Interest</b> |                                 |
| 2013                                  | \$ 255,236                          | \$ 14,160                    | \$ 241,076                   | \$ 55,000                     | \$ 188,800      | 0.99                            |
| 2014                                  | 262,131                             | 13,458                       | 248,673                      | 60,000                        | 184,400         | 1.02                            |
| 2015                                  | 264,766                             | 13,717                       | 251,049                      | 65,000                        | 179,600         | 1.03                            |
| 2016                                  | 267,865                             | 18,776                       | 249,089                      | 70,000                        | 174,400         | 1.02                            |
| 2017                                  | 266,748                             | 18,737                       | 248,011                      | 80,000                        | 168,800         | 1.00                            |
| 2018                                  | 333,383                             | 19,637                       | 313,746                      | 85,000                        | 162,730         | 1.27                            |
| 2019                                  | 344,599                             | 19,693                       | 324,906                      | 90,000                        | 155,963         | 1.32                            |
| 2020                                  | 283,424                             | 18,864                       | 264,560                      | 95,000                        | 148,400         | 1.09                            |
| 2021                                  | 514,307                             | 5,007                        | 509,300                      | 105,000                       | 140,800         | 2.07                            |
| 2022                                  | 260,355                             | 4,533                        | 255,822                      | 115,000                       | 113,200         | 1.12                            |

| <b>Lafayette Tech Center GID</b> |                                     |                              |                              |                               |                 |                              |
|----------------------------------|-------------------------------------|------------------------------|------------------------------|-------------------------------|-----------------|------------------------------|
| <b>Fiscal Year</b>               | <b>Gross Resources <sup>1</sup></b> | <b>Expenses <sup>2</sup></b> | <b>Net Available Revenue</b> | <b>Scheduled Debt Service</b> |                 | <b>Coverage <sup>3</sup></b> |
|                                  |                                     |                              |                              | <b>Principal</b>              | <b>Interest</b> |                              |
| 2013                             | \$ 173,084                          | \$ 10,720                    | \$ 162,364                   | \$ 40,000                     | \$ 116,400      | 1.04                         |
| 2014                             | 168,664                             | 10,666                       | 157,998                      | 40,000                        | 114,000         | 1.03                         |
| 2015                             | 173,656                             | 10,467                       | 163,189                      | 45,000                        | 111,600         | 1.04                         |
| 2016                             | 128,097                             | 11,881                       | 116,216                      | 45,000                        | 108,900         | 0.76                         |
| 2017                             | 147,470                             | 2,065                        | 145,405                      | 50,000                        | 106,200         | 0.93                         |
| 2018                             | 190,777                             | 2,634                        | 188,143                      | 50,000                        | 103,503         | 1.23                         |
| 2019                             | 144,800                             | 1,990                        | 142,810                      | 55,000                        | 100,200         | 0.92                         |
| 2020                             | 370,848                             | 45,586                       | 325,262                      | 60,000                        | 96,900          | 2.07                         |
| 2021                             | 185,942                             | 3,595                        | 182,347                      | 60,000                        | 93,300          | 1.19                         |
| 2022                             | 159,115                             | 3,091                        | 156,024                      | 65,000                        | 89,700          | 1.01                         |

<sup>1</sup> Gross resources include all operating revenues plus interest and other non-operating revenues. Included are tap fees and cash received in lieu of water rights, both of which are classified as capital contributions. Not included are non-cash revenues.

<sup>2</sup> Includes all operating expenses less depreciation and amortization, plus transfers out.

<sup>3</sup> Net available revenue divided by total bond principal and interest.

<sup>4</sup> In 2021 the GID decided to make an additional special assessment in order to prepay principal payments for 2021-2023. Principal and interest presented in the table reflect the original scheduled amounts.

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 11 - PLEDGED REVENUE COVERAGE (continued)**  
**LAST 10 FISCAL YEARS**

| <b>2012 Water Revenue Bonds</b> |                                         |                              |                                      |                     |                 |                              |
|---------------------------------|-----------------------------------------|------------------------------|--------------------------------------|---------------------|-----------------|------------------------------|
| <b>Fiscal<br/>Year</b>          | <b>Gross<br/>Resources <sup>1</sup></b> | <b>Expenses <sup>2</sup></b> | <b>Net<br/>Available<br/>Revenue</b> | <b>Debt Service</b> |                 | <b>Coverage <sup>3</sup></b> |
|                                 |                                         |                              |                                      | <b>Principal</b>    | <b>Interest</b> |                              |
| 2013                            | \$ 8,297,938                            | \$ 4,327,530                 | \$ 3,970,408                         | \$ 820,000          | \$ 535,000      | 2.93                         |
| 2014                            | 10,535,100                              | 4,624,176                    | 5,910,924                            | 845,000             | 510,400         | 4.36                         |
| 2015                            | 8,815,018                               | 4,547,298                    | 4,267,720                            | 870,000             | 485,050         | 3.15                         |
| 2016                            | 11,194,286                              | 4,833,741                    | 6,360,545                            | 890,000             | 472,000         | 4.67                         |
| 2017                            | 13,268,230                              | 6,185,026                    | 7,083,204                            | 900,000             | 458,650         | 5.21                         |
| 2018                            | 15,315,712                              | 6,182,531                    | 9,133,181                            | 935,000             | 422,648         | 6.73                         |
| 2019                            | 12,102,122                              | 5,632,458                    | 6,469,664                            | 955,000             | 403,950         | 4.76                         |
| 2020                            | 18,595,191                              | 6,330,594                    | 12,264,597                           | 995,000             | 365,750         | 9.01                         |
| 2021                            | 12,623,031                              | 5,438,078                    | 7,184,953                            | 1,015,000           | 345,850         | 5.28                         |
| 2022                            | 14,240,545                              | 5,528,311                    | 8,712,234                            | 1,050,000           | 305,250         | 6.43                         |

| <b>2021 Water Reclamation Revenue Bonds</b> |                                         |                              |                                      |                     |                 |                                 |
|---------------------------------------------|-----------------------------------------|------------------------------|--------------------------------------|---------------------|-----------------|---------------------------------|
| <b>Fiscal<br/>Year</b>                      | <b>Gross<br/>Resources <sup>1</sup></b> | <b>Expenses <sup>2</sup></b> | <b>Net<br/>Available<br/>Revenue</b> | <b>Debt Service</b> |                 | <b>Coverage <sup>3, 4</sup></b> |
|                                             |                                         |                              |                                      | <b>Principal</b>    | <b>Interest</b> |                                 |
| 2013                                        | \$ -                                    | \$ -                         | \$ -                                 | \$ -                | \$ -            | nm                              |
| 2014                                        | -                                       | -                            | -                                    | -                   | -               | nm                              |
| 2015                                        | -                                       | -                            | -                                    | -                   | -               | nm                              |
| 2016                                        | -                                       | -                            | -                                    | -                   | -               | nm                              |
| 2017                                        | -                                       | -                            | -                                    | -                   | -               | nm                              |
| 2018                                        | -                                       | -                            | -                                    | -                   | -               | nm                              |
| 2019                                        | -                                       | -                            | -                                    | -                   | -               | nm                              |
| 2020                                        | -                                       | -                            | -                                    | -                   | -               | nm                              |
| 2021                                        | 6,992,300                               | 2,765,770                    | 4,226,530                            | 1,525,000           | 613,806         | 1.98                            |
| 2022                                        | 8,125,891                               | 2,689,611                    | 5,436,280                            | 910,000             | 1,226,870       | 2.54                            |

<sup>1</sup> Gross resources include all operating revenues plus interest and other non-operating revenues. Included are tap fees and cash received in lieu of water rights, both of which are classified as capital contributions. Not included are non-cash revenues.

<sup>2</sup> Includes all operating expenses less depreciation and amortization, plus transfers out.

<sup>3</sup> Net available revenue divided by total bond principal and interest.

<sup>4</sup> No debt service payments were required in 2021. The calculation for that year is based on the maximum annual debt service over the life of the bonds.

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 12 - DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**AND TOP TEN EMPLOYERS**

**Demographic and Economic Statistics**

| <b>Fiscal Year</b> | <b>Estimated Population</b> | <b>Personal Income<br/>(thousands of dollars)</b> | <b>Per Capita Income</b> | <b>Median Age</b> | <b>School Enrollment</b> | <b>Unemp. Rate</b> |
|--------------------|-----------------------------|---------------------------------------------------|--------------------------|-------------------|--------------------------|--------------------|
| 2013               | 26,629                      | \$ 942,693                                        | \$ 35,401                | 36.3              | 4,973                    | 6.7%               |
| 2014               | 25,621                      | 919,743                                           | 35,898                   | 37.9              | 5,069                    | 4.2%               |
| 2015               | 28,278                      | 1,044,787                                         | 36,947                   | 36.3              | 5,118                    | 3.5%               |
| 2016               | 28,278                      | 1,239,312                                         | 43,826                   | 39.3              | 5,297                    | 3.1%               |
| 2017               | 28,641                      | 1,381,499                                         | 48,235                   | 39.7              | 5,183                    | 2.9%               |
| 2018               | 29,782                      | 1,526,417                                         | 51,253                   | 39.7              | 5,286                    | 2.4%               |
| 2019               | 29,538                      | 1,428,044                                         | 48,346                   | 38.8              | 5,538                    | 2.5%               |
| 2020               | 29,587                      | 1,531,038                                         | 51,747                   | 39.7              | 5,876                    | 5.0%               |
| 2021               | 31,002                      | 1,543,280                                         | 49,780                   | 39.3              | 5,223                    | 5.2%               |
| 2022               | 30,699                      | 1,637,638                                         | 53,345                   | 39.1              | 5,394                    | 4.7%               |

**Principal Employers - Current Year and Nine Years Ago**

| <b>2013</b>                    |                                   | <b>2022</b>                     |                                   |
|--------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
| <b>Firm</b>                    | <b>Estimated Number Employees</b> | <b>Firm</b>                     | <b>Estimated Number Employees</b> |
| Exempla/Kaiser Medical Complex | 1,500                             | Good Samaritan Medical Center   | 1,005                             |
| Epsilon/Abacus                 | 405                               | City of Lafayette               | 276                               |
| City of Lafayette              | 330                               | TRU Community Care              | 265                               |
| Universal Forest Products      | 285                               | Walmart                         | 225                               |
| Imagine!                       | 250                               | Hospice of Boulder & Broomfield | 200                               |
| Wal-Mart                       | 189                               | KPA LLC                         | 175                               |
| Rocky Mountain Instruments     | 150                               | Imagine!                        | 150                               |
| King Soopers                   | 120                               | Rocky Mountain Instrument Co.   | 130                               |
| Thermo Fisher Scientific       | 102                               | Powerback Rehabilitation        | 105                               |
| Jax Outdoor Gear               | 100                               | Concrete Works of Colorado Inc. | 100                               |

Sources: Boulder Valley School District Enrollment Count  
US Census Bureau  
Data Axle - Reference Solutions

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 13 - FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES**  
**BY FUNCTION/PROGRAM**

| Function/Program                 | 2013  | 2014  | 2015  | 2016  | 2017  | 2018  | 2019  | 2020  | 2021  | 2022  |
|----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| City Council                     | 0.7   | 0.7   | 0.7   | 0.7   | 0.7   | 0.7   | 0.7   | 0.7   | 0.7   | 0.7   |
| City administration              |       |       |       |       |       |       |       |       |       |       |
| City administration              | 1.5   | 1.5   | 1.5   | 1.5   | 3.0   | 3.0   | 4.0   | 2.0   | 2.0   | 2.0   |
| City clerk                       | 2.2   | 2.2   | 2.2   | 2.4   | 2.2   | 2.0   | 2.0   | 2.0   | 2.0   | 2.0   |
| Communications                   | -     | -     | -     | -     | -     | -     | -     | 2.0   | 2.0   | 2.0   |
| Economic development             | -     | -     | -     | -     | -     | -     | -     | 1.0   | 1.0   | 1.0   |
| Finance                          | 6.5   | 6.0   | 6.0   | 6.0   | 6.3   | 7.0   | 9.0   | 9.0   | 10.0  | 11.0  |
| Human resources                  | 3.0   | 3.0   | 3.0   | 3.0   | 3.3   | 3.9   | 4.6   | 4.5   | 5.0   | 5.0   |
| Information technologies         | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   | 3.0   | 4.0   | 4.0   | 5.0   | 7.0   |
| Municipal court                  | 2.8   | 2.8   | 2.8   | 2.8   | 1.8   | 2.0   | 2.1   | 2.3   | 2.1   | 2.0   |
| Sustainability                   | -     | -     | -     | -     | -     | -     | -     | 1.0   | 1.2   | 1.2   |
| Planning and building            | 10.1  | 10.1  | 10.1  | 7.1   | 9.1   | 9.1   | 8.0   | 9.0   | 11.0  | 11.0  |
| Public safety                    |       |       |       |       |       |       |       |       |       |       |
| Police department                | 47.5  | 47.5  | 47.5  | 50.5  | 50.5  | 50.5  | 50.5  | 50.5  | 51.5  | 56.2  |
| Fire department                  | 3.5   | 3.5   | 3.5   | 3.5   | 2.8   | 2.8   | 2.1   | 32.5  | 36.5  | 39.6  |
| Public works & utilities         |       |       |       |       |       |       |       |       |       |       |
| Public works administration      | 8.9   | 8.9   | 8.9   | 8.9   | 9.3   | 9.3   | 9.1   | 10.6  | 11.6  | 10.9  |
| Water                            | 21.2  | 21.2  | 21.2  | 21.2  | 20.3  | 20.3  | 23.0  | 19.3  | 21.9  | 20.6  |
| Water reclamation                | 12.5  | 12.5  | 12.5  | 12.5  | 13.7  | 13.7  | 15.0  | 11.9  | 9.4   | 13.2  |
| Storm water                      | 2.4   | 2.4   | 2.4   | 2.4   | 2.2   | 2.2   | 4.0   | 2.4   | 2.1   | 2.2   |
| Parks, open space & golf course  |       |       |       |       |       |       |       |       |       |       |
| Parks & open space               | 15.7  | 15.7  | 15.7  | 15.7  | 16.7  | 16.7  | 17.2  | 17.7  | 17.2  | 15.0  |
| Golf course                      | 22.3  | 22.3  | 22.3  | 22.3  | 24.5  | 24.5  | 25.6  | 22.8  | 26.6  | 26.2  |
| Recreation & facility management | 57.0  | 57.0  | 58.0  | 58.0  | 52.7  | 53.0  | 64.1  | 36.6  | 34.1  | 35.1  |
| Arts and cultural resources      | -     | -     | -     | 3.0   | 2.0   | 2.8   | 3.2   | 3.5   | 3.7   | 4.7   |
| Library                          | 18.2  | 18.2  | 18.2  | 18.2  | 18.7  | 18.7  | 17.9  | 16.7  | 19.8  | 19.8  |
| Grand totals                     | 239.0 | 238.5 | 239.5 | 242.6 | 242.7 | 245.1 | 266.1 | 262.0 | 276.3 | 288.4 |

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 14 - OPERATING INDICATORS BY FUNCTION/PROGRAM**

| <b>Function/Program</b>                                                        | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> |
|--------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Police                                                                         |             |             |             |             |             |             |             |             |             |             |
| Physical arrests                                                               | 1,054       | 1,033       | 1,027       | 1,080       | 1,136       | 932         | 842         | 564         | 578         | 536         |
| Municipal Citations                                                            | 6,384       | 5,785       | 3,872       | 4,197       | 5,580       | 5,353       | 3,910       | 1,641       | 950         | 1,675       |
| Fire                                                                           |             |             |             |             |             |             |             |             |             |             |
| Emergency responses                                                            | 1,955       | 2,241       | 2,445       | 2,935       | 3,030       | 3,324       | 3,753       | 3,221       | 3,505       | 3,922       |
| Inspections conducted                                                          | 400         | 486         | 276         | 431         | 388         | 145         | 50          | 523         | 652         | 633         |
| Parks, Open Space, Golf Course                                                 |             |             |             |             |             |             |             |             |             |             |
| Golf Course rounds played                                                      | 38,469      | 44,235      | 41,970      | 37,159      | 40,397      | 36,493      | 37,146      | 45,399      | 49,456      | 46,278      |
| % Resident Play                                                                | 13%         | 13%         | 12%         | 13%         | 11%         | 12%         | 11%         | 1%          | 10%         | 9%          |
| Cemetery plot opening/closings                                                 | 40          | 21          | 25          | 28          | 29          | 27          | 32          | 24          | 39          | 33          |
| Recreation and Facility Mgmt                                                   |             |             |             |             |             |             |             |             |             |             |
| Individual Annual Passes sold                                                  | 620         | 614         | 687         | 759         | 823         | 778         | 772         | 113         | 156         | 348         |
| Couple or Family Annual Passes                                                 | 258         | 246         | 308         | 354         | 474         | 341         | 356         | 66          | 161         | 99          |
| Punch Cards sold                                                               | 2,299       | 2,584       | 2,220       | 1,962       | 2,131       | 2,012       | 2,047       | 590         | 1,005       | 2,626       |
| Total Attendance                                                               | 390,624     | 428,384     | 239,240     | 244,944     | 245,946     | 244,324     | 228,375     | 56,538      | 70,898      | 106,728     |
| Facilities and services not included<br>in the reporting entity <sup>1</sup> : |             |             |             |             |             |             |             |             |             |             |
| Number of public elem. schools                                                 | 4           | 4           | 4           | 4           | 4           | 4           | 4           | 4           | 4           | 4           |
| Number of public middle schools                                                | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Charter schools (K through 12)                                                 | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Number of public high schools                                                  | 2           | 2           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |

<sup>1</sup> Source: Boulder Valley School District

**CITY OF LAFAYETTE, COLORADO**  
**SCHEDULE 15 - CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**

|                                          | 2013  | 2014  | 2015  | 2016  | 2017  | 2018  | 2019  | 2020  | 2021  | 2022  |
|------------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <b>Function/Program</b>                  |       |       |       |       |       |       |       |       |       |       |
| Public Safety                            |       |       |       |       |       |       |       |       |       |       |
| Police Stations                          | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     |
| Fire Stations                            | 1     | 2     | 2     | 2     | 2     | 2     | 2     | 2     | 2     | 2     |
| Public Works                             |       |       |       |       |       |       |       |       |       |       |
| Centerline miles of streets <sup>1</sup> | 150   | 141   | 147   | n/a   | n/a   | n/a   | n/a   | n/a   | 154   | 154   |
| Recreation and Culture                   |       |       |       |       |       |       |       |       |       |       |
| Recreation center                        | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     |
| Outdoor water park                       | -     | -     | -     | -     | -     | 1     | 1     | 1     | 1     | 1     |
| Parks - number                           | 19    | 19    | 19    | 19    | 19    | 19    | 20    | 20    | 21    | 21    |
| Parks/Developed acres                    | 236   | 239   | 239   | 224   | 239   | 195   | 195   | 235   | 235   | 235   |
| Open space/Undeveloped acres             | 1,265 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,465 | 1,640 | 1,640 | 1,640 |
| Libraries                                | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     |
| Senior Center                            | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     |
| Cemeteries                               | 2     | 2     | 2     | 2     | 2     | 2     | 2     | 2     | 2     | 2     |
| Utilities                                |       |       |       |       |       |       |       |       |       |       |
| Water treatment facilities               | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     |
| Wastewater treatment plant               | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     |
| Water mains (miles) <sup>2</sup>         | 239   | 169   | 169   | 164   | 174   | 174   | 174   | 180   | 180   | 180   |
| Sanitary sewer (miles) <sup>2</sup>      | 194   | 121   | 121   | 118   | 118   | 118   | 118   | 116   | 116   | 116   |
| Water connections                        | 8,809 | 8,902 | 9,022 | 9,275 | 9,341 | 9,538 | 9,677 | 9,694 | 9,694 | 9,967 |
| Wastewater connections                   | 8,236 | 8,319 | 8,458 | 8,761 | 8,824 | 8,982 | 9,114 | 9,123 | 9,123 | 9,335 |

<sup>1</sup> Data for 2016-2020 not available.

<sup>2</sup> Water main miles and sanitary sewer miles comes from GIS system. Data not available for 2019 - used 2018 amounts.

## Compliance Section

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**General Obligation Bond Continuing Disclosures:**

**History of City's Mill Levy**

| <b>Levy/Collection Year</b> | <b>General Fund</b> | <b>Fire and Ambulance</b> | <b>Bond Redemption Fund</b> | <b>Total Mill Levy</b> |
|-----------------------------|---------------------|---------------------------|-----------------------------|------------------------|
| 2018/2019                   | 10.184              | 4.500                     | 1.888                       | 16.572                 |
| 2019/2020                   | 10.184              | 4.500                     | 1.715                       | 16.399                 |
| 2020/2021                   | 10.184              | 4.500                     | 1.646                       | 16.330                 |
| 2021/2022                   | 10.184              | 4.500                     | 1.528                       | 16.212                 |
| 2022/2023                   | 10.184              | 4.500                     | 1.532                       | 16.216                 |

**History of City's Assessed Valuation**

| <b>Levy/Collection Year</b> | <b>Gross Assessed Valuation</b> | <b>Tax Increment Valuation</b> | <b>Net Assessed Valuation</b> | <b>Percent Change</b> |
|-----------------------------|---------------------------------|--------------------------------|-------------------------------|-----------------------|
| 2018/2019                   | 544,847,123                     | 6,865,629                      | 537,981,494                   | 1.4%                  |
| 2019/2020                   | 604,371,489                     | 7,627,224                      | 596,744,265                   | 10.9%                 |
| 2020/2021                   | 615,049,865                     | 6,864,071                      | 608,185,794                   | 1.9%                  |
| 2021/2022                   | 661,913,951                     | 6,862,928                      | 655,051,023                   | 9.8%                  |
| 2022/2023                   | 662,716,191                     | 7,906,082                      | 654,810,109                   | 7.7%                  |

**Property Tax Collections for the City**

| <b>Levy/Collection Year</b> | <b>Total Taxes Levied</b> | <b>Taxes Collected</b> |                          |                           |              | <b>Percent of Levy Collected</b> |
|-----------------------------|---------------------------|------------------------|--------------------------|---------------------------|--------------|----------------------------------|
|                             |                           | <b>General Fund</b>    | <b>Debt Service Fund</b> | <b>Fire and Ambulance</b> | <b>Total</b> |                                  |
| 2017/2018                   | 8,951,478                 | 5,315,913              | 2,348,441                | 1,145,959                 | 8,810,313    | 98.4%                            |
| 2018/2019                   | 8,915,430                 | 5,454,020              | 1,010,698                | 2,409,900                 | 8,874,618    | 99.5%                            |
| 2019/2020                   | 9,785,743                 | 6,272,862              | 1,025,410                | 2,687,201                 | 9,985,473    | 102.0%                           |
| 2020/2021                   | 9,931,674                 | 6,164,993              | 996,339                  | 2,724,123                 | 9,885,455    | 99.5%                            |
| 2021/2022                   | 10,619,687                | 6,785,622              | 1,001,566                | 2,839,329                 | 10,626,517   | 100.1%                           |

### Largest Taxpayers Within the City

| Name                               | Type of Business       | Assessed Valuation | Percent of Assessed Valuation |
|------------------------------------|------------------------|--------------------|-------------------------------|
| Kaiser Foundation Health Plan      | Healthcare Corporation | \$ 14,757,230      | 2.23%                         |
| Lafayette Boulder, LLC             | Real Estate investment | 11,645,914         | 1.76%                         |
| Public Service Co. of Colorado     | Utilities              | 11,432,398         | 1.73%                         |
| Ryan Lafayette, LLC                | Real Estate investment | 10,701,000         | 1.62%                         |
| Walmart Real Estate Business Trust | Commercial Corporation | 5,249,000          | 0.79%                         |
| FC-GEN Real Estate LLC             | Real Estate investment | 5,087,760          | 0.77%                         |
| Lillibridge Health Trust           | Healthcare Corporation | 4,563,277          | 0.69%                         |
| BSP LunaBella Colorado LLC         | Real Estate investment | 4,518,297          | 0.68%                         |
| HSC Lafayette LLC                  | Real Estate investment | 4,299,634          | 0.65%                         |
| 440 Strathmore Lane LLC            | Real Estate investment | 3,683,004          | 0.56%                         |
| Total                              |                        | \$ 75,937,514      | 11.47%                        |
| Gross Assessed Valuation:          |                        | \$661,913,951      |                               |

### History of City Base Sales & Use Tax Collections

| Year | Sales Tax Collections | Use Tax Collections | Motor Vehicle Tax Collections | Total Sales & Use Tax Collections | Percent Change |
|------|-----------------------|---------------------|-------------------------------|-----------------------------------|----------------|
| 2018 | 11,815,435            | 2,241,774           | 1,889,381                     | 15,946,590                        | 9.9%           |
| 2019 | 12,670,226            | 2,147,759           | 2,075,830                     | 16,893,815                        | 5.9%           |
| 2020 | 12,897,002            | 2,991,049           | 1,861,537                     | 17,749,588                        | 5.1%           |
| 2021 | 14,882,101            | 3,371,375           | 2,221,566                     | 20,475,042                        | 15.4%          |
| 2022 | 16,897,271            | 1,837,967           | 2,198,841                     | 20,934,079                        | 2.2%           |

## History of General Fund Revenues, Expenditures and Changes in Fund Balance

|                                             | 2018                | 2019                | 2020                | 2021                 | 2022                 |
|---------------------------------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| <b>Revenues</b>                             |                     |                     |                     |                      |                      |
| Taxes                                       | \$24,268,790        | \$26,033,251        | \$29,093,375        | \$ 31,885,269        | \$ 33,218,796        |
| Intergovernmental                           | 1,400,664           | 1,395,017           | 2,535,574           | 574,915              | 512,096              |
| Charges for services                        | 10,499,853          | 9,073,357           | 11,137,082          | 8,707,583            | 5,572,361            |
| Licenses, permits, fees                     | 1,064,668           | 995,596             | 1,048,797           | 1,123,655            | 808,033              |
| Fines and forfeitures                       | 737,742             | 519,562             | 262,996             | 185,789              | 296,080              |
| Investment income                           | 468,093             | 858,256             | 791,780             | (104,196)            | (399,484)            |
| Leases                                      | -                   | -                   | -                   | -                    | 389,182              |
| Special Assessments                         | -                   | -                   | -                   | -                    | 11,491               |
| Miscellaneous                               | 572,457             | 415,253             | 679,352             | 1,584,702            | 1,761,979            |
| <b>Total Revenues</b>                       | <b>39,012,267</b>   | <b>39,290,292</b>   | <b>45,548,956</b>   | <b>43,957,717</b>    | <b>42,170,534</b>    |
| <b>Expenditures</b>                         |                     |                     |                     |                      |                      |
| General Government                          | 6,847,046           | 8,981,618           | 10,840,956          | 11,269,538           | 10,974,498           |
| Judicial                                    | 670,175             | 647,938             | 676,532             | 646,977              | 594,239              |
| Public Safety                               | 11,037,480          | 11,769,985          | 12,276,373          | 13,002,895           | 14,378,277           |
| Public Works                                | 3,533,127           | 3,838,929           | 4,182,729           | 4,651,133            | 2,824,323            |
| Culture and Recreation                      | 6,505,675           | 7,076,058           | 5,754,362           | 4,743,159            | 5,698,025            |
| Capital Outlay                              | 3,873,908           | 1,739,799           | 1,065,244           | 1,477,788            | 761,678              |
| <b>Total Expenditures</b>                   | <b>32,467,411</b>   | <b>34,054,327</b>   | <b>34,796,196</b>   | <b>35,791,490</b>    | <b>35,231,040</b>    |
| <b>Excess of Revenues over Expenditures</b> | <b>6,544,856</b>    | <b>5,235,965</b>    | <b>10,752,760</b>   | <b>8,166,227</b>     | <b>6,939,494</b>     |
| <b>Other Financing Sources (Uses)</b>       |                     |                     |                     |                      |                      |
| Transfers In                                | 1,762,379           | 1,182,484           | 1,126,520           | -                    | -                    |
| Transfers Out                               | (6,477,020)         | (7,344,000)         | (3,829,743)         | (6,544,848)          | (5,555,391)          |
| <b>Total Other Financing Sources (Uses)</b> | <b>(4,714,641)</b>  | <b>(6,161,516)</b>  | <b>(2,703,223)</b>  | <b>(6,544,848)</b>   | <b>(5,555,391)</b>   |
| <b>Net Change in Fund Balance</b>           | <b>1,830,215</b>    | <b>(925,551)</b>    | <b>8,049,537</b>    | <b>1,621,379</b>     | <b>1,384,103</b>     |
| Fund Balance, January 1                     | 28,156,861          | 29,987,076          | 29,350,821          | 40,132,306           | 41,753,685           |
| Prior Period Adjustment                     | -                   | 289,296             | 2,731,948           | -                    | -                    |
| <b>Fund Balance, December 31</b>            | <b>\$29,987,076</b> | <b>\$29,350,821</b> | <b>\$40,132,306</b> | <b>\$ 41,753,685</b> | <b>\$ 43,137,788</b> |

## **Water Utility Fund Continuing Disclosures:**

### **WATER CUSTOMER INFORMATION**

|                       | 2018                         |                               | 2019                         |                               | 2020                         |                               | 2021                         |                               | 2022                         |                               |
|-----------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|
| <b>Customer Class</b> | <b>Inside City Customers</b> | <b>Outside City Customers</b> | <b>Inside City Customers</b> | <b>Outside City Customers</b> | <b>Inside City Customers</b> | <b>Outside City Customers</b> | <b>Inside City Customers</b> | <b>Outside City Customers</b> | <b>Inside City Customers</b> | <b>Outside City Customers</b> |
| Residential           | 8,158                        | 340                           | 8,255                        | 340                           | 8,325                        | 340                           | 8,370                        | 342                           | 8,184                        | 403                           |
| Multi-family          | 429                          | 1                             | 437                          | 1                             | 447                          | 1                             | 463                          | 1                             | 539                          | 1                             |
| Commercial/Industrial | 336                          | -                             | 339                          | -                             | 340                          | -                             | 346                          | -                             | 396                          | 9                             |
| Irrigation            | 167                          | 6                             | 175                          | 6                             | 178                          | 6                             | 180                          | 6                             | 166                          | 5                             |
| Other                 | 59                           | 8                             | 62                           | 8                             | 64                           | 8                             | 62                           | 8                             | 71                           | -                             |
| Total by Location     | 9,149                        | 355                           | 9,268                        | 355                           | 9,354                        | 355                           | 9,421                        | 357                           | 9,356                        | 418                           |
| Total Customers       | 9,504                        |                               | 9,623                        |                               | 9,709                        |                               | 9,778                        |                               | 9,774                        |                               |

### **2022 Water Consumption and Revenue by Customer Class**

| <b>Customer Class</b> | <b>Consumption (Thousands of Gallons)</b> | <b>Percent of Total Consumption</b> | <b>Total Revenues Collected</b> | <b>Percent of Total Billed</b> |
|-----------------------|-------------------------------------------|-------------------------------------|---------------------------------|--------------------------------|
| Residential           | 685,643                                   | 49.6%                               | \$ 5,862,255                    | 60.7%                          |
| Multi family          | 247,345                                   | 17.9%                               | 1,812,042                       | 18.8%                          |
| Commercial            | 176,952                                   | 12.8%                               | 1,685,210                       | 17.4%                          |
| Irrigation            | 161,248                                   | 11.7%                               | 1,584,910                       | 16.4%                          |
| Other                 | 98,754                                    | 7.1%                                | 419,968                         | 4.3%                           |
| Total                 | 1,369,942                                 | 99.0%                               | \$ 11,364,385                   | 117.6%                         |

### **History of Water Tap Revenue**

| <b>Year</b> | <b>Water Taps Issued</b> | <b>Tap Fee Revenue Collected</b> |
|-------------|--------------------------|----------------------------------|
| 2018        | 228                      | 2,186,760                        |
| 2019        | 77                       | 1,580,653                        |
| 2020        | 84                       | 3,538,756                        |
| 2021        | 49                       | 1,897,693                        |
| 2022        | 86                       | 1,012,022                        |

**History of Water Utility Fund Revenues,  
Expenses and Changes in Fund Net Position**

|                                                   | <u>2018</u>           | <u>2019</u>           | <u>2020</u>           | <u>2021</u>           | <u>2022</u>           |
|---------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b><u>Operating Revenues</u></b>                  |                       |                       |                       |                       |                       |
| Metered Water Sales                               | \$ 8,438,982          | \$ 8,225,127          | \$ 9,971,907          | \$ 9,659,867          | \$ 11,611,141         |
| Other                                             | 154,033               | 104,117               | 71,395                | 47,793                | 40,196                |
| Total Revenues                                    | <u>8,593,015</u>      | <u>8,329,244</u>      | <u>10,043,302</u>     | <u>9,707,660</u>      | <u>11,651,337</u>     |
| <b><u>Operating Expenses</u></b>                  |                       |                       |                       |                       |                       |
| Personnel                                         | 1,832,137             | 1,874,594             | 2,045,621             | 1,744,256             | 1,858,453             |
| Operations                                        | 4,350,394             | 3,757,864             | 4,284,973             | 3,693,822             | 3,436,274             |
| Depreciation/Amortization                         | 1,483,621             | 1,525,632             | 1,942,541             | 2,350,049             | 2,127,194             |
| Total Expenditures                                | <u>7,666,152</u>      | <u>7,158,090</u>      | <u>8,273,135</u>      | <u>7,788,127</u>      | <u>7,421,921</u>      |
| <b>Operating Income</b>                           | 926,863               | 1,171,154             | 1,770,167             | 1,919,533             | 4,229,416             |
| <b><u>Nonoperating Revenues (Expenses)</u></b>    |                       |                       |                       |                       |                       |
| Investment Earnings                               | 602,018               | 1,041,029             | 840,462               | (128,511)             | (372,618)             |
| Interest Expense                                  | (378,877)             | (358,537)             | (321,862)             | (298,034)             | (250,259)             |
| Bond Fees                                         | (303)                 | (303)                 | (303)                 | (303)                 | (303)                 |
| Lease Revenue                                     | -                     | -                     | -                     | -                     | 35,007                |
| Net Gain (Loss) on Disposal of Capital Assets     | -                     | 9,450                 | (71,622)              | 16,341                | -                     |
| Income from Equity Interest in Component          | 346,526               | 142,103               | 252,771               | 78,511                | 100,647               |
| Total Nonoperating Revenues (Expenses)            | <u>569,364</u>        | <u>833,742</u>        | <u>699,446</u>        | <u>(331,996)</u>      | <u>(487,526)</u>      |
| <b>Income before Capital Contributions</b>        | 1,496,227             | 2,004,896             | 2,469,613             | 1,587,537             | 3,741,890             |
| <b><u>Capital Contributions and Transfers</u></b> |                       |                       |                       |                       |                       |
| Tap Fees                                          | 2,186,760             | 1,580,653             | 3,538,756             | 1,897,693             | 1,114,629             |
| Payments in Lieu of Water                         | 3,933,919             | 966,746               | 4,172,671             | 1,129,848             | 1,785,766             |
| Developer Dedications                             | -                     | 290,362               | 155,798               | -                     | 61,431                |
| Transfers Out                                     | -                     | -                     | -                     | -                     | (233,584)             |
| Total Capital Contributions                       | <u>6,120,679</u>      | <u>2,837,761</u>      | <u>7,867,225</u>      | <u>3,027,541</u>      | <u>2,728,242</u>      |
| <b>Change in Net Position</b>                     | 7,616,906             | 4,842,657             | 10,336,838            | 4,615,078             | 6,470,132             |
| Total Net Position, January 1                     | 110,412,463           | 118,029,369           | 125,223,918           | 135,560,756           | 140,765,876           |
| Prior Period Adjustment                           | -                     | 2,351,892             | -                     | 590,042               | -                     |
| <b>Total Net Position, December 31</b>            | <u>\$ 118,029,369</u> | <u>\$ 125,223,918</u> | <u>\$ 135,560,756</u> | <u>\$ 140,765,876</u> | <u>\$ 147,236,008</u> |

## **Water Reclamation Fund Continuing Disclosures:**

### **WATER RECLAMATION CUSTOMER INFORMATION**

|                       | 2018                  |                        | 2019                  |                        | 2020                  |                        | 2021                  |                        | 2022                  |                        |
|-----------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|
| Customer Class        | Inside City Customers | Outside City Customers | Inside City Customers | Outside City Customers | Inside City Customers | Outside City Customers | Inside City Customers | Outside City Customers | Inside City Customers | Outside City Customers |
| Residential           | 8,083                 | 44                     | 8,178                 | 44                     | 8,249                 | 44                     | 8,299                 | 44                     | 8,279                 | 62                     |
| Multi-family          | 428                   | 1                      | 436                   | 1                      | 446                   | 1                      | 464                   | 1                      | 556                   | -                      |
| Commercial/Industrial | 327                   | -                      | 329                   | -                      | 333                   | -                      | 344                   | -                      | 400                   | -                      |
| Irrigation            | 3                     | -                      | 3                     | -                      | 3                     | -                      | 3                     | -                      | 3                     | -                      |
| Other                 | 62                    | 1                      | 66                    | 1                      | 67                    | 1                      | 67                    | 1                      | 13                    | -                      |
| Total by Location     | 8,903                 | 46                     | 9,012                 | 46                     | 9,098                 | 46                     | 9,177                 | 46                     | 9,251                 | 62                     |
| Total Customers       | 8,949                 |                        | 9,058                 |                        | 9,144                 |                        | 9,223                 |                        | 9,313                 |                        |

### **Historical Revenue by Customer Class**

|                | 2018                     |                         | 2019                     |                         | 2020                     |                         | 2021                     |                         | 2022                     |                         |
|----------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|
| Customer Class | Total Revenues Collected | Percent of Total Billed | Total Revenues Collected | Percent of Total Billed | Total Revenues Collected | Percent of Total Billed | Total Revenues Collected | Percent of Total Billed | Total Revenues Collected | Percent of Total Billed |
| Residential    | \$ 3,327,684             | 62.4%                   | \$ 3,527,417             | 61.6%                   | \$ 3,567,163             | 61.7%                   | \$ 3,795,010             | 61.3%                   | \$ 3,693,125             | 55.8%                   |
| Multi family   | 1,318,305                | 24.7%                   | 1,466,163                | 25.6%                   | 1,485,040                | 25.7%                   | 1,698,570                | 27.5%                   | 2,160,595                | 32.7%                   |
| Commercial     | 578,615                  | 10.9%                   | 610,016                  | 10.7%                   | 597,480                  | 10.3%                   | 584,538                  | 9.4%                    | 746,061                  | 11.3%                   |
| Irrigation     | 1,160                    | 0.0%                    | 1,210                    | 0.0%                    | 1,137                    | 0.0%                    | 1,578                    | 0.0%                    | 1,601                    | 0.0%                    |
| Other          | 103,538                  | 1.9%                    | 119,809                  | 2.1%                    | 127,175                  | 2.2%                    | 106,646                  | 1.7%                    | 13,384                   | 0.2%                    |
| Total          | <u>\$ 5,329,302</u>      | <u>100.0%</u>           | <u>\$ 5,724,615</u>      | <u>100.0%</u>           | <u>\$ 5,777,995</u>      | <u>100.0%</u>           | <u>\$ 6,186,342</u>      | <u>100.0%</u>           | <u>\$ 6,614,766</u>      | <u>100.0%</u>           |

## **History of Wastewater Tap Revenue**

| Year | Water Taps Issued | Tap Fee Revenue Collected |
|------|-------------------|---------------------------|
| 2018 | 228               | 1,309,762                 |
| 2019 | 77                | 995,757                   |
| 2020 | 84                | 1,951,189                 |
| 2021 | 45                | 845,339                   |
| 2022 | 80                | 661,218                   |

**History of Water Reclamation Fund Revenues,  
Expenses and Changes in Fund Net Position**

|                                                   | <u>2018</u>          | <u>2019</u>          | <u>2020</u>          | <u>2021</u>          | <u>2022</u>          |
|---------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b><u>Operating Revenues</u></b>                  |                      |                      |                      |                      |                      |
| Wastewater Collection Fees                        | \$ 5,329,302         | \$ 5,724,615         | \$ 5,777,995         | \$ 6,186,342         | \$ 6,614,766         |
| Other                                             | <u>22,508</u>        | <u>5,766</u>         | <u>2,467</u>         | <u>8,388</u>         | <u>-</u>             |
| <b>Total Operating Revenues</b>                   | <u>5,351,810</u>     | <u>5,730,381</u>     | <u>5,780,462</u>     | <u>6,194,730</u>     | <u>6,614,766</u>     |
| <b><u>Operating Expenses</u></b>                  |                      |                      |                      |                      |                      |
| Personnel                                         | 1,226,224            | 1,134,358            | 1,236,848            | 1,174,940            | 1,171,922            |
| Operations                                        | 1,732,511            | 1,674,670            | 1,588,097            | 1,590,830            | 1,300,520            |
| Depreciation                                      | <u>923,112</u>       | <u>1,088,527</u>     | <u>1,087,488</u>     | <u>1,124,991</u>     | <u>1,045,072</u>     |
| <b>Total Operating Expenses</b>                   | <u>3,881,847</u>     | <u>3,897,555</u>     | <u>3,912,433</u>     | <u>3,890,761</u>     | <u>3,517,514</u>     |
| <b>Operating Income</b>                           | 1,469,963            | 1,832,826            | 1,868,029            | 2,303,969            | 3,097,252            |
| <b><u>Nonoperating Revenues (Expenses)</u></b>    |                      |                      |                      |                      |                      |
| Investment Earnings                               | 162,714              | 341,873              | 314,753              | (47,769)             | 739,405              |
| Intergovernmental Grants                          | -                    | -                    | 3,187                | -                    | -                    |
| Interest Expense                                  | (66,972)             | (44,864)             | (22,025)             | (87,310)             | (1,154,725)          |
| Bond Issuance Costs                               | -                    | -                    | -                    | (425,877)            | -                    |
| Sewer Line Assessment Adjustments                 | -                    | -                    | -                    | -                    | -                    |
| Gain on Disposal of Capital Assets                | <u>-</u>             | <u>11,519</u>        | <u>2,857</u>         | <u>-</u>             | <u>-</u>             |
| <b>Total Nonoperating Revenues (Expenses)</b>     | <u>95,742</u>        | <u>308,528</u>       | <u>298,772</u>       | <u>(560,956)</u>     | <u>(415,320)</u>     |
| <b>Income Before Capital Contributions</b>        | 1,565,705            | 2,141,354            | 2,166,801            | 1,743,013            | 2,681,932            |
| <b><u>Capital Contributions and Transfers</u></b> |                      |                      |                      |                      |                      |
| Tap Fees                                          | 1,309,762            | 995,757              | 1,951,189            | 845,339              | 702,969              |
| Developer Dedications                             | -                    | 177,153              | 49,041               | -                    | 68,751               |
| Transfers Out                                     | <u>-</u>             | <u>-</u>             | <u>-</u>             | <u>-</u>             | <u>(217,169)</u>     |
| <b>Total Capital Contributions</b>                | <u>1,309,762</u>     | <u>1,172,910</u>     | <u>2,000,230</u>     | <u>845,339</u>       | <u>554,551</u>       |
| <b>Change in Net Position</b>                     | 2,875,467            | 3,314,264            | 4,167,031            | 2,588,352            | 3,236,483            |
| Total Net Position, January 1                     | 29,392,143           | 32,267,610           | 36,175,369           | 40,342,400           | 43,191,654           |
| Prior Period Adjustment                           | <u>-</u>             | <u>593,495</u>       | <u>-</u>             | <u>260,902</u>       | <u>-</u>             |
| <b>Total Net Position, December 31</b>            | <u>\$ 32,267,610</u> | <u>\$ 36,175,369</u> | <u>\$ 40,342,400</u> | <u>\$ 43,191,654</u> | <u>\$ 46,428,137</u> |

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

|                                                                                                 |  |                                      |                              |
|-------------------------------------------------------------------------------------------------|--|--------------------------------------|------------------------------|
| <b>LOCAL HIGHWAY FINANCE REPORT</b>                                                             |  | City or County:<br>City of Lafayette |                              |
|                                                                                                 |  | YEAR ENDING:<br>December 2022        |                              |
| This Information From The Records Of (example - City of _ or County of _):<br>City of Lafayette |  | Prepared By:<br>Cheryl Thompson      | Phone:<br>303-665-5588 x1247 |

| I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE |                           |                              |                                           |                                                 |
|------------------------------------------------------------------------------------|---------------------------|------------------------------|-------------------------------------------|-------------------------------------------------|
| ITEM                                                                               | A. Local Motor-Fuel Taxes | B. Local Motor-Vehicle Taxes | C. Receipts from State Highway-User Taxes | D. Receipts from Federal Highway Administration |
| 1. Total receipts available                                                        |                           |                              |                                           |                                                 |
| 2. Minus amount used for collection expenses                                       |                           |                              |                                           |                                                 |
| 3. Minus amount used for nonhighway purposes                                       |                           |                              |                                           |                                                 |
| 4. Minus amount used for mass transit                                              |                           |                              |                                           |                                                 |
| 5. Remainder used for highway purposes                                             |                           |                              |                                           |                                                 |

| II. RECEIPTS FOR ROAD AND STREET PURPOSES                   |           | III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES   |           |
|-------------------------------------------------------------|-----------|---------------------------------------------------|-----------|
| ITEM                                                        | AMOUNT    | ITEM                                              | AMOUNT    |
| <b>A. Receipts from local sources:</b>                      |           | <b>A. Local highway disbursements:</b>            |           |
| 1. Local highway-user taxes                                 |           | 1. Capital outlay (from page 2)                   | 5,009,451 |
| a. Motor Fuel (from Item I.A.5.)                            |           | 2. Maintenance:                                   |           |
| b. Motor Vehicle (from Item I.B.5.)                         |           | 3. Road and street services:                      |           |
| c. Total (a.+b.)                                            |           | a. Traffic control operations                     | 50,544    |
| 2. General fund appropriations                              | 5,189,871 | b. Snow and ice removal                           | 54,211    |
| 3. Other local imposts (from page 2)                        | 437,654   | c. Other                                          | 149,091   |
| 4. Miscellaneous local receipts (from page 2)               | 349,479   | d. Total (a. through c.)                          | 253,846   |
| 5. Transfers from toll facilities                           |           | 4. General administration & miscellaneous         | 30,696    |
| 6. Proceeds of sale of bonds and notes:                     |           | 5. Highway law enforcement and safety             | 1,606,458 |
| a. Bonds - Original Issues                                  |           | 6. Total (1 through 5)                            | 6,900,452 |
| b. Bonds - Refunding Issues                                 |           | <b>B. Debt service on local obligations:</b>      |           |
| c. Notes                                                    |           | 1. Bonds:                                         |           |
| d. Total (a. + b. + c.)                                     | 0         | a. Interest                                       | 90,076    |
| 7. Total (1 through 6)                                      | 5,977,004 | b. Redemption                                     | 73,350    |
| <b>B. Private Contributions</b>                             | 22,000    | c. Total (a. + b.)                                | 163,426   |
| <b>C. Receipts from State government</b><br>(from page 2)   | 1,001,036 | 2. Notes:                                         |           |
| <b>D. Receipts from Federal Government</b><br>(from page 2) | 617,897   | a. Interest                                       |           |
| <b>E. Total receipts (A.7 + B + C + D)</b>                  | 7,617,937 | b. Redemption                                     |           |
|                                                             |           | c. Total (a. + b.)                                | 0         |
|                                                             |           | 3. Total (1.c + 2.c)                              | 163,426   |
|                                                             |           | <b>C. Payments to State for highways</b>          |           |
|                                                             |           | <b>D. Payments to toll facilities</b>             |           |
|                                                             |           | <b>E. Total disbursements (A.6 + B.3 + C + D)</b> | 7,063,877 |

| IV. LOCAL HIGHWAY DEBT STATUS<br>(Show all entries at par) |              |               |             |              |
|------------------------------------------------------------|--------------|---------------|-------------|--------------|
|                                                            | Opening Debt | Amount Issued | Redemptions | Closing Debt |
| <b>A. Bonds (Total)</b>                                    | 2,078,640    |               | 73,350      | 2,005,290    |
| 1. Bonds (Refunding Portion)                               |              |               |             |              |
| <b>B. Notes (Total)</b>                                    |              |               |             | 0            |

| V. LOCAL ROAD AND STREET FUND BALANCE |                      |                   |                        |                   |                   |
|---------------------------------------|----------------------|-------------------|------------------------|-------------------|-------------------|
|                                       | A. Beginning Balance | B. Total Receipts | C. Total Disbursements | D. Ending Balance | E. Reconciliation |
|                                       | 4,204,583            | 7,617,937         | 7,063,877              | 4,758,643         | 0                 |
| <b>Notes and Comments:</b>            |                      |                   |                        |                   |                   |

FORM FHWA-536 (Rev. 1-05)

PREVIOUS EDITIONS OBSOLETE

(Next Page)

|                                                                 |                                         |                                                             |                           |
|-----------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|---------------------------|
| <b>LOCAL HIGHWAY FINANCE REPORT</b>                             |                                         | STATE:<br>Colorado<br>YEAR ENDING (mm/yy):<br>December 2022 |                           |
| <b>II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL</b>       |                                         |                                                             |                           |
| <b>ITEM</b>                                                     | <b>AMOUNT</b>                           | <b>ITEM</b>                                                 | <b>AMOUNT</b>             |
| <b>A.3. Other local imposts:</b>                                |                                         | <b>A.4. Miscellaneous local receipts:</b>                   |                           |
| a. Property Taxes and Assessments                               | 91,094                                  | a. Interest on investments                                  | 146,386                   |
| b. Other local imposts:                                         |                                         | b. Traffic Fines & Penalties                                | 203,093                   |
| 1. Sales Taxes                                                  |                                         | c. Parking Garage Fees                                      |                           |
| 2. Infrastructure & Impact Fees                                 |                                         | d. Parking Meter Fees                                       |                           |
| 3. Liens                                                        |                                         | e. Sale of Surplus Property                                 |                           |
| 4. Licenses                                                     |                                         | f. Charges for Services                                     |                           |
| 5. Specific Ownership &/or Other                                | 346,560                                 | g. Other Misc. Receipts                                     |                           |
| 6. Total (1. through 5.)                                        | <b>346,560</b>                          | h. Other                                                    |                           |
| c. Total (a. + b.)                                              | <b>437,654</b>                          | i. Total (a. through h.)                                    | <b>349,479</b>            |
|                                                                 | (Carry forward to page 1)               |                                                             | (Carry forward to page 1) |
|                                                                 |                                         |                                                             |                           |
| <b>ITEM</b>                                                     | <b>AMOUNT</b>                           | <b>ITEM</b>                                                 | <b>AMOUNT</b>             |
| <b>C. Receipts from State Government</b>                        |                                         | <b>D. Receipts from Federal Government</b>                  |                           |
| 1. Highway-user taxes                                           | 898,254                                 | 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                                  | 102,782                                 | d. Federal Transit Admin                                    |                           |
| d. Other (Specify) - DOLA Grant                                 |                                         | e. U.S. Corps of Engineers                                  |                           |
| e. Other (Specify)                                              |                                         | f. Other Federal                                            | 617,897                   |
| f. Total (a. through e.)                                        | <b>102,782</b>                          | g. Total (a. through f.)                                    | <b>617,897</b>            |
| 4. Total (1. + 2. + 3.f)                                        | <b>1,001,036</b>                        | 3. Total (1. + 2.g)                                         |                           |
|                                                                 |                                         |                                                             | (Carry forward to page 1) |
|                                                                 |                                         |                                                             |                           |
| <b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL</b> |                                         |                                                             |                           |
|                                                                 | ON NATIONAL<br>HIGHWAY<br>SYSTEM<br>(a) | OFF NATIONAL<br>HIGHWAY<br>SYSTEM<br>(b)                    | TOTAL<br>(c)              |
| <b>A.1. Capital outlay:</b>                                     |                                         |                                                             |                           |
| a. Right-Of-Way Costs                                           |                                         | 0                                                           | 0                         |
| b. Engineering Costs                                            |                                         | 33,521                                                      | 33,521                    |
| c. Construction:                                                |                                         |                                                             |                           |
| (1). New Facilities                                             |                                         | 0                                                           | 0                         |
| (2). Capacity Improvements                                      |                                         | 0                                                           | 0                         |
| (3). System Preservation                                        |                                         | 111,368                                                     | 111,368                   |
| (4). System Enhancement & Operation                             |                                         | 4,864,562                                                   | 4,864,562                 |
| (5). Total Construction (1) + (2) + (3) + (4)                   | 0                                       | 4,975,930                                                   | 4,975,930                 |
| d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)             | 0                                       | 5,009,451                                                   | 5,009,451                 |
|                                                                 |                                         |                                                             | (Carry forward to page 1) |
|                                                                 |                                         |                                                             |                           |
| <b>Notes and Comments:</b>                                      |                                         |                                                             |                           |
|                                                                 |                                         |                                                             |                           |

FORM FHWA-536 (Rev.1-05)

PREVIOUS EDITIONS OBSOLETE