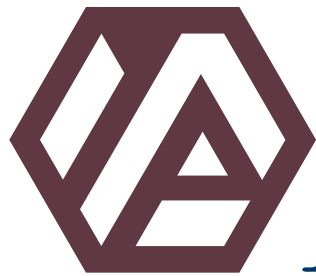


The Russell



CITY OF
ARVADA

COLORADO

Annual Comprehensive Financial Report

For the year ended December 31 ,2024





**Arvada, Colorado
Annual Comprehensive Financial Report
For the year ended December 31, 2024**

CERTIFIED

Kristen R. Rush

CITY CLERK
CITY OF ARVADA

DATE: August 13, 2025

COPY

REPORT ISSUED BY:

DEPARTMENT OF FINANCE
BRYAN ARCHER, CHIEF FINANCIAL OFFICER

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Introductory Section

Letter of Transmittal

Government Finance Officers Association
Certificate of Achievement

City Officials

Organizational Chart



FINANCE DEPARTMENT

FACSIMILE: 720-898-7846 ▲ TDD: 720-898-7869

PHONE: 720-898-7120

August 13, 2025

Citizens of the City of Arvada,
Honorable Mayor, Members of City Council and City Manager

We are pleased to submit the Annual Comprehensive Financial Report for Arvada, Colorado for the fiscal year ended December 31, 2024. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present the financial position and results of operations of various funds and component units of the City in accordance with Generally Accepted Accounting Principles (GAAP). All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

In addition to an annual audit of the City's financial records performed by an independent auditor, the City is required to have an annual single audit in conformity with the provisions of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Information related to this single audit, including the schedules of federal financial assistance, findings and recommendations, and independent auditor's reports on the internal control structure and compliance with applicable laws and regulations are available in the single audit section listed in the table of contents.

In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board (GASB) Statement No. 14 , *The Financial Reporting Entity*, and Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, - an amendment of GASB Statement No. 14, Statement No. 61, *The Financial Reporting Entity: Omnibus* - an amendment of GASB Statements No. 14 and No. 34 and Statement No. 84, *Fiduciary Activities*, this report includes all funds of the primary government and the City's component units. For this report the City of Arvada and all its departments, funds and blended component units comprise the Reporting Entity. Our only discretely presented component unit is the Arvada Urban Renewal Authority.

The City is required to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

PROFILE OF THE CITY OF ARVADA

The City of Arvada is located approximately 20 miles to the northwest of the City of Denver, Colorado along Interstate 70. The City provides a full range of services, including police protection, physical parks, planning and zoning, transportation planning, street improvements and maintenance, a housing authority, two golf courses, municipal court services, water, wastewater, stormwater, solid waste and recycling services and facilities, along with various administrative functions. The area has separate governmental units that provide fire protection and recreational services. The population of the City is 123,517 and growing.

8101 RALSTON ROAD ▲ ARVADA, COLORADO ▲ 80002

City of Arvada
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THE ECONOMIC FACTORS OF 2024

The US economy grew a healthy 2.8% at the end of 2024, compared to 2.9% in 2023. Consumer spending continues to be the tailwind for the overall economy, growing at 4.2%. Unfortunately, business spending on equipment decreased 7.8%. Credit card debt, mortgages, car loans and the national debt continue to expand with no end in sight. Inflation spiked back up, with the fourth quarter annualized increase coming in at 2.9%. This reversed a trend of lower inflation readings and moved further away from the Fed 2% mandate. Unemployment was again steady in the 4th quarter, peaking at 4.2% in November and ending the year at 4.1%. This is a few percentage points up from the same time last year. Since the start of 2022, unemployment has moved between 3.4% and 4.2% with the number of individuals leaving the work force and joining the work force almost offsetting. Current available jobs still outnumber applicants by almost 1.5 times. Taking this economic data into consideration, the Federal Reserve (FED) continued the rate cutting process in December, lowering the short-term rates by 25-basis points to 4.25% to 4.50%. The Feds are expected to make two 25-basis point cuts in 2025, up to two 25-basis point cuts in 2025 and two 25-basis point cuts in 2026 for a target rate of 2.75% to 3.00%. So far in 2025, the FED has not changed short-term rates.

The State of Colorado closed its fiscal year on June 30, 2024. Overall revenues came in below budget but will still exceed last year's revenues by 2.5% and the TABOR cap at an estimated \$1.4 billion dollars. TABOR refunds varied from \$177 to \$1,130 depending on income and filing status. This number is expected to continue to go down over the next few years. Unemployment has ticked up just slightly, currently sitting at 4.1%. Economists consider 4% - 6% "healthy" with lower rates seen as inflationary due to the upward pressure on salaries and higher rates threaten overall consumer spending. Housing prices have leveled off and the demand has slowed even with the most recent interest rate cut. Uncertainty with the economy and the elections have kept potential buyers on the sidelines.

The City of Arvada General Fund revenues exceeded the budget by 6.4%. Sales tax collections have slowed down a bit, up 1.9% compared to the same time in 2024. Merchant Wholesalers, Internet Retailers and Limited-Service Restaurants and Local Delivery Services continue to be the strongest categories with Full-Service Restaurants, Hardware Stores and Floor Covering Stores experiencing the largest declines. Auto Use, General Use and Building Use are down compared to last year with Building Use exceeding budget and Auto Use and General Use not meeting budget.

General Fund expenditures increased 18.7% over 2023. The largest increase was a \$12 million dollar loan provided to AURA for gap financing related to a large multi-use development in the Ralston Fields Urban Renewal Area. The other large increase was for the purchase of two properties, both located on West 60th Avenue, for a total of \$9.4 million dollars. Even with these large increases, the General Fund came in under budget for 2024 by 4.3%.

The Street Maintenance fund continued to make progress, getting more than \$14.4 million worth of work done in 2024. While this is a large amount of money and effort, the needs continue to outpace the resources. Current estimates put the annual need closer to \$25 million. This will continue to be a topic of discussion in future budget cycles.

The golf courses and restaurants finished 2024 with record golf rounds and restaurant customers. Rounds finished up 3.3% in 2024 after growing 10.6% in 2023 and 1.7% in 2022 with overall golf revenues up 24.5%. Not to be outdone, the restaurants revenues are up over 25.6%. The biggest challenge continues to be staffing, requiring management to jump in and do jobs such as cart cleaning, range picking, dish washing, cooking and serving.

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Work continues on the bond projects approved by the citizens of Arvada in November of 2018. Ralston Road was completed in 2024 with the final piece of 72nd Avenue scheduled to begin in 2026. These much-needed projects will greatly enhance the traffic flow in and around the City.

The revised 2025-2026 two-year budget cycle has started. The leadership team has completed a financial resiliency strategy, along with the City Council's Strategic Plan, which will be the basis for the next budget period. A strong local economy supported by essential business, paired with excellent financial stewardship, should allow the City to deliver core services, along with some value adds, to the residents and visitors for years to come.

The 2024-2030 Council Strategic Plan was presented for review on April 22, 2024, and was approved on May 20, 2024, by resolution. The new plan has five strategic result focus areas: Homelessness, Housing, Local Economy, Physical and Technology Systems, and Quality of Life. Each focus area has six to eight strategic goals that will support the implementation of the strategic results. The City Council met in late spring of 2025 and is revisiting each of the strategic goals to confirm direction. Additional work will be done on the plan later this summer as part of the revised 2025-2026 budget process.

In 2014, Council approved, by resolution, mandatory reserves for all the major funds and for many of the key minor fund, demonstrating a long-term conservative view of City finances. In 2024, each of the major funds met or exceeded their required reserve goal in the current two-year cycle and all funds exceeded their goal in the ten-year financial plan. By maintaining ten-year operating and capital improvement plans for these funds, the City is able to identify future challenges and work towards meeting them. The long-range financial planning process also makes sure that any decisions to add expenditures today can be paid for in the future.

FUTURE ECONOMIC FACTORS

The overall US economy continues to be clouded by tariffs and policy uncertainty. Gross Domestic Product (GDP) contracted by .3% in the first quarter, marking the first contraction since Q1 of 2022. This was primarily caused by a surge in imports and slower consumer spending. Businesses rushed to stock up on imports as potential tariffs loomed. Consumers spending was the most notable in goods, where year over year growth was .5%. Inflation rose with the Personal Consumption Expenditures (PCE) price index up 3.4% over the fourth quarter of 2024. This is much higher than the Fed's targeted 2% rate and puts additional pressure on the consumer. Many consumer debt categories continue to rise to all-time highs with total household debt reaching a record \$18.20 trillion. While the absolute amount of debt is at an all-time high, it's important to note that when adjusted for inflation, the household debt balance is slightly below its peak in Q1 2009. Delinquencies are on the rise, with increases in student loans and autos. The labor market was a mixed bag in Q1, showing some signs of strength but some areas of concern. Unemployment was steady at 4.2% but job growth slowed, and the hardest hit sectors were Construction, Government and Manufacturing, key sectors for the overall economy. Short term interest rates remain unchanged, with the federal funds target rate sitting at 4.25% - 4.50%. Projections still call for 50 basis points of cuts later in 2025. The Stock Market was a rollercoaster in Q1, hitting all-time highs in February only to drop sharply in March, ending down 4.3%. As was stated earlier, uncertainty in tariffs and policy generated the sell off. The market has since recovered and is flat for the year.

The State is expecting fiscal year revenue growth to be 5.3%. Revenue is projected to exceed the TABOR cap, once again, by over \$617 million. This number is smaller than in years past but still significant. Unemployment has ticked up, now sitting at 4.8%, a post-2021 high. Inflation has remained lower than the national average at 1.9% making local goods more attractive.

City of Arvada
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Annual Comprehensive Financial Report

The City has experienced a slowdown in its governmental revenues in Q1 of 2025, while the enterprise revenues continue to perform well. Overall General Fund revenues are down 1.9% compared to Q1 2024. Sales tax collections are essentially flat, up .3%. Collections lag one month so the so first quarter results only include January and February. The top industry increases are in, Electric Shopping and Mail-order, Merchant Wholesaler, Local Delivery and Limited-Service Restaurants. The industries that have struggled to start the year are Grocery Stores, Full-Service Restaurants, Hardware Stores and Liquor Stores.

Auto Use recovered in Q1, up 6.1% as compared to the prior year. Fear of tariffs forced consumers and businesses to accelerate purchases. This category will be watched closely to see if this trend continues. General Use was also sharply up in Q1, raising 83.7% over the past year. As with autos, businesses rushed to purchase items before the tariffs set in. Building Use is down 31.1% as compared to first quarter 2024 with the large commercial projects well into construction and very few new projects starting.

Overall expenditures are flat year over year, up .7%. Personnel costs continue to rise as vacant job positions are starting to get filled. Services and Charges, Contracts and Professional Services are also up, feeling the effects of ongoing inflationary increases. Expenditures are in line with the 2025 budgets, even with the increase over 2024.

Growth continues in two main areas of the City, west in the Candelas/Jefferson Center Metropolitan District (JCMD) project area and east in and around the Olde Town/Transit corridors. Expectations are that these areas will continue to expand and redevelop over the next five to ten years. As the City nears buildout (expected by 2035) reinvestment into aging and underutilized areas will become the focus.

The completion of the 470 beltway, named JPPHA, has continued to be at a standstill. Environmental concerns along with the identified location are now slowing progress. Further testing will need to be completed before the final RFP process. The completion of the beltway would be the last piece of a large transportation project that would finally connect I-25 to I-70 in the western part of the Denver Metro region. If the project is put on hold for much longer, additional work will need to be done on the north/south roads in Arvada that are not currently built to handle the growing traffic needs.

Uncertainty with the economy, political turmoil and inflationary pressures have led to slow start to 2025 for the City. As more areas of concern are cleaned up, the expectation is that the economy will return to a more “normal” growth pattern. The revised 2025-2026 budget process has begun and revisions to revenues and expenditures will be made with these new variables. The City’s conservative financial practices, 10-year financial planning along with healthy reserves, will allow the continued delivery of core services for years to come.

FINANCIAL INFORMATION

Retirement Funds: The City offers two defined-contribution plans for different types of employees. These are the City of Arvada Retirement Plan (CARP) for its non-sworn employees and the Arvada Police Pension Plan (APPP) for its sworn police officers. The City deposits between 10% – 15% into an individual’s account and the employee must contribute between 8% – 12%. The employee directs their own investments within available funds. In addition, the City offers voluntary 457 programs where employees can place additional dollars for retirement on a pre-tax or post-tax basis. All plans use Fidelity Investments as their record keeper. The City also has one defined-benefit plan that covers one fully vested participant who did not elect to participate in the Arvada Police Pension Plan that became effective in 1986.

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Internal Control Structure: The City of Arvada establishes and maintains an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls: The City of Arvada maintains budgetary controls in order to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City of Arvada's City Council, its governing body. All activities of the City are included in the annual appropriated budget except the City's self-insured health plan and retirement funds. The City's legal level of budgetary control is at the fund level, if a fund is expected to exceed its appropriation, management must obtain approval of the City Council which is the City's governing body. The City maintains an accounting system to provide management with information regarding obligations against appropriations. Budgetary compliance is based on expenditures during the period (GAAP), rather than expenditures and encumbrances (non-GAAP). Because appropriations lapse at December 31, encumbrances outstanding are carried over and become a liability on the next year's budget. Appropriations for fiscal year 2025 will provide the authority to complete those transactions.

Single Audit: As a recipient of federal and state financial assistance, the City is responsible for ensuring that adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. As part of the City's single audit, tests are performed to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied, in all material respects, with applicable laws and regulations. The results of the City's single audit for fiscal year 2024, including any reported instances of material weaknesses or significant deficiencies in the internal control structure or any violations of applicable laws and regulations, are available in the single audit section listed in the table of contents.

Independent Audit: Section 10.9 of the City of Arvada's charter requires an annual audit of accounts and other evidence of financial transactions of the City and its departments by independent certified public accountants. The audit is performed by a firm chosen by a seven-member audit board consisting of the City Manager, Deputy City Manager, Chief Financial Officer, Deputy Director of Finance, Controller and two members of the Arvada City Council. This year Forvis Mazars, a firm of independent accountants, audited the financial statements for the year ended December 31, 2024.

AWARDS AND ACKNOWLEDGEMENTS

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 of Arvada for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023. The City of Arvada has received this award for 40 consecutive years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy 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 requirements, and we are submitting it to the committee to determine its eligibility for another certificate.

City of Arvada
Letter of Transmittal
Annual Comprehensive Financial Report

The preparation of this report could not have been accomplished without the professionalism and dedication demonstrated by the financial and management personnel of each department. Special mention needs to be directed to the dedicated employees of the Finance Department charged with ensuring that all accounting principles are adhered to each and every day, thus ensuring the efficient and effective preparation of this audit and document. Special thanks go to Debra Nielson, Deputy Director of Finance; Vesta Kruk, Controller; and their teams. The production of the document was in the capable hands of Jenna Belec, Finance Program Coordinator, as well as Steve Milke and Bun Heng, the City's Creative Services Design and Print Services staff.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Bryan Archer', is positioned above the printed name.

Bryan Archer CPA
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Arvada
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

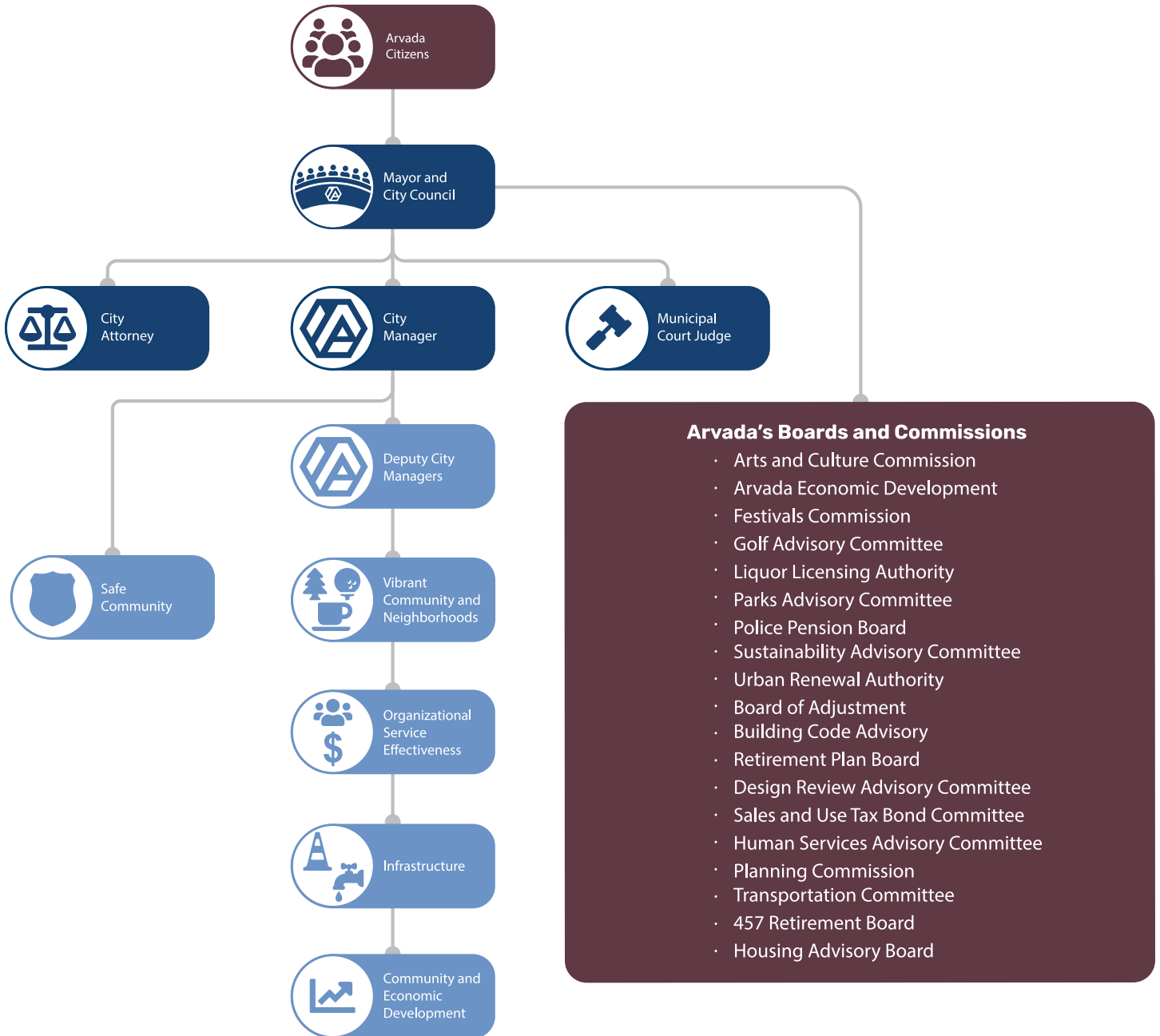
City Officials

Lauren Simpson
Mayor
(Term expires 2027)
Brad Rupert
Councilmember – At-Large
(Term expires 2025)
Sharon Davis
Councilmember – At-Large
(Term expires 2027)
Mayor Pro Tem - Randy Moorman
Councilmember – District 1
(Term expires 2025)
Shawna Ambrose
Councilmember – District 2
(Term expires 2027)
John Marriott
Councilmember – District 3
(Term expires 2025)
Bob Fifer
Councilmember – District 4
(Term expires 2027)

City Manager and Key Staff

Don Wick	City Manager
Linda Haley	Deputy City Manager
Vacant	Deputy City Manager
Kathryn Kurtz	Municipal Judge
Rachel Morris	City Attorney
Bryan Archer	Chief Financial Officer
Craig Poley	Chief Information Officer
Gabriella Bommer	Director of Human Resources
Rachel Kuroiwa	Director of Communications and Engagement
Carrie Briscoe	Executive Director of Arvada Urban Renewal Authority
Ryan Stevenson	Director of Vibrant Community and Neighborhoods
Kristen Rush	City Clerk
Jessica Garner	Director of Community and Economic Development
Ed Brady	Chief of Police
Jacqueline Rhoades	Director of Infrastructure

Organizational Chart



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Financial Section

Reports of Independent Certified Public Accountants

Management's Discussion and Analysis

Basic Financial Statements

Notes to the Financial Statements

Report of Independent Certified Public Accountants

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Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Arvada (the City), as of and for the year ended December 31, 2024, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2024, 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) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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, 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.

Emphasis of a Matter – Change in Accounting Principle

As discussed in Note 4.H to the financial statements, effective January 1, 2024, the City adopted GASB Statement No. 101, Compensated Absences (GASB 101). Our opinions are not modified with respect to this matter.

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's ability to continue as a going concern for 12 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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'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'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, pension, and other postemployment benefit information 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's basic financial statements. The supplementary information, including the Non Major Governmental Funds statements and budget to actual schedules, the Enterprise Funds and Internal Service Funds statements and budgetary comparison schedules (non-GAAP), and the Custodial Funds statements, Financial Data Schedules and the Local Highway Finance Report, and the schedule of expenditures of federal awards required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 supplementary information, including the Non Major Governmental Funds statements and budget to actual schedules, the Enterprise Funds and Internal Service Funds statements and budgetary comparison schedules (non-GAAP), and the Custodial Funds statements, Financial Data Schedules and the Local Highway Finance Report, and the schedule of expenditures of federal awards 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 comprehensive financial report. The other information comprises the introductory and statistical sections 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 basic 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.

Honorable Mayor and Members of City Council
City of Arvada

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 13, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Forvis Mazars, LLP

Denver, Colorado
August 13, 2025

Management's Discussion and Analysis

This section of the City of Arvada's Annual Comprehensive Annual Financial Report provides readers with a narrative overview and analysis of the City's financial performance during the fiscal year that ended on December 31, 2024. We encourage readers to consider the information presented here in conjunction with the letter of transmittal at the front of this report, the City's basic financial statements and notes to the financial statements, to enhance their understanding of the activities and financial health of the City of Arvada.

Overview of Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of the following three components:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

Required supplementary information is included throughout the report. Other supplementary information is also included at the end of the report.

Government-Wide Financial Statements The government-wide statements are designed to provide readers with a broad overview of the City's finances using the accrual basis of accounting, the basis of accounting used by most private-sector businesses.

The statement of net position presents information on all the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may provide an indication of whether the City's financial position is improving or deteriorating.

The statement of activities presents information reflecting how the City's net position has changed during the fiscal year that just ended. All changes in net position are reported as soon as the underlying activity occurs. Thus, revenues and expenses are reported in these statements for some items that will only result in cash flows in future periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (government activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, parks and recreation, culture, and human service. The business-type activities of the City include water, wastewater, stormwater, golf and solid waste.

The government-wide financial statements also include the Arvada Urban Renewal Authority as a discretely presented component unit of the City.

Fund Financial Statements Traditional users of the City's financial statements will find the fund financial statement presentation more familiar.

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. A major fund should generally meet both of the following criteria: 1) total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses are at least 10% of the corresponding total (assets and deferred outflows of resources, liabilities and deferred inflows of resources or expenditures/expenses) for that fund type (i.e. governmental or enterprise funds) and 2) total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5%

of the corresponding total for all governmental and enterprise funds combined.

The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds Governmental funds are used to report those same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, the fund financial statements are prepared on the modified accrual basis. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred, with the exception of long-term debt and similar long-term items which are recorded when due. Therefore, the focus of the governmental fund financial statements is on near-term inflows and outflows of spendable resources as well as on the balance of spendable resources available at the end of the fiscal year.

Since the focus of the governmental funds is on near-term resources, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. To facilitate this comparison, reconciliations are provided for both the governmental fund balance sheet and the governmental statements of revenues, expenditures, and changes in fund balances.

The City adopts an annual appropriated budget for all of its governmental funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 30-33 of this report.

Proprietary Funds The City maintains two different 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, wastewater, stormwater, solid waste, and golf operations. Internal service funds are accounting devices used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for medical and dental benefits provided by the City, its risk management program, its replacement and maintenance of vehicles and information technology equipment, and buildings and its print shop operations. The activity in these funds is allocated between the governmental and business-type activities based upon actual usage.

Proprietary funds provide the same type of information as the business type activities in the government-wide financial statements, only in more detail. The Water, Wastewater, Stormwater enterprise funds are considered to be major funds and are therefore presented separately within the proprietary fund financial statements. Solid Waste and Golf enterprise funds are considered to be non-major funds and are presented in aggregate in one Non-Major Funds column. All internal service funds are considered to be non-major funds, and they are combined into a single, aggregated column in the proprietary fund statements. Individual fund data for each of the non-major internal service funds is provided in the form of combining statements located within the supplementary information following the notes to the financial statements.

The basic proprietary fund financial statements can be found on pages 37-39 of this report.

Fiduciary Funds The City maintains two different types of fiduciary funds, trust, and custodial funds. The fiduciary fund financial statements are prepared on the accrual basis of accounting. The fiduciary funds are used to account for resources held by the City in a trustee capacity or as custodial agent for the benefit of parties outside the government. The custodial funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City's own programs.

The City does not adopt an annual appropriated budget for its fiduciary funds.

The basic fiduciary fund financial statements can be found on pages 40-41 of this report.

Notes to the Financial Statements The notes to the basic financial statements are considered an integral part of the financial statements since they provide additional information needed to gain a full understanding of the data provided in both the government-wide and fund financial statements. The notes to the financial statements can be found on pages 43-81 of this report.

Required Supplementary Information In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City of Arvada's progress in funding its obligation to provide pension benefits and other postemployment benefits, which can be found on pages 84-86.

Combining Statements The combining statements referred to earlier in connection with the non-major governmental funds, internal service funds and fiduciary funds are presented following the required notes to the financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government financial position. At the close of December 31, 2024, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,195,783. The following summaries of net position and changes in net position are presented for the current year and the previous year in comparison format.

Statement of Net Position

The following table reflects the condensed Statement of Net Position (in thousands):

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 287,490	\$ 313,528	\$ 148,458	\$ 180,296	\$ 435,948	\$ 493,824
Capital assets	510,279	461,875	501,650	437,535	\$ 1,011,929	899,410
Other non-current assets	14,990	3,174	3,418	4,056	\$ 18,408	7,230
Total assets	812,759	778,577	653,526	621,887	1,466,285	1,400,464
Deferred outflows of resources	121	151	27	18	148	169
Other liabilities	29,477	47,314	13,161	11,461	42,638	58,774
Long-term liabilities	110,668	105,055	101,770	98,449	212,438	203,504
Total liabilities	140,145	152,369	114,931	109,910	255,076	262,278
Deferred inflows of resources	14,267	13,026	1,307	1,437	15,574	14,464
Net position:						
Net investment in capital assets	438,820	379,201	454,300	426,330	893,120	804,531
Restricted	34,684	42,685	1,839	1,575	36,523	44,260
Unrestricted	184,964	191,447	81,176	82,653	266,140	275,100
Total Net position	<u>\$ 658,468</u>	<u>\$ 613,333</u>	<u>\$ 537,315</u>	<u>\$ 510,558</u>	<u>\$ 1,195,783</u>	<u>\$ 1,123,891</u>

For more detailed information, see the Statement of Net Position on page 27 of this report.

By far the largest portion of the City's Governmental net position, \$438,820,000 (67%), reflects its investment in capital assets (e.g., land, buildings, improvements, infrastructure, equipment, lease and subscription assets), less any debt used to acquire those assets still outstanding. The City of Arvada uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's Governmental net position, \$34,684,000 (5%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$184,964,000 (28%), may be used to meet the City's ongoing obligations to its citizens and creditors.

The City's total net position increased by \$74,972,000 during the current fiscal year. This is due to an increase in the governmental activities of \$47,670,000 and an increase in the business-type activities of \$27,302,000. The increase in the governmental activities is primarily due to an increase in grants and contributions, sales and use taxes, and property taxes. The increase in the business-type activities is primarily due to increases in charges for services as these rates to customers increased in the Water and Wastewater Funds.

Changes in Net Position

The following table reflects a condensed summary of activities and changes in net position (in thousands):

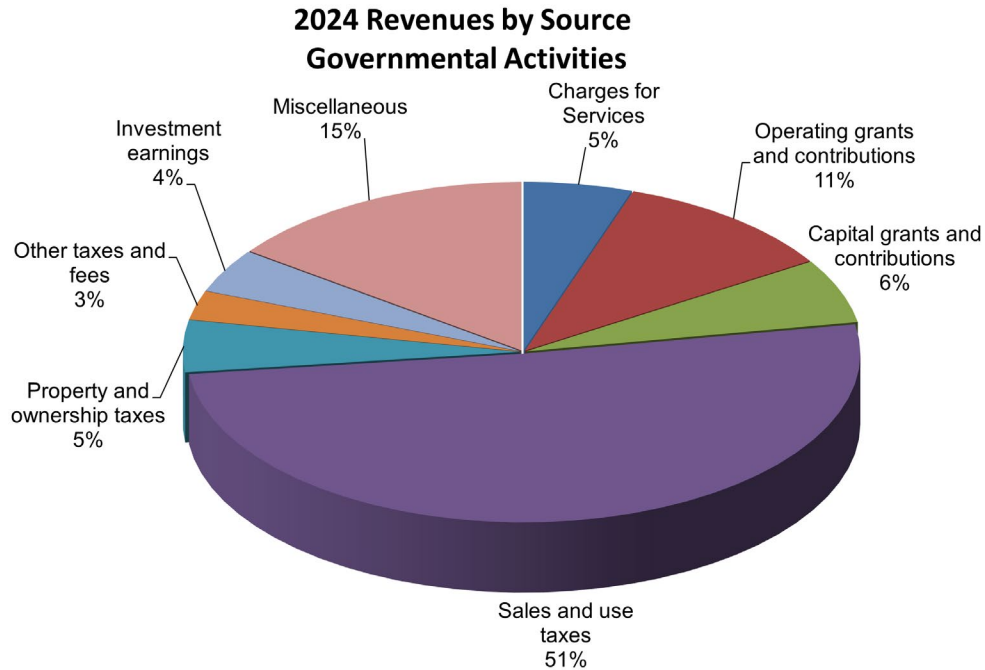
	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues:						
Charges for services	\$ 11,375	\$ 10,161	\$ 77,223	\$ 62,357	\$ 88,598	\$ 72,518
Operating grants and contributions	23,594	23,083	-	-	23,594	23,083
Capital grants and contributions	13,410	2,986	15,412	26,272	28,822	29,258
General revenues:						
Sales and use taxes	110,703	109,080	-	-	110,703	109,080
Property & ownership taxes	10,852	8,827	-	-	10,852	8,827
Other taxes and fees	6,080	5,174	-	-	6,080	5,174
Investment earnings (loss)	9,167	10,544	4,462	8,770	13,629	19,314
Other	32,566	17,072	-	-	32,566	17,072
Total revenues	217,747	186,927	97,097	97,399	314,844	284,326
Expenses						
General government	\$ 65,664	\$ 52,196	\$ -	\$ -	\$ 65,664	\$ 52,196
Public safety	42,606	37,788	-	-	42,606	37,788
Public works	35,455	30,770	-	-	35,455	30,770
Parks and recreation	14,269	13,117	-	-	14,269	13,117
Culture	-	-	-	-	-	-
Human service	9,446	9,527	-	-	9,446	9,527
Interest	3,543	3,640	-	-	3,543	3,640
Water	-	-	33,355	31,068	33,355	31,068
Wastewater	-	-	18,187	16,872	18,187	16,872
Stormwater	-	-	4,462	3,817	4,462	3,817
Golf	-	-	8,690	8,291	8,690	8,291
Solid Waste	-	-	4,195	4,044	4,195	4,044
Total expenses	170,983	147,038	68,889	64,092	239,872	211,130
Change in net position before transfers	46,764	39,889	28,208	33,307	74,972	73,196
Transfers	906	1,879	(906)	(1,879)	-	-
Increase in net position	47,670	41,768	27,302	31,428	74,972	73,196
Net Position, January 1	613,333	571,565	510,558	479,130	1,123,891	1,050,695
Restatement for adoption of GASB 101	(2,535)	-	(545)	-	(3,080)	-
Net position, January 1 as restated	610,798	571,565	510,013	479,130	1,120,811	1,050,695
Net position, December 31	\$658,468	\$613,333	\$537,315	\$510,558	\$1,195,783	\$1,123,891

For more detailed information, see the Statement of Activities on pages 28-29 of this report.

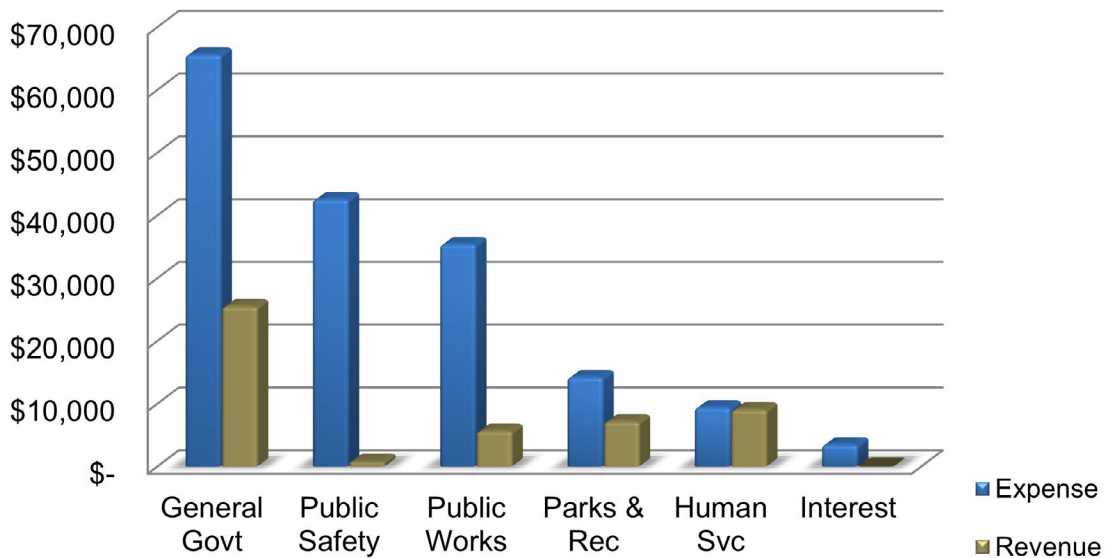
The above condensed summary of the City of Arvada's governmental and business-type activities for the year ended December 31, 2024, reflects net position increasing \$74,972,000. Revenues and expenses graphs are presented below to enhance the reader's understanding of the current year activities.

Governmental Activities

Governmental Activities increased Arvada's Net Position by \$47,670,000.

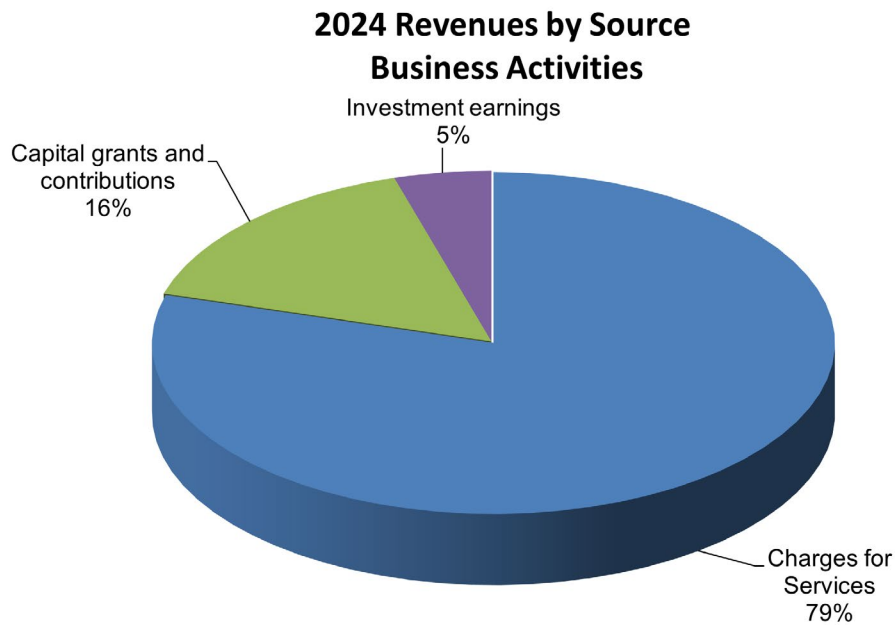


2024 Expenses and Program Revenues Governmental Activities

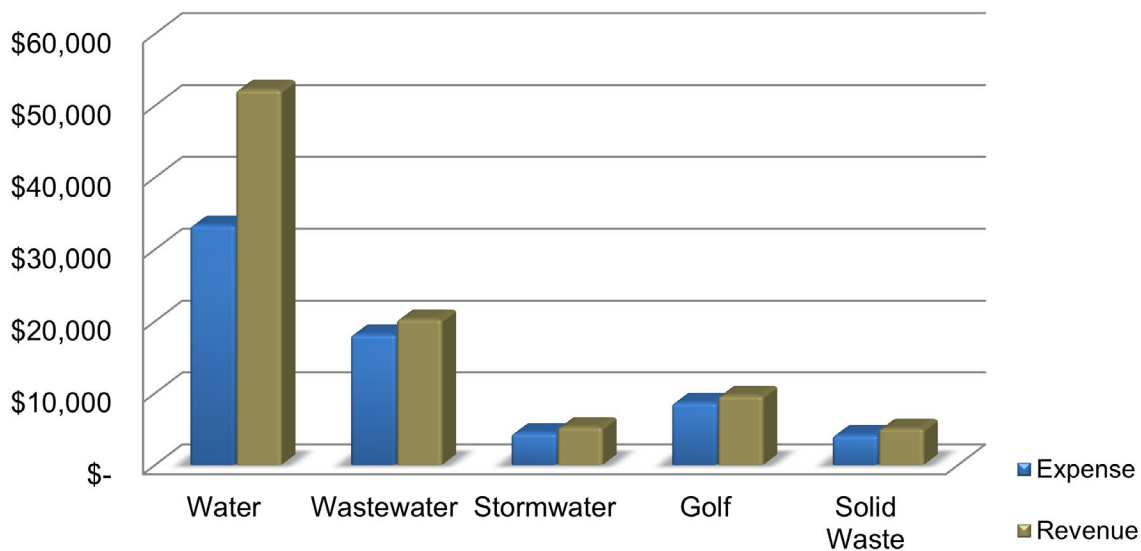


Business-type Activities

Business-type Activities increased Arvada's Net Position by \$27,302,000.



2024 Expenses and Program Revenues Business-Type Activities



Governmental activities Governmental activities increased the City's net position by \$47,670,000. Key elements of this change are due to the following:

- Capital grants and contributions increased \$10,424,000
- Property taxes increased \$2,025,000
- Miscellaneous revenues increased \$15,494,000 due to operational transfers from the Enterprise fund

Business-type activities Business-type activities increased the City's net position by \$27,302,000. Key elements of this increase are due to the following:

- Service charges and fees revenue increased \$14,866,000 due to increased water and wastewater rates charged to customers.

Financial Analysis of the City's Funds

As noted previously, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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 year.

December 31, 2024, fund balances of governmental funds are classified as follows:

Non-spendable – amounts that cannot be spent either because they are not spendable in form or because they are legally or contractually required to be maintained intact. The City had \$834,000 in non-spendable resources.

Restricted – amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or law and regulations of other governments; or through constitutional provisional or enabling legislations. The City had \$80,916,000 in restricted resources.

Committed – amounts that are subject to a purpose constraint imposed by a formal action of the City Council. The City Council is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through resolutions and ordinances approved by the City Council. The City had \$41,651,000 in committed resources.

Assigned – amounts that are for an intended use established by the City, but that are not considered restricted or committed. The purpose of the assignment must be narrower than the purpose of the General Fund. The City had \$19,062,000 in assigned resources.

Unassigned – represents the remaining balance for the City's General Fund. The City had \$69,163,000 in unassigned resources.

The General Fund is the main operating fund of the City. At December 31, 2024, the non-spendable fund balance was \$802,000 the restricted fund balance was \$4,488,000 and the unassigned fund balance was \$69,163,000. The total fund balance decreased \$11,269,000 in 2024 to \$74,453,000. On a budgetary basis, the General Fund expenditures finished over \$8,758,000 to the good overall. The decrease in total fund balance is primarily due to an increase in capital outlay due to projects at the Olde Town parking garage and implementation of the City's new financial system (Workday).

The Community Development Fund is a major fund of the City. At December 31, 2024, the restricted fund balance was \$1,225,000 and the assigned fund balance was \$4,334,000. Total fund balance decreased \$2,000 in 2024 to \$5,559,000.

The Parks Fund is a major fund of the City. At December 31, 2024, the non-spendable fund balance was \$18,000 the restricted fund balance was \$274,000 and the assigned fund balance was \$7,378,000. The total fund balance decreased \$222,000 in 2024 to \$7,670,000. The decrease is due to an increase in maintenance supplies and personnel costs.

The General Capital Projects Fund is another major fund of the City. At December 31, 2024, the non-spendable fund balance was \$2,000 the restricted fund balance was \$17,123,000 the committed fund balance was \$41,651,000 and the assigned fund balance was \$7,350,000. The total fund balance decreased \$3,945,000 in 2024 to \$66,126,000. The decrease was due to an increase in expenditures for projects that are in progress, such as improvements to the Olde Town parking garage, two new parks, fiber and conduit installation and others.

The Construction Fund is another major fund of the City. At December 31, 2024, the restricted fund balance was \$33,896,000. Total fund balance decreased \$9,334,000 in 2024 to \$33,896,000. This fund accounts for the 2019 and 2023 Sales and Use Tax revenue bond issuance for two street improvement construction projects and 2021 COP issuance for the Meyers Pool Replacement project. There was an increase in expenditures in 2024 as the two street improvement projects are moving forward with construction which will continue for the next few years. Meyers Pool construction has also been in progress since 2022 and had a substantial completion in 2024, which contributed to the increase in expenditures and fund balance decrease.

Proprietary funds The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The unrestricted net position balances of the City's proprietary funds (including the major enterprise funds) are reflected in the following table (in thousands):

	Unrestricted Net Position for Year ended 12/31/24	Unrestricted Net Position for Year ended 12/31/23
Major Enterprise Funds		
Water	\$ 60,714	\$ 63,634
Wastewater	9,842	10,183
Stormwater	1,710	3,122
Subtotal of major enterprise funds	72,266	76,939
Non-Major Enterprise Funds		
Golf	1,359	(274)
Solid Waste	438	(464)
Subtotal of non-major enterprise funds	1,797	(738)
Total enterprise funds	74,062	76,201
Internal service funds	33,506	27,395
Total proprietary funds	<u>\$ 107,568</u>	<u>\$ 103,596</u>

Component units The Arvada Urban Renewal Authority (AURA) was created by Ordinance No. 1717 under

the Colorado Urban Renewal Law and approved by voters on March 3, 1981. AURA's purpose is to develop, redevelop or rehabilitate blighted areas of the City. The governing body of AURA is a commission of seven members, appointed by the Mayor and approved by City Council. AURA's annual budget is approved by the City Council and the City provides administrative support to AURA. The statement of net position reflects \$696,000 of restricted net position balance and \$715,000 of unrestricted net position balance. The total change in net position for AURA was a decrease of \$5,458,000.

Budgetary Highlights

General Fund

Final budgeted expenditures and transfers out increased \$28,628,000 from the original budget to \$155,403,000. \$18,108,000 of this increase is due to projects not completed in 2023 and carried to 2024 and also one-time funding for projects. Major projects included traffic projects, streets maintenance projects, software projects and safety and security. The City committed to purchase a property on West 60th Avenue in 2024 for \$6,000,000 which needed to be added to the budget. The City committed to loaning AURA \$12,000,000 in 2024, this also led to the increase. The City was awarded \$142,020,000 in funding from the American Rescue Plan Act in 2021 and the expenditures were carried over to 2024. The remaining increase included various operational expenses in the General Fund.

Property and ownership tax revenue exceeded budget by \$1,408,000 due to increasing property values, and Sales and Use Tax also exceeded budget by \$2,171,000 primarily due to increased online sales and grocery store sales. Investment revenues exceeded the budget by \$2,792,000 due to the strong investment environment and higher yields. Public Safety saw a savings of \$1,296,000 from budget due to personnel vacancies. Public Works saw a savings of \$2,063,000 from budget due to streets maintenance projects not completed and carried into 2025.

Capital, Lease and Subscription Assets and Debt Administration

Capital, Lease and Subscription Assets The City's investment in capital, lease and subscription assets for its governmental and business-type activities as of December 31, 2024, amounted to \$1,011,930,000 (net of accumulated depreciation and amortization). This investment in capital assets includes land, water rights, buildings and improvements, equipment and infrastructure, and lease and subscription assets.

	Governmental Activities	Business-type Activities	Total Primary Government
Land and water rights	\$ 58,773	\$ 39,773	\$ 98,546
Infrastructure	145,578	6,739	152,317
Construction in progress	138,617	159,468	298,085
Buildings	44,310	9,186	53,496
Improvements other than buildings	97,979	285,733	383,712
Lease assets	301	56	357
Subscription assets	5,551	15	5,566
Equipment & vehicles	19,170	681	19,851
Total capital assets	<u>\$ 510,279</u>	<u>\$ 501,651</u>	<u>\$ 1,011,930</u>

Major capital improvements during this fiscal year include the following:

Governmental Activities

- Ralston Road improvements from Yukon Street to Garrison
- West 72nd Street improvements and railroad underpass from Kipling Street to Simms Street
- Replacement of the City's Enterprise Resource Planning (ERP) system
- Improvements to the Olde Town parking garage
- Two new parks added to the City
- Meyers Pool construction
- Fiber and conduit throughout the City
- Traffic signal replacement

Proprietary Activities

- On-going maintenance and replacement of water, sewer and stormwater lines
- Smart meter installations
- Improvements to the water treatment plant
- Denver Moffat water project
- North Trunk Line Replacement
- Central Trunk Line

Additional information of the City's capital assets can be found in Note 3.B on page 62 of this report.

Long-term debt At the end of December 31, 2024, the City had total debt outstanding of \$199,136,000. Of this amount, \$168,448,000 represents bonds secured by specified revenue sources (i.e., sales tax revenue bonds). \$24,992,000 represents Certificates of Participation, \$5,425,000 is leased and subscription assets, and \$271,000 is direct placement debt.

	Governmental Activities	Business-type Activities	Total Primary Government
Revenue bonds	\$ 70,889	\$ 97,559	\$ 168,448
2016 Certificates of Participation	8,909	-	8,909
2021 Certificates of Participation	16,083	-	16,083
Lease liability	284	-	284
Subscription liability	5,120	21	5,141
Equipment purchase-direct placement	271	-	271
	<u>\$ 101,556</u>	<u>\$ 97,580</u>	<u>\$ 199,136</u>
Total outstanding debt	<u>\$ 101,556</u>	<u>\$ 97,580</u>	<u>\$ 199,136</u>

Additional information on the City's long-term obligations can be found in Note 3.E on pages 65-69 of this report.

Financial Contact

The City's financial statements are designed to provide users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. Questions concerning any of the information presented in this report or requests for additional information should be sent to the City's Finance Director at the following address:

City of Arvada
Director of Finance
8101 Ralston Road
Arvada, CO 80002

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Basic Financial Statements



STATEMENT OF NET POSITION

December 31, 2024

(in thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	AURA
ASSETS				
Cash and investments	\$ 257,934	\$ 114,003	\$ 371,937	\$ 7,309
Restricted cash	2,086	15,833	17,919	-
Taxes receivable	22,236	-	22,236	31,743
Accounts receivable, net of allowance for uncollectibles	5,573	10,053	15,627	1,229
Accrued interest	1,079	246	1,325	-
Lease receivable	3,858	123	3,981	-
Internal balances	(7,114)	7,114	-	-
Inventories	1,033	1,039	2,072	-
Prepaid costs	636	46	682	-
Net pension asset	25	-	25	-
Lease receivable - non-current	144	1,097	1,241	-
Notes receivable - non-current	14,990	2,321	17,311	8,715
Property available for sale	-	-	-	36
Capital and lease assets				
Lease assets, net	64	15	79	2
Subscriptions assets, net	5,551	56	5,607	-
Land, water rights and construction in progress	197,627	199,241	396,867	-
Other capital assets, net	307,037	302,339	609,376	1,456
Total capital, lease and subscription assets	510,279	501,650	1,011,929	1,458
Total assets	812,759	653,526	1,466,285	50,490
DEFERRED OUTFLOWS OF RESOURCES				
Items related to OPEB	121	27	148	-
Total deferred outflows of resources	121	27	148	-
LIABILITIES				
Accounts payable	25,609	11,527	37,136	567
Contracts payable	3,241	1,456	4,697	-
Accrued interest payable	338	9	347	-
Unearned revenue	289	169	458	-
Long-term liabilities				
Due within one year:				
Bonds, Notes, Certificates of Participation, Leases	6,243	1,839	8,082	1,109
Claims payable	-	-	-	-
OPEB Liability	712	165	877	-
Compensated absences	2,743	292	3,118	18
Due more than one year:				
Bonds, Notes, Certificates of Participation, Leases	95,313	95,741	191,054	14,164
OPEB Liability	710	163	873	-
Compensated absences	4,947	1,080	5,944	23
Other liabilities	-	2,490	2,490	-
Total liabilities	140,145	114,931	255,076	15,881
DEFERRED INFLOWS OF RESOURCES				
Items related to pension plan	4	-	4	-
Items related to OPEB	691	158	849	-
Leases	3,714	1,149	4,863	-
Property taxes	9,858	-	9,858	31,743
Total deferred inflows of resources	14,267	1,307	15,574	31,743
NET POSITION				
Net Investment in capital assets	438,820	454,300	893,120	1,456
Restricted for:				
Capital Projects	-	-	-	696
Conversation Trust	3,157	-	3,157	-
Law Enforcement/Seizure	18,885	-	18,885	-
Emergencies	6,019	-	6,019	-
Housing	236	-	236	-
CDBG	1,734	-	1,734	-
Debt Service	600	1,839	2,439	-
Lands Dedicated	1,598	-	1,598	-
Adams County Open Space	432	-	432	-
Adams County Transportation	883	-	883	-
Pension	25	-	25	-
Park Development	1,140	-	1,140	-
Unrestricted	184,939	81,176	266,115	715
Total Net Position	\$ 658,468	\$ 537,315	\$ 1,195,783	\$ 2,866

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

STATEMENT OF ACTIVITIES
Year Ended December 31, 2024
(in thousands)

	Program Revenues				Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
FUNCTIONS/PROGRAM ACTIVITIES:					
Primary Government:					
Governmental activities:					
General government	\$ 65,664	\$ 6,118	\$ 6,558	\$ 12,884	\$ 25,560
Public safety	42,606	-	797	-	797
Public works	35,455	5,176	-	526	5,702
Parks and recreation	14,269	81	7,117	-	7,198
Human services	9,446	-	9,122	-	9,122
Interest expense	3,543	-	-	-	-
Total governmental activities	<u>170,983</u>	<u>11,375</u>	<u>23,594</u>	<u>13,410</u>	<u>48,379</u>
Business-type activities:					
Water	33,355	40,942	-	11,295	52,237
Wastewater	18,187	17,178	-	3,133	20,311
Stormwater	4,462	4,327	-	984	5,311
Golf	8,690	9,682	-	-	9,682
Solid waste	4,195	5,094	-	-	5,094
Total business-type activities	<u>68,889</u>	<u>77,223</u>	<u>-</u>	<u>15,412</u>	<u>92,635</u>
Total primary government	<u>\$ 239,872</u>	<u>\$ 88,598</u>	<u>\$ 23,594</u>	<u>\$ 28,822</u>	<u>\$ 141,014</u>
Component Units:					
AURA	\$ 43,555	\$ 26	\$ -	\$ -	\$ 26
Total component units	<u>\$ 43,555</u>	<u>\$ 26</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26</u>

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



STATEMENT OF ACTIVITIES
Year Ended December 31, 2024
(in thousands)

Net (Expense) Revenue and Changes in Net Position			
Primary Government - City of Arvada			Component
Govern- mental Activities	Business-type Activities	Total	Unit AURA
\$ (40,104)	\$ -	\$ (40,104)	\$ -
(41,809)	-	(41,809)	-
(29,753)	-	(29,753)	-
(7,071)	-	(7,071)	-
(324)	-	(324)	-
(3,543)	-	(3,543)	-
(122,604)	-	(122,604)	-
-	18,882	18,882	-
-	2,124	2,124	-
-	849	849	-
-	992	992	-
-	899	899	-
-	23,746	23,746	-
(122,604)	23,746	(98,858)	-
\$ -	\$ -	\$ -	\$ (43,529)
-	-	-	(43,529)

General Revenues

Taxes:

Property	10,852	-	10,852	32,974
Sales and use	110,703	-	110,703	4,864
Transportation tax	6,080	-	6,080	-
Investment earnings (loss)	9,167	4,462	13,629	233
Miscellaneous	32,566	-	32,566	-
Transfers in (out)	906	(906)	-	-
Total general revenues	170,274	3,556	173,830	38,071
Change in net position	47,670	27,302	74,972	(5,458)
Net position, January 1 as previously reported	613,333	510,558	1,123,891	8,324
Restatement for adoption of GASB 101	(2,535)	(545)	(3,080)	-
Net position, January 1 as restated	610,798	510,013	1,120,811	8,324
Net position, December 31	\$ 658,468	\$ 537,315	\$ 1,195,783	\$ 2,866

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



**GOVERNMENTAL FUNDS
BALANCE SHEET
December 31, 2024
(in thousands)**

Primary Government

	<u>General Fund</u>	<u>Community Development Fund</u>	<u>Parks Fund</u>	<u>General Capital Projects Fund</u>	<u>Construction Fund</u>	<u>Other Govern- mental Funds</u>	<u>Total Governmen- tal Funds</u>
ASSETS							
Cash and investments	\$ 76,771	\$ 3,572	\$ 6,967	\$ 68,327	\$ 35,831	\$ 22,909	\$ 214,377
Restricted cash	-	2,086	-	-	-	-	2,086
Taxes receivable	20,875	-	1,245	116	-	-	22,236
Accounts receivable, net of allowance for uncollectibles	3,046	117	44	184	-	1,783	5,174
Accrued interest	381	21	35	309	-	120	866
Lease receivable	1,771	-	748	-	-	-	2,519
Inventories	578	-	13	-	-	-	591
Prepaid costs	224	-	5	2	-	12	243
Notes receivable, net of allowance for uncollectibles	12,949	2,034	7	-	-	-	14,990
Total assets	<u>\$ 116,595</u>	<u>\$ 7,830</u>	<u>\$ 9,064</u>	<u>\$ 68,938</u>	<u>\$ 35,831</u>	<u>\$ 24,824</u>	<u>\$ 263,082</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts payable	17,188	126	579	2,671	1,935	734	23,233
Unearned revenue	120	-	132	-	-	37	289
Total liabilities	<u>17,308</u>	<u>126</u>	<u>711</u>	<u>2,671</u>	<u>1,935</u>	<u>771</u>	<u>23,522</u>
DEFERRED INFLOW OF RESOURCES							
Property taxes	9,858	-	-	-	-	-	9,858
Grants	-	111	-	141	-	131	383
Leases	1,645	-	683	-	-	-	2,328
Accounts Receivable	382	-	-	-	-	-	382
Notes Receivable	12,949	2,034	-	-	-	-	14,983
Total deferred inflows of resources	<u>24,834</u>	<u>2,145</u>	<u>683</u>	<u>141</u>	<u>-</u>	<u>131</u>	<u>27,934</u>
FUND BALANCES							
Nonspendable	802	-	18	2	-	12	834
Restricted	4,488	1,225	274	17,123	33,896	23,910	80,916
Committed	-	-	-	41,651	-	-	41,651
Assigned	-	4,334	7,378	7,350	-	-	19,062
Unassigned	69,163	-	-	-	-	-	69,163
Total fund balances	<u>74,453</u>	<u>5,559</u>	<u>7,670</u>	<u>66,126</u>	<u>33,896</u>	<u>23,922</u>	<u>211,626</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 116,595</u>	<u>\$ 7,830</u>	<u>\$ 9,064</u>	<u>\$ 68,938</u>	<u>\$ 35,831</u>	<u>\$ 24,824</u>	<u>\$ 263,082</u>

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



**RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET
POSITION**

December 31, 2024

(in thousands)

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

Total fund balances - governmental funds		\$ 211,626
Capital, lease and subscription assets net of accumulated depreciation and amortization used in governmental activities are not current financial resources. Therefore, they are not reported in the funds financial statements.		488,857
Internal service funds are used by management to charge the costs of certain activities to individual funds. A portion of the assets and liabilities of internal service funds are included in the governmental activities in the statement of net position.		49,178
Deferred outflow of resources are not financial resources, and therefore are not reported in the funds.		129
Certain deferred inflow of resources are not financial resources, and therefore are not reported in the funds.		
Deferred inflows of resources related to pension plans	(12)	
Deferred inflows of resources related to other post employment benefits	(691)	
Subtotal		(703)
Certain assets are not available to provide current year financial resources and therefore are deferred in the fund statements		
CDBG Notes Receivable - non-current	2,034	
Opioid Accounts Receivable	382	
Grants Receivable - non-current	383	
AURA Notes Receivable - non-current	12,949	
Subtotal		15,748
Long-term liabilities and assets are not due and payable or available in the current period and accordingly are not reported in the fund financial statements		
Balances at December 31, 2024 are:		
Lease and subscription payable	(1,384)	
Bonds payable, including bond premium	(70,889)	
Obligation under certificates of participation, including premiums	(24,992)	
Accrued interest	(264)	
Net pension asset	25	
Total OPEB liability	(1,364)	
Compensated absences	(7,499)	
Subtotal		(106,367)
Net position of governmental activities		<u>\$ 658,468</u>

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

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
December 31, 2024
(in thousands)

Primary Government

	General Fund	Community Development Fund	Parks Fund	General Capital Projects Fund	Construction Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Property and ownership taxes	\$10,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,852
Sales and use taxes	89,960	-	-	-	-	20,743	110,703
Franchise fees	4,958	-	-	69	-	-	5,027
Licenses & permits	4,292	-	39	-	-	-	4,331
Intergovernmental	6,213	337	7,117	526	-	10,463	24,656
Charges for services	1,379	-	-	-	-	-	1,379
Recovered costs	4,871	-	42	3,543	2	32	8,490
Fines & forfeitures	1,101	-	-	-	-	-	1,101
Investment earnings	4,269	138	334	3,058	2,308	1,053	11,160
Memberships, donations & dedications	-	-	-	1,864	12,139	-	14,003
Miscellaneous	561	139	1,599	981	-	173	3,453
Total Revenues	<u>128,456</u>	<u>614</u>	<u>9,131</u>	<u>10,041</u>	<u>14,449</u>	<u>32,464</u>	<u>195,155</u>
EXPENDITURES							
General government	32,623	-	-	175	5	140	32,943
Public safety	32,455	-	-	-	-	13,333	45,788
Public works	36,152	-	-	-	-	-	36,152
Parks and recreation	-	-	14,589	-	-	-	14,589
Human services	-	588	-	-	-	8,905	9,493
Debt service							
Principal	-	-	-	-	-	5,509	5,509
Interest	-	-	-	-	-	3,560	3,560
Capital outlay	9,489	43	9	19,803	29,118	-	58,462
Total Expenditures	<u>110,719</u>	<u>631</u>	<u>14,598</u>	<u>19,978</u>	<u>29,123</u>	<u>31,447</u>	<u>206,496</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,737	(17)	(5,467)	(9,937)	(14,674)	1,017	(23,341)
OTHER FINANCING SOURCES (USES)							
Loan to component unit	(12,000)	-	-	-	-	-	(12,000)
Issuance of subscription debt	306	-	-	-	-	-	306
Transfers in	-	23	5,313	9,255	5,340	3,172	23,103
Transfers out	(17,312)	(8)	(68)	(3,263)	-	(4,185)	(24,836)
Total other financing sources (uses)	<u>(29,006)</u>	<u>15</u>	<u>5,245</u>	<u>5,992</u>	<u>5,340</u>	<u>(1,013)</u>	<u>(13,427)</u>
NET CHANGE IN FUND BALANCES	(11,269)	(2)	(222)	(3,945)	(9,334)	4	(24,768)
FUND BALANCES, BEGINNING	85,722	5,561	7,892	70,071	43,230	23,918	236,394
FUND BALANCES ENDING	<u>\$74,453</u>	<u>\$ 5,559</u>	<u>\$7,670</u>	<u>\$ 66,126</u>	<u>\$ 33,896</u>	<u>\$ 23,922</u>	<u>\$ 211,626</u>

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



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

December 31, 2024

(in thousands)

Net change in fund balances - total government funds	\$ (24,768)
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Governmental funds report capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their useful lives and reported as depreciation or amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization expense in the current period.

Capital outlay	58,462	
Disposal of Capital and Lease Assets, net of internal service funds	(1,665)	
Depreciation and amortization expense	(19,800)	
Excess of capital outlay over depreciation and amortization expense		36,997

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position. Issuing debt increases long-term liabilities and does not affect the statement of activities.

Lease and subscription activity	204	
Direct placement activity	131	
Repayment of principal	5,511	
Subtotal		5,846

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.

Developer Contributions	12,884	
Grants/notes receivable - current net of allowance	11,552	
Subtotal		24,436

Internal service funds are used by management to charge the costs of certain activities, such as risk management, vehicle replacement and maintenance, information technology replacement and the print shop services. A portion of the revenue (expense) of certain internal service funds is reported with governmental activities.

5,195

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Amortization of revenue bond and certificates of participation premium	462	
Pension	13	
OPEB	25	
Interest expense	17	
Compensated absences	(553)	
Subtotal		(36)

Change in net position of governmental activities	\$ 47,670
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The accompanying notes are an integral part of these financial statements.



GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP)
December 31, 2024
(in thousands)

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Property and ownership taxes	\$ 9,444	\$ 9,444	\$ 10,852	\$ 1,408
Sales and use taxes	87,789	87,789	89,960	2,171
Franchise fees	5,608	5,608	4,958	(650)
Licenses and permits	3,961	3,961	4,292	331
Intergovernmental	5,570	5,570	6,213	643
Charges for services	570	570	1,379	809
Recovered costs	4,947	4,947	4,871	(76)
Fines and forfeitures	802	802	1,101	299
Investment earnings	1,477	1,477	4,269	2,792
Administrative services	6,486	6,486	6,386	(100)
Miscellaneous	63	63	561	498
Total revenues	126,717	126,717	134,842	8,125
EXPENDITURES				
Current expenditures:				
Community and Economic Development	5,709	5,819	5,556	263
Judicial	1,553	1,807	1,721	86
Management	5,542	6,818	5,241	1,577
Legal	2,946	3,064	3,171	(107)
Finance	12,092	13,033	12,499	534
Human resources	2,966	3,057	2,616	441
Public safety	32,646	33,751	32,455	1,296
Public works	36,037	38,215	36,152	2,063
Planning	337	370	374	(4)
Information technology	6,406	8,883	7,831	1,052
Total current expenditures	106,234	114,817	107,616	7,201
Capital outlay	183	9,496	9,489	7
Total expenditures	106,417	124,313	117,105	7,208
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	20,300	2,404	17,737	15,333
OTHER FINANCING SOURCES (USES)				
Loan to component unit	-	(12,000)	(12,000)	-
Issuance of subscription debt	-	-	306	306
Transfer in	191	191	-	(191)
Transfers out	(18,121)	(17,540)	(17,312)	228
Total other financing sources (uses)	(17,930)	(29,349)	(29,006)	343
NET CHANGE IN FUND BALANCE	2,370	(26,945)	(11,269)	15,676
FUND BALANCE, BEGINNING	85,722	85,722	85,722	-
FUND BALANCE, ENDING	\$ 88,092	\$ 58,777	\$ 74,453	\$ 15,676
Total expenditures as presented on budgetary basis			117,105	
less allocation of internal transfers			(6,386)	
Total expenditures as presented on GAAP basis			110,719	

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



CITY OF
ARVADA
COMMUNITY DEVELOPMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
December 31, 2024
(in thousands)

	Budgeted Amounts		Actual	Variance
	Original	Final	Amount	With Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 479	\$ 479	\$ 337	\$ (142)
Investment earnings	34	34	138	104
Miscellaneous	157	157	139	(18)
Total revenues	<u>670</u>	<u>670</u>	<u>614</u>	<u>(56)</u>
EXPENDITURES				
Current expenditures:				
Program costs	960	2,949	588	2,361
Capital outlay	-	-	43	(43)
Total expenditures	<u>960</u>	<u>2,949</u>	<u>631</u>	<u>2,318</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(290)</u>	<u>(2,279)</u>	<u>(17)</u>	<u>2,262</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	45	45	23	(22)
Transfers out	(266)	(191)	(8)	183
Total other financing sources (uses)	<u>(221)</u>	<u>(146)</u>	<u>15</u>	<u>161</u>
NET CHANGE IN FUND BALANCE	(511)	(2,425)	(2)	2,423
FUND BALANCE, BEGINNING	<u>5,561</u>	<u>5,561</u>	<u>5,561</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 5,050</u>	<u>\$ 3,136</u>	<u>\$ 5,559</u>	<u>\$ 2,423</u>

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



PARKS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
December 31, 2024
(in thousands)

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Licenses and permits	\$ 69	\$ 69	\$ 39	\$ (30)
Intergovernmental revenues				
Jefferson County-Open Space	7,234	7,234	7,117	(117)
Recovered costs	1	1	42	41
Investment earnings	52	52	334	282
Miscellaneous	1,414	1,414	1,599	185
	<u>8,770</u>	<u>8,770</u>	<u>9,131</u>	<u>361</u>
EXPENDITURES				
Current expenditures:				
Park maintenance	14,337	14,852	14,589	263
Capital outlay	-	2,384	9	2,375
Total current expenditures	<u>14,337</u>	<u>17,236</u>	<u>14,598</u>	<u>2,638</u>
EXCESS (DEFICIENCY) OF REVENUES UNDER EXPENDITURES	<u>(5,567)</u>	<u>(8,466)</u>	<u>(5,467)</u>	<u>2,999</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,356	5,356	5,313	(43)
Transfers out	-	-	(68)	(68)
Total other financing sources	<u>5,356</u>	<u>5,356</u>	<u>5,245</u>	<u>(111)</u>
NET CHANGE IN FUND BALANCE	<u>(211)</u>	<u>(3,110)</u>	<u>(222)</u>	<u>2,888</u>
FUND BALANCE, BEGINNING	<u>7,892</u>	<u>7,892</u>	<u>7,892</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 7,681</u>	<u>\$ 4,782</u>	<u>\$ 7,670</u>	<u>\$ 2,888</u>

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



**PROPRIETARY FUNDS
STATEMENT OF NET POSITION
December 31, 2024
(in thousands)**

	Business-Type Activities				Total Business Type Activities	Govern- mental Activities
	Major Funds			Internal Service Funds		
	Water Fund	Waste-water fund	Storm-water Fund	Non- Major Funds		
ASSETS						
CURRENT ASSETS						
Cash and investments	\$ 60,883	\$ 48,605	\$ 1,084	\$ 3,431	\$ 114,003	\$ 43,557
Cash with fiscal agent	15,833	-	-	-	15,833	-
Accounts receivable, net of allowance for uncollectibles	4,884	3,325	862	983	10,054	399
Accrued interest	208	31	7	-	246	213
Inventories	826	-	-	213	1,039	442
Prepaid costs	18	17	1	10	46	393
Interfund receivable	368	135	-	-	503	-
Lease Receivable	123	-	-	-	123	144
Total current assets	83,143	52,113	1,954	4,637	141,847	45,148
NONCURRENT ASSETS						
Advance to Golf Fund	-	1,040	-	-	1,040	-
Lease receivable	1,097	-	-	-	1,097	1,339
Non-current notes receivable, net of allowance for uncollectibles	-	2,321	-	-	2,321	-
Subscription assets net of amortization	-	-	-	56	56	4,572
Lease assets net of amortization	-	-	-	15	15	63
Land, water rights & construction in progress	173,286	13,066	8,658	4,230	199,240	-
Property and equipment, net of accumulated depreciation	168,340	67,414	55,984	10,601	302,339	16,786
Total non-current assets	342,723	83,841	64,642	14,902	506,108	22,760
Total assets	425,866	135,954	66,596	19,539	647,955	67,908
DEFERRED OUTFLOWS OF RESOURCES						
Items related to OPEB	16	5	2	4	27	4
LIABILITIES CURRENT LIABILITIES						
Accounts payable	7,508	3,039	230	750	11,527	2,376
Contracts payable	1,390	-	66	-	1,456	-
Accrued compensated absences	224	45	7	99	375	50
OPEB liability	92	30	14	29	165	30
Serial bonds payable	908	910	-	-	1,818	-
Claims payable	-	-	-	-	-	3,241
Interfund payable	-	-	-	503	503	-
Accrued interest	-	-	-	9	9	74
Lease payable	-	-	-	21	21	771
Unearned revenue	8	3	26	132	169	-
Total current liabilities	10,130	4,027	343	1,543	16,043	6,542
NONCURRENT LIABILITIES						
Accrued compensated absences	579	154	58	206	997	141
OPEB liability	92	29	14	28	163	28
Serial bonds payable	47,913	47,828	-	-	95,741	-
Subscription paybale	-	-	-	-	-	3,520
Advance from Wastewater Fund	-	-	-	1,040	1,040	-
Other liabilities	1,225	1,265	-	-	2,490	-
Total non-current liabilities	49,809	49,276	72	1,274	100,431	3,689
Total liabilities	59,939	53,303	415	2,817	116,474	10,231
DEFERRED INFLOWS OF RESOURCES						
Items related to lease receivable	1,149	-	-	-	1,149	1,386
Items related to OPEB liability	89	29	13	27	158	29
Total deferred inflows of resources	1,238	29	13	27	1,307	1,415
NET POSITION						
Net investment in capital, lease and subscription assets	303,083	71,876	64,460	14,881	454,300	17,130
Restricted - debt service	908	910	-	21	1,839	-
Unrestricted	60,714	9,842	1,710	1,797	74,062	39,136
Total net position	\$ 364,705	\$ 82,628	\$ 66,170	\$ 16,699	\$ 530,201	\$ 56,266
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					7,114	
Net position of business-type activities (page 27)					\$ 537,315	

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



PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION
December 31, 2024
(in thousands)

	Business-Type Activities				Govern- mental Activities
	Major Funds				
	Water Fund	Waste-water fund	Storm-water Fund	Non- Major Funds	Total Business Type Activities
					Internal Ser- vice Funds
OPERATING REVENUES					
Sales	\$ 37,310	\$ -	\$ -	\$ 8,553	\$ 45,863
Service charges & fees	524	17,663	4,348	6,218	28,753
Recovered costs	-	-	-	-	-
Contributions					
Employer	-	-	-	-	-
Employee	-	-	-	-	-
Retirees and continued benefit individuals	-	-	-	-	-
Miscellaneous	3,120	82	-	5	3,207
Total revenues	<u>40,954</u>	<u>17,745</u>	<u>4,348</u>	<u>14,776</u>	<u>77,823</u>
EXPENSES					
Operating, maintenance and administration	26,364	14,430	3,072	12,186	56,052
Insurance premiums	-	-	-	-	-
Uninsured damages & claims	-	-	-	-	-
Depreciation and amortization	5,307	1,753	1,423	770	9,253
Total expenses	<u>31,671</u>	<u>16,183</u>	<u>4,495</u>	<u>12,956</u>	<u>65,305</u>
OPERATING INCOME (LOSS)	<u>9,283</u>	<u>1,562</u>	<u>(147)</u>	<u>1,820</u>	<u>12,518</u>
NON-OPERATING REVENUES (EXPENSES)					
Investment	2,803	1,398	154	107	4,462
Gain (loss) on sale of assets	(12)	(567)	(21)	-	(600)
Interest expense	(2,085)	(2,109)	-	(51)	(4,245)
Total non-operating revenues (expenses)	<u>706</u>	<u>(1,278)</u>	<u>133</u>	<u>56</u>	<u>(383)</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	<u>9,989</u>	<u>284</u>	<u>(14)</u>	<u>1,876</u>	<u>12,135</u>
CAPITAL CONTRIBUTIONS	<u>11,295</u>	<u>3,133</u>	<u>984</u>	<u>-</u>	<u>15,412</u>
TRANSFERS IN	<u>33</u>	<u>-</u>	<u>-</u>	<u>411</u>	<u>444</u>
TRANSFERS OUT	<u>(65)</u>	<u>(6)</u>	<u>(863)</u>	<u>(416)</u>	<u>(1,350)</u>
CHANGE IN NET POSITION	<u>21,252</u>	<u>3,411</u>	<u>107</u>	<u>1,871</u>	<u>26,640</u>
NET POSITION, BEGINNING AS PREVIOUSLY REPORTED	<u>343,786</u>	<u>79,305</u>	<u>66,095</u>	<u>14,920</u>	<u>504,106</u>
RESTATEMENT FOR ADOPTION OF GASB 101	<u>(333)</u>	<u>(88)</u>	<u>(32)</u>	<u>(92)</u>	<u>(545)</u>
NET POSITION, BEGINNING AS RESTATED	<u>343,453</u>	<u>79,217</u>	<u>66,063</u>	<u>14,828</u>	<u>503,561</u>
NET POSITION, ENDING	<u>\$ 364,705</u>	<u>\$ 82,628</u>	<u>\$ 66,170</u>	<u>\$ 16,699</u>	<u>\$ 530,201</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					662
Change in net position of business-type activities (page 29)					<u>\$ 27,302</u>

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



PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
December 31, 2024
(in thousands)

Cash flows from operating activities

Cash received from external customers	\$ 39,597	\$ 17,093	\$ 4,023	\$ 14,606	\$ 75,319	\$ 3,333
Cash received from internal customers	-	-	-	-	-	29,459
Cash payments to external suppliers	(12,369)	(8,126)	(1,421)	(8,211)	(30,127)	(24,540)
Cash payments to internal suppliers	(1,605)	(603)	(173)	(702)	(3,083)	(417)
Cash payments to employees for services	(9,146)	(2,815)	(1,326)	(3,215)	(16,502)	(2,544)
Net cash provided by operating activities	<u>16,477</u>	<u>5,549</u>	<u>1,103</u>	<u>2,478</u>	<u>25,607</u>	<u>5,291</u>

Cash flows from non-capital financing activities

Transfers to other funds	(65)	(6)	(863)	(416)	(1,350)	-
Transfers from other funds	<u>33</u>	-	-	<u>411</u>	<u>444</u>	<u>2,639</u>
Net cash provided (used) in non-capital financing activities	<u>(32)</u>	<u>(6)</u>	<u>(863)</u>	<u>(5)</u>	<u>(906)</u>	<u>2,639</u>

Cash flows from capital & related financing activities

Capital contributions	8,451	1,941	-	-	10,392	-
Purchase of capital assets	(53,833)	(13,101)	(2,062)	(14)	(69,010)	(3,630)
Proceeds from sale of assets	-	-	-	-	-	181
Principal paid on lease and subscription payable	-	-	-	(210)	(210)	(723)
Interest paid on lease and subscription payable	-	-	-	(2)	(2)	-
Principal paid on serial bond payable	(790)	(785)	-	-	(1,575)	-
Interest paid on serial bond payable	(2,085)	(2,109)	-	-	(4,194)	-
Principal paid on interfund payable	-	-	-	(604)	(604)	-
Interest paid on interfund payable	476	646	-	(51)	1,071	-
Receipts from principal paid on interfund payable	-	-	14	-	14	-
Receipts from interest paid on interfund payable	(78)	-	-	-	(78)	-
Net cash provided (used) by capital and related financing activities	<u>(47,859)</u>	<u>(13,408)</u>	<u>(2,048)</u>	<u>(881)</u>	<u>(64,196)</u>	<u>(4,172)</u>

Cash flows from investing activities

Investment earnings	3,282	1,470	187	160	5,099	1,945
Change in pooled investments	(687)	(103)	(22)	(53)	(865)	(324)
Net cash (used) by investing activities	<u>2,595</u>	<u>1,367</u>	<u>165</u>	<u>107</u>	<u>4,234</u>	<u>1,621</u>
Net increase (decrease) in cash and cash equivalents	<u>(28,819)</u>	<u>(6,498)</u>	<u>(1,643)</u>	<u>1,699</u>	<u>(35,261)</u>	<u>5,379</u>

Cash and cash equivalents January 1, 2024	83,260	55,103	2,727	1,732	142,822	38,178
Cash with fiscal agent January 1, 2024	<u>22,275</u>	-	-	-	<u>22,275</u>	-
Total cash, cash equivalents and cash with fiscal agent January 1, 2024	105,535	55,103	2,727	1,732	165,097	38,178

Cash and cash equivalents December 31, 2024	60,883	48,605	1,084	3,431	114,003	43,557
Cash with fiscal agent December 31, 2024	15,833	-	-	-	15,833	-
Total cash, cash equivalents and cash with fiscal agent December 31, 2024	<u>76,716</u>	<u>48,605</u>	<u>1,084</u>	<u>3,431</u>	<u>129,836</u>	<u>43,557</u>

Reconciliation of operating income (loss) to net cash provided by (used) in operating activities:

Operating income (loss)	9,283	1,562	(147)	1,820	12,518	1,482
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation and amortization	5,307	1,753	1,423	770	9,253	5,228
(Increase) decrease in account receivable	(1,329)	(631)	(323)	(167)	(2,450)	(6)
(Increase) decrease in lease receivable	111	-	-	-	111	(1,483)
(Increase) decrease in notes receivable	-	-	-	-	-	-
(Increase) decrease in inventories	(227)	-	-	(50)	(277)	8
(Increase) decrease in prepaid costs	93	(17)	(1)	(1)	74	281
(Decrease) increase deferred inflow leases	(146)	-	-	-	(146)	1,386
(Decrease) increase in accrued payroll	(349)	37	24	60	(228)	-
(Decrease) increase in accounts payable	1,704	2,089	(8)	(75)	3,710	(1,197)
(Decrease) increase in contracts payable	331	(599)	66	-	(202)	-
(Decrease) increase in claims payable	-	-	-	-	-	(471)
(Decrease) increase in total OPEB liability	(13)	6	15	(2)	6	1
(Decrease) increase in unearned revenue	97	5	1	48	151	-
(Decrease) increase in other liabilities	1,225	1,265	-	-	2,490	-
(Decrease) increase in compensated absences	390	79	53	75	597	62
Net cash provided by operating activities	<u>\$ 16,477</u>	<u>\$ 5,549</u>	<u>\$ 1,103</u>	<u>\$ 2,478</u>	<u>\$ 25,607</u>	<u>\$ 5,291</u>

Non-cash investing, capital and financing activities

Developer contributions	\$ 2,844	\$ 1,192	\$ 984	\$ -	\$ 5,020	\$ -
Change in fair value of non-cash pooled investment	\$ (687)	\$ (103)	\$ (22)	\$ (53)	\$ (865)	\$ (324)
Capital assets accounts payable and contract payable outstanding	\$ 7,233	\$ 1,994	\$ 181	\$ -	\$ 9,408	\$ -
Amortization of deferred inflows - leases	\$ 146	\$ -	\$ -	\$ -	\$ 146	\$ 402
Amortization of lease and subscription assets	\$ -	\$ -	\$ -	\$ 194	\$ 194	\$ 1,059

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



FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2024
(in thousands)

	Defined Benefit Police Pension	Custodial Fund
Assets		
Pooled cash and investments	\$ 386	\$ 2,235
Money market	7	-
Accrued interest	2	11
Grants receivable	-	193
Contributions receivable	-	317
Total current assets	<u>395</u>	<u>2,756</u>
 Total Assets	 <u>395</u>	 <u>2,756</u>
Liabilities		
Current Liabilities		
Accounts payable	-	16
Due to employees	-	209
Total current liabilities	<u>-</u>	<u>225</u>
 Total liabilities	 <u>-</u>	 <u>225</u>
 NET POSITION RESTRICTED FOR		
Pensions	395	-
Individuals, organizations, and other governments	-	2,531
Total fiduciary net position	<u>\$ 395</u>	<u>\$ 2,531</u>

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



FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year Ended December 31, 2024
(in thousands)

	Defined Benefit Police Pension	Custodial Fund
ADDITIONS		
Investment earnings	\$ 17	\$ 83
Contributions	19	3,001
Total additions	<u>36</u>	<u>3,085</u>
DEDUCTIONS		
Program costs	-	2,407
Benefits paid	29	-
Total deductions	<u>29</u>	<u>2,407</u>
INCREASE (DECREASE) IN FIDUCIARY NET POSTION	7	678
Fiduciary net position, January 1	<u>388</u>	<u>1,853</u>
Fiduciary net position, December 31	<u><u>\$ 395</u></u>	<u><u>\$ 2,531</u></u>

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

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Notes to the Financial Statements

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1. Summary of Significant Accounting Policies

This is a summary of significant accounting policies for the City of Arvada, Colorado presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

A. Financial Reporting Entity

The City of Arvada is a political subdivision of the State of Colorado, located in Jefferson and Adams Counties in the northwest quadrant of the greater Denver, Colorado, metropolitan area. The population of the City is approximately 123,517. The City, incorporated in 1904, provides general government; police services; water; sewer, stormwater; solid waste, golf; park maintenance; and various trust and custodial functions in a fiduciary capacity. The City does not provide fire protection, or public education.

An elected mayor and six-member council govern the City. As required by accounting principles generally accepted in the United States of America (US GAAP) these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the City's operations and data from these units are combined with data of the City. The discretely presented component unit, on the other hand, is reported in a separate column in the government-wide statements to emphasize it is legally separate from the City. Each blended and discretely presented component unit has a December 31 year-end.

Blended Component Units

Arvada Housing Authority (Special Revenue Fund) – The Authority administers funds received for rent subsidy to low/moderate income households under Section 8 of the U.S. Housing Assistance Payment Program. The City provides all administrative support to the Authority. The Authority, a legally separate entity, is governed by a Board of Directors, which consists of all current members of the Arvada City Council. Separate audited financial statements for the Arvada Housing Authority are not prepared.

Arvada Economic Development Association (AEDA) (Special Revenue Fund) – AEDA was established to encourage and stimulate all forms of economic development, commercial and industrial. The City's management team has operational responsibility for AEDA. AEDA exclusively benefits the City through economic development which increases revenues received by the City. Separate audited financial statements for the Arvada Economic Development Association are not prepared.

Fiduciary Component Unit

Police Defined Benefit Pension Plan (Fiduciary Fund) – The single employer defined benefit pension plan covers the uniformed police officers who did not elect to participate in the Defined Contribution Police Plan that became effective January 1, 1986. One fully vested participant remains in the Defined Benefit Plan as of December 31, 2024. Funding for the plan consists of contributions from the City and investment earnings. The City also has operational responsibility for the Plan. Separate audited financial statements for the Police Defined Benefit Pension Plan are not prepared.

Discrete Component Unit

Arvada Urban Renewal Authority (AURA) – AURA is reported in a separate column as a discretely presented component unit to emphasize that it is legally separate from the City.

AURA was created by Ordinance No. 1717 under the Colorado Urban Renewal Law and was approved by the voters on March 3, 1981. Its purpose is to develop, redevelop or rehabilitate blighted areas of the City. AURA currently has five active project areas, Ralston Fields, Jefferson Center Metropolitan District (JCMD), Village Commons, Olde Town Station and Northwest Arvada. The governing body of the AURA is a commission of seven members, appointed by the Mayor and approved by City Council for staggered terms of five years. AURA's annual budget must be approved by the City Council and the City provides administrative support to AURA.

The City has implemented GASB Statement 61, *The Financial Statement Reporting Entity: Omnibus- An Amendment of GASB Statements No. 14 and No. 34*, and we believe that AURA is included as a discrete component unit in the City's financial statements because of the City's ability to appoint AURA's governing authority and approve the budget and its revision, however, the City does not have any responsibilities to fund AURA operating deficiencies or deficits.

Separate audited financial statements for AURA may be obtained by contacting the Finance Department at 720-898-7120 or writing to:

City of Arvada
Finance Department
8101 Ralston Road
Arvada, CO 80002

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these 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. Likewise, the City is reported separately from certain legally separate component units for which the primary government 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, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and defined benefit police pension fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Government fund financial statements are reported using the current financial resources measurement focus and 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, lease expenditures as well as expenditures related to compensated absences and judgments, are recorded only when payment is due.

Taxes, franchise fees, licenses, and interest 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

C. Financial Statement Presentation

The accounts of the City are organized and operated on the basis of funds, each of which is considered a separate accounting entity. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets and deferred outflows of resources, liabilities and deferred inflows of resources, fund balance/net position, revenues and expenditures or expenses as appropriate. The various funds are summarized by type within the financial statements.

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 required to be accounted for in another fund.

The Community Development Fund accounts for all entitlements, revenues and expenditures of the Community Development Block Grants (CDBG) program, the Home Rehabilitation program and Essential Home Repairs program and is a special revenue fund.

The Parks Fund accounts for costs associated with the acquisition, design, development, maintenance and beautification of parks, open space and trails within the City and is a special revenue fund. Revenues are primarily from Jefferson County Open Space funds and can include revenues from the City's General Fund, Grants Fund, and Lands Dedicated revenues.

The General Capital Projects Fund accounts for all major capital projects of the City. Appropriations are not restricted to a fiscal year. Sources of revenue to this fund are transfers from the General and other funds, interest earned, transfers from Jefferson County Open Space funds and contributions by developers and government grants.

The Construction Fund accounts for proceeds from the Sales and Use Tax Revenue Bonds Series 2019 as well as the Sales and Use Tax Revenue Bonds Series 2023. The fund will be used for reconstruction and widening of Ralston Road from Yukon Street to Garrison Street and the reconstruction and railroad underpass on West 72nd Avenue from Kipling Street to Simms Street.

Governmental funds that do not meet the criteria of major funds have been summarized and presented as other governmental funds within the fund financial statements.

The City reports the following major proprietary funds:

The Water Fund accounts for all activity within the scope of water utility operations. Water service is available within the City limits and is extended to some residents of the county and adjacent cities. All activities necessary to provide such service are accounted for in this fund, including administration, operations, capital water projects, maintenance, financing and related debt service, and billing and collection.

The Wastewater Fund accounts for all activities necessary in the collection, transmission, and disposal of sewage and wastewater. It includes administration, operations, capital maintenance, financing and billing and collection.

The Stormwater Fund accounts for all activities necessary to maintain a stormwater management plan. It includes administration, operations, capital maintenance and billing and collection.

Internal Service Funds are used to account for the City's fleet and information technology replacement, risk management insurance program, self-funded medical and dental insurance, printing services and building and fleet maintenance services.

The City reports the following fiduciary funds:

The Defined Benefit Police Pension Fund is used to account for the City's defined benefit police pension trust to provide retirement benefits for one retiree that did not elect to join the new plan formed in 1986.

Custodial Funds are used to account for monies held for the Ralston House, a local 503(c)(3) not-for-profit agency to which the City of Arvada provides accounting and investing services, and for the Jefferson Parkway Public Highway Authority (JPPHA), established in 2008 to complete the last unbuilt portion of the Denver metropolitan beltway through a public-private partnership.

The Fiduciary funds are reported on the accrual basis of accounting.

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

Proprietary funds distinguish operating revenues and expenses from non-operating 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. Operating expenses for enterprise and internal service funds include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available, it is the City's practice to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position**1) Deposits and Investments**

The City's cash and cash equivalents include amounts that are readily convertible to known cash and are not subject to significant risk from changes in interest.

The City pools cash resources of most funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the City's investments.

Cash overdrafts from pooled cash and investments are reported as an interfund receivable/payable.

Colorado statutes require that the City use an eligible public depository as defined by the Public Deposit Protection Act (PDPA). Under the Act, the depository is required to pledge a pool of eligible collateral having a market value at all times equal to at least 102% of the aggregate public deposits held by the depository not insured by Federal Depository Insurance. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. Each institution designated as a public depository can be assessed a portion of the losses of a public entity's deposits in a failed public depository. Thus, all public deposits are fully collateralized. Eligible collateral as defined by the Act primarily includes obligations of, or guaranteed by, the U.S. Government, the State of Colorado, or any subdivision thereof and obligations evidenced by notes received by first lien mortgages or deeds of trust on real property.

Investments in local government investment pools are reported at the net asset value per share which is determined based upon how the fund is valued (i.e. fair value or amortized cost). All other investments are reported at fair value. For cash and cash equivalents, the fair value approximates the carrying value. For long-term investments, fair value is determined via dealer quotes. The City considers all investments with original maturities at three months or less to be cash equivalents.

2) Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". On the Statement of Net Position, residual balances between governmental and business type activities are reflected as internal balances.

All receivables are shown net of an allowance for uncollectible accounts when applicable. The citizen invoice receivable allowance in the General Fund as of December 31, 2024, was \$47,913. The loans receivable allowance in the Community Development Fund as of December 31, 2024, was \$303,690. The loans receivable allowance in the Housing Fund as of December 31, 2024, was \$3,524. The customer account receivable allowance in the Water Fund as of December 31, 2024, was \$6,782.

Property taxes attach an enforceable lien on the property as of January 1 and are levied on the following January 1. Taxes are payable the following year in one installment made on or before April 30, or in two installments made on or before February 28 and June 15. The assessments and collections are made by Jefferson County and Adams County and are remitted monthly to the City. City property tax revenues certified in December are recorded as a receivable and an offsetting deferred inflow of resources.

The City records non-current receivables for interfund and other long-term notes on the Statement of Net Position of its Proprietary Fund Types. Within the governmental funds, all non-current receivables are fully offset by deferred inflow of resource. Non-current notes receivable in the governmental funds include loans to the Arvada Urban Renewal Authority \$12,949,159, and notes receivable to various customers in the Community Development and Parks Funds \$2,040,988. Non-current receivables and other long-term notes are shown on the statement of net position of the government-wide statements, net of allowance.

3) Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method with the exception of the City's central supply inventory which is valued at average cost. The cost of inventories is recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs in both government-wide and fund financial statements. The consumption method is used to recognize expense in the period service is provided.

4) Restricted Assets

The City first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available. Certain assets of the Community Development Block Grant special revenue fund are restricted because their use is completely restricted by grant agreements. Certain assets of the Construction Fund are restricted because their use is restricted due to Bond and Certificates of Participation (COP) rules.

5) Capital Assets

Capital assets which include property, plant, equipment, and all infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the Proprietary funds in the fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of more than one year. Such assets are recorded at historical costs or estimated historical cost if purchased or constructed. Donated assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Assets are assessed for impairment annually; there were no impaired assets during 2024.

Capital assets other than land and water rights are depreciated. Depreciation is computed using the straight-line method with estimated useful lives as follows:

<u>Assets and Lease Assets</u>	<u>Years</u>
Buildings	50
Road System Infrastructure	25
Other Improvements	20
Other Infrastructure	8-50
Equipment	5-10
Vehicles	3-5

6) Leases

Lessor Leases

The City is the lessor for noncancellable leases of real estate owned by the City. City recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental fund, and proprietary fund financial statements. The City recognizes lease receivables with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. All leases are fixed payment leases; there are no variable payment leases. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as miscellaneous revenue in the fund financial statements. The miscellaneous revenue in the Governmental Funds is \$648,467, and Enterprise Funds \$146,311.

Key estimates and judgements include how the City determines the discount rate it uses to discount the expected lease receipts to present value, lease term and lease receipts.

- The City uses the estimated incremental borrowing rate for the discount rate.
- The lease term includes the noncancellable period of the leases.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the leases.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Lessee Leases

The City is the lessee for noncancellable leases of land, equipment, and vehicles. The City recognizes a lease liability and intangible right-to-use lease asset (lease asset) in the government-wide and Enterprise fund financial statements. The City recognizes lease assets with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, less any lease incentives received from the lessor at or before commencement of the lease, plus certain initial indirect costs. Subsequently, the lease asset is amortized on the straight-line basis over the shorter of the lease term or the useful life of the underlying asset. All lease payments are fixed payment leases; there are no variable payment leases.

Key estimates and judgements related to leases include how the City determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term included the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease assets and liabilities if certain changes occur that are expected to significantly alter the amount of the lease liability. Lease assets are reported with capital assets and lease liabilities are reported with current and noncurrent liabilities on the statement of net position and Enterprise fund financial statements.

Subscription-Based Information Technology Arrangements

The City has entered into Subscription-Based Information Technology Arrangements (SBITA), which conveys the right to use another party's information technology software. The City recognizes a subscription liability and intangible right-to-use subscription asset (subscription asset) in the government-wide, Internal Service and Enterprise fund financial statements. The City recognizes subscription assets with an initial, individual value of \$5,000 or more.

At the commencement of a subscription agreement, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of the payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, less any subscription incentives received at or before commencement of the subscription, plus certain capitalizable initial implementation costs. Subsequently, the subscription asset is amortized on the straight-line basis over the shorter of the subscription term or the useful life of the underlying IT asset. The City has a variety of variable subscription payment clauses with varying set and percentage increases through the life of the subscription agreement.

Key estimates and judgements related to subscriptions include how the City determines the discount rate it uses to discount the expected subscription payments to present value, subscription term and subscription payments.

- The City uses the interest rate charged in the subscription agreement as the discount rate. When the interest rate charged is not provided, the City uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The subscription term included the noncancellable period of the subscription.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its subscription assets and liabilities if certain changes occur that are expected to significantly alter the amount of the subscription liability. Subscription assets are reported with capital assets and subscription liabilities are reported with current and noncurrent liabilities on the statement of net position and Enterprise fund financial statements.

7) Compensated Absences

Vacation Leave:

The City's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave:

Per the City's policy employees are permitted to accumulate sick leave up to 640 hours. Unused sick leave is not typically paid out upon termination, but the City recognizes a liability for sick leave based on an estimate of how much is likely to be used for time off. The liability for sick leave is measured based on the employee's pay rate at the end of the fiscal year using the last-in-first-out (LIFO) calculation method.

Vacation and sick leave pay are accrued when earned in the government-wide and proprietary fund financial

statements. The compensated absences are only reported in governmental funds if they are due. Compensated absences of the governmental activities are expected to be liquidated primarily with revenues of the General Fund.

8) Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. Long-term liabilities are reported net of the applicable debt premium or discount.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of the debt issued is reported 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 expenditures.

9) Deferred Inflows and Outflows of Resources

A deferred outflow of resources is a consumption of net assets that is applicable to future reporting periods. Deferred outflows of resources include items related to the Defined Benefit Police pension plan, items related to the OPEB liability, and deferred loss on debt refunding and is included in the government wide statements but not in the fund statements.

The loss on refunding represents refunding's resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt and is recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter.

The deferred outflows related to pensions are changes in the net pension liability that are to be recognized, beginning in the current reporting period, using a systematic and rational method, over a closed period that is either equal to a five-year period (for differences between projected and actual earnings on pension plan investments) or the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan determined as of the beginning of the measurement period.

There are two types of deferred outflows related to OPEB: (1) Changes in the OPEB liability to be recognized in the next budget fiscal year for administrative and employee benefits due to measurement date; (2) Changes in the OPEB liability that are to be recognized, beginning in the current reporting period, using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the OPEB plan (active employees and inactive employees) determined as of the beginning of the measurement period. Eligible deferrals are:

- A.** Difference between expected and actual experience with regard to economic or demographic factors (differences between expected and actual experience) in the measurement of the total OPEB liability
- B.** Changes of assumptions about future economic or demographic factors or of other inputs (changes of assumptions or other inputs).

A deferred inflow of resources is an acquisition of net assets that is applicable to future reporting periods.

Governmental funds report unavailable revenues as deferred inflows of resources in connection with receivables for revenues not considered available to liquidate liabilities of the current period. The City considers all funds received within 60 days of the end of the fiscal year to be available. Resources received in advance of all eligibility requirements being met, other than time restrictions, are reported as unearned revenue. Property tax receivables are reported as a deferred inflow of resources when levied in both the government-wide and fund statements.

The deferred inflows of resources related to the pension and OPEB are recognized in a manner consistent with the deferred outflows of resources described above.

The City's deferred inflows of resources related to leases are reported in accordance with GASB Statement No. 87, *Leases*.

10) Fund Balance

The City previously adopted the standards of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes. The classifications are designed based on the relative strength of the constraints that control how specific amounts can be spent, or the inability to be spent such as inventories and prepaids. When expenditures are incurred that use funds from more than one classification, the City will generally determine the order which the funds are used on a case-by-basis, taking into account any application requirements or grant agreements, contracts, business circumstances or other constraints. If no other constraints exist, the order of spending of resources will be restricted, committed, assigned and lastly, unassigned.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance classifications listed below:

1. **Non-spendable** – fund balance associated with inventories, prepaids, long-term loans and notes receivable (unless the proceeds are restricted, committed or assigned).
2. **Restricted** – fund balance that can be spent only for specific purposes stipulated by constitution, external resource providers or through enabling legislation.
3. **Committed** – fund balance that is subject to a purpose constraint imposed by formal action of the City Council. The City Council is the highest level of decision-making authority for the City. Commitments may be established, modified or rescinded through resolutions and ordinances approved by the City Council, both require the same level of action to add or remove the constraint.
4. **Assigned** – fund balance that is intended for use established by the City but are not considered restricted or committed. The financial policies and guidelines authorize the assignment of fund balances by informal action of City Council (no ordinance or resolution) or by the City Manager.
5. **Unassigned** – fund balance that is the residual classification that does not meet any of the other classifications and is used for the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance. Other governmental funds do not show a positive unassigned fund balance, however if expenditures incurred for specific purposes exceed amounts that are restricted, committed, or assigned to those purposes it may be necessary to show a negative unassigned fund balance in governmental funds other than the General Fund.

The following table illustrates the current fund balance amounts associated with each major fund and the

non-major funds in the aggregate:

Fund Balances:							
	General Fund	Community Development Fund	Parks Fund	Capital Projects Fund	Construction Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Inventories	\$ 578	\$ -	\$ 13	\$ -	\$ -	\$ -	\$ 591
Prepaid	224	-	5	2	-	12	243
Total Nonspendable	802	-	18	2	-	12	834
Restricted:							
Conservation Trust	-	-	-	-	-	3,157	3,157
Voter restricted sales tax - police	-	-	-	-	-	18,570	18,570
Seizure Funds	-	-	-	-	-	315	315
Emergencies - Tabor	4,488	18	274	301	433	505	6,019
Community Development	-	1,207	-	-	-	527	1,734
Housing	-	-	-	-	-	236	236
Debt service	-	-	-	-	-	600	600
Lands Dedicated	-	-	-	1,598	-	-	1,598
Adams County Open Space	-	-	-	432	-	-	432
Adams County Transportation	-	-	-	883	-	-	883
Park Development Fees	-	-	-	1,140	-	-	1,140
Capital - General	-	-	-	1,033	-	-	1,033
Capital - Parks	-	-	-	2,978	-	-	2,978
Capital - Streets	-	-	-	-	33,463	-	33,463
Capital - Traffic	-	-	-	8,758	-	-	8,758
Total Restricted	4,488	1,225	274	17,123	33,896	23,910	80,916
Committed							
Capital - General	-	-	-	15,500	-	-	15,500
Capital - Parks	-	-	-	19,412	-	-	19,412
Capital- Technology	-	-	-	-	-	-	-
Capital - Streets	-	-	-	1,125	-	-	1,125
Capital - Traffic	-	-	-	5,614	-	-	5,614
Total Committed	-	-	-	41,651	-	-	41,651
Assigned							
Capital - General	-	-	-	870	-	-	870
Capital - Parks	-	-	-	2,122	-	-	2,122
Capital - Streets	-	-	-	3,172	-	-	3,172
Capital - Traffic	-	-	-	1,149	-	-	1,149
Capital - Technology	-	-	-	37	-	-	37
Community Development	-	4,334	-	-	-	-	4,334
Parks	-	-	7,378	-	-	-	7,378
Total Assigned	-	4,334	7,378	7,350	-	-	19,062
Unassigned	69,163	-	-	-	-	-	69,163
Total Fund Balances	\$ 74,453	\$ 5,559	\$ 7,670	\$ 66,126	\$ 33,896	\$ 23,922	\$ 211,626

11) Net Position

Net position represents the difference between assets plus deferred outflows of resources, and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital, lease and subscription assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of any borrowing used for the acquisition or construction of improvements of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or

through external restriction imposed by creditors, grantors, laws, or regulations of other governments.

In November 1992, Colorado voters passed Article X, Section 20 to the State Constitution, described in Note 2C. The Amendment requires that a percentage of fiscal year spending, excluding bonded debt service, be legally restricted to be used for declared emergencies only. This amount is reflected on the government-wide statement of net position as net position – restricted for emergencies. The amendment requires a three percent emergency reserve at December 31, 1995, and thereafter. An emergency is defined in the Amendment as an event, which excludes economic conditions, revenue shortfalls, salary or fringe benefit increases.

12) Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

2. Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with US GAAP for all governmental funds except the capital projects and construction funds. All other annual appropriations lapse at fiscal year-end. The General Fund expenditures are budgeted on a non-GAAP basis due to the allocation of internal transfers. Proprietary Funds are budgeted on a non-GAAP basis due to the budgeting of capital outlay and not depreciation. Budgetary financial statements do not include the Capital Projects Fund or Construction Fund because the projects accounted for in these funds often span multiple years. Budgets are also not adopted for the Fiduciary funds, the Arvada Medical internal service fund, and the Arvada Economic Development Association Fund.

Not less than sixty days prior to the first day of the next fiscal year, Council adopts the City budget by resolution and the annual appropriation by ordinance. The City prepares a combination line item and program budget, but the level of control is at the fund level which is the amount approved by ordinance. For budgetary, appropriation and reporting purposes, interfund transfers are considered to be revenues or expenditures.

Both the adopted budget and the level of appropriation (by fund) can be amended during the budget year. This action requires Council approval in the form of a resolution for a budgetary amendment and by ordinance requiring a public hearing for an increase in appropriations. Intrafund budgetary transfers between departments within a fund can be accomplished with the approval of the Manager.

B. State Constitutional Amendment

On November 3, 1992, the voters of the State approved Article X, Section 20 to the State Constitution (the Amendment) limiting growth of public entities and their ability to borrow and tax.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of its annual revenue in grants from all state and local governments combined, are excluded from the provisions of the Amendment. The City's management is of the opinion that its Water, Wastewater, Stormwater, Golf and Solid Waste operations qualify for this exclusion.

The initial revenue base is 1992 fiscal year spending. Future revenue limits are determined based upon the prior year's fiscal year spending adjusted for a growth factor based upon inflation and changes in the actual value of real property within its boundaries. Excluded revenues such as gifts and federal funds are not used to calculate the limit. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

On November 5, 1996, the qualified electors of the City approved Resolution R-96-127, which reads as follows:

Without creating any new tax or increasing any current taxes, shall the City of Arvada be permitted, in 1996 and each year thereafter, to retain and spend City revenues in excess of the spending, revenue raising, or other limits in Article X, Section 20 or the Colorado Constitution, utilizing such revenues for public safety, municipal services, transportation and other public improvements, parks and recreational facilities, and any other lawful public purpose.

The Amendment requires, with certain exceptions, voter approval prior to imposing new taxes, increasing a tax rate, imposing a mill levy that will produce property tax revenue in excess of the amount collected in the previous year adjusted by the growth factor, extending an expiring tax, or implementing a tax policy change which directly causes a net tax revenue gain.

Except for bond refinancing at lower interest rates or adding employees to existing pension plans, the Amendment specifically prohibits the creation of multiple fiscal year debt or other financial obligations without voter approval and without irrevocably pledging present cash reserves for all future payments.

The City believes it is in compliance with the requirements of the Amendment. However, due to the broad general terms of the Amendment, the City has been required to make certain interpretations of the Amendment's language in order to determine its compliance. Ultimately, the courts may be required to determine the appropriate interpretations of the Amendment's terms and provisions.

3. Detailed Notes on Funds and Account Balances

A. Deposits and Investments

As of December 31, 2024, the City's cash deposits had a carrying value of \$2,355,370. The bank balances were \$10,945,872 of which \$493,718 was covered by federal deposit insurance and \$10,452,154 was collateralized with securities held by the pledging financial institution's trust department or agent in the City's name. Cash with fiscal agent had a balance of \$15,832,801, all of which are held in escrow for the Gross Reservoir Enlargement project with Denver Water. These funds are invested in instruments which follow the City's investment policies and procedures.

Investment policies are governed by the City's investment policies and procedures and State Statutes. Investments of the City and AEDA may include:

- Local government investment pools authorized under the laws of the State of Colorado whose investment policy closely mirrors that of the City.
- Direct obligations of the United States government, including such instruments as Treasury Bills, Treasury Notes, Treasury Bonds, Export Import Bank issues, Farmers Home Administration Insured Notes, certain scaled discount notes, and certain relatively short-term securities issued by the Government National Mortgage Association.
- Obligations of certain U.S. Government agencies, including but not limited to such instruments as Federal Home Loan Bank debt, Federal National Mortgage Association debt, certain scaled discount notes, and/or certain short-term Federal Farm Credit debt.
- Purchases of the direct or agency securities mentioned above, under the terms of a repurchase agreement or in support of a City "Sweep Account" which meet the City's procedures for the delivery, possession, and safekeeping of investment securities.
- Repurchase agreements.
- Commercial paper and certificates of deposits.
- AAA-rated money market funds.

Interest Rate Risk

The City's investment policy does not specifically address Interest Rate Risk. The State Statutes require 3 or 5 years depending on the investment. In practice, the City does not purchase any investments with a maturity of longer than 5 years with all "money market instruments" having a maturity of one year or less. The City assumes its investments will be held to maturity and callable investments may or may not be called.

Credit Risk

The City's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. The State Statutes specify rating requirements depending on the investment. All corporate bonds have A- or higher ratings from at least two credit rating agencies.

Concentration of Credit Risk

As a means of limiting its exposure, the City's total investment in any specific money market or mutual fund shall not exceed 10% of the total assets of such fund class. At December 31, 2024, the City's investments in the Federal Farm Credit Bank (FFCB), Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA), Federal Agricultural Mortgage Corporation (FAMC), and Supranationals are 5.47%, 13.39%, 5.63%, 4.97%, 2.61% and 4.23% of total investments, respectively.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City's investment policy requires commercial banks and savings and loan associations to be eligible public depositories within the meaning of the Colorado Revised Statutes of PDPA and S&L PDPA. The depositories will also have to possess overall financial strength, capitalization, and liquidity to ensure the safety and availability of such monies. The assessment of this overall financial strength shall be made applying generally accepted industry standards (i.e., capital requirements, asset quality, earnings, and liquidity) using available public agency and private rating services as appropriate.

Local Government Investment Pools

The City utilizes three local government investment pools for investment, when a high degree of liquidity is prudent. The three pools are the Colorado Local Government Liquid Asset Trust (COLOTRUST), The Colorado Surplus Asset Fund Trust cash fund (CSAFE), and the Colorado Statewide Investment Program Trust (CSIP), collectively, the Trusts. COLOTRUST and CSIP are local government investment pools with a stable net asset value (NAV) and its NAV is measured at fair value per share. CSAFE is considered a qualifying external investment pool under GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* and its NAV is measured at amortized cost per share. The State Securities Commissioner administers and enforces all State statutes governing the Trusts. The Trusts operate similarly to a money market fund and each share is equal in value to \$1.00, although not guaranteed. Investment objectives and strategies focus on safety, liquidity, transparency, and competitive yields through investment in a diversified portfolio of short-term marketable securities. The Trusts may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and highly rated commercial paper. A designated custodial bank serves as custodian of the Trusts' portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodians' internal records segregate investments owned by the Trusts. The Trusts do not have any limitations or restrictions on participant withdrawals.

Cash and Investments reported on the financial statements as of December 31, 2024 (in thousands):

Cash and Investments	\$ 371,937
Restricted Cash	17,919
Total per Statement of Net Position	<u>\$ 389,856</u>
Custodial Funds	2,235
Defined Benefit Police Pension	393
Total Financial Statement Cash & Investments	<u>\$ 392,484</u>
Carrying value of cash	\$ 2,355
Cash with Fiscal Agent	15,833
Fair market value of investments	374,296
Total value cash and investments	<u>\$ 392,484</u>

AURA Investment Policy

AURA is required to comply with State statutes which specify instruments meeting defined rating, maturity, and concentration risk criteria in which units of local government may invest. In addition, AURA has an investment policy in which seeks to ensure the preservation of capital in the overall portfolio.

Per AURA's investment policy, funds of AURA may be invested in:

- U.S. Treasury Securities
- Obligations of the U.S. Government agencies (including FDIC and FSLIC insured transactions up to \$100,000)
- Certificates of deposit and other evidence of deposit or investment at banks, savings and loan associations and other state or federally regulated financial institutions subject to PDPA (5%) and a minimum net worth of any bank of \$10,000,000 and a minimum net worth of any savings and loan association of \$15,000,000
- Repurchase agreements made in compliance with Revised Colorado State Statute 24-36-113. Repurchase collateral will be perfected and delivered to the Trustee. Repurchase agreements must be collateralized at a minimum of 100% of the purchase price of the repurchase agreement and market-to-market on a weekly basis. All repurchase agreements shall be evidenced by a master repurchase agreement between AURA and securities dealer
- Money market funds
- Investments with any financial institutions which have appeared in any published watch list during a 12-month period preceding the investment date in an amount greater than \$100,000 is specifically prohibited

AURA's investment policy follows State statutes, but places additional limits on investment maturities and custodial credit risk.

Interest Rate Risk – AURA's investment policy limits the maturity of investment instruments or fixed-income securities to a maximum of three years except for reserve funds which are invested subject to agreements tailored to bond indentures, when applicable.

Credit Risk – State statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by a nationally recognized organization that regularly rates such obligations. At December 31, 2024, AURA invested \$1,617,227 in a Vectra Bank Public Funds money market which is held at cost.

Custodial Credit Risk – AURA's investment policy requires that investments be placed with two or more financial institutions and in such amounts or proportions of total investments or assets as may be reasonable and prudent.

Concentration of Credit Risk – State statutes generally do not limit the amount AURA may invest in one issuer.

At December 31, 2024, the Authority invested in CSIP's Term Portfolio \$13,821, an investment established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. CSIP operates similarly to a money market fund and each share is equal to \$1.00. The value of the position in the pool is the same as the value of the pool shares. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned by the pool are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pool. The Authority's investment in CSIP is rated AAAf by Fitch Ratings. CSIP is routinely monitored by the Colorado Division of Securities with regard to operations and investments.

As of December 31, 2024 AURA's cash deposits had carrying values of \$3,178,930. The bank balances were \$5,677,962 of which \$500,000 was covered by the federal deposit insurance and \$5,177,962 was collateralized with securities held by the pledging financial institution's trust department or agent in AURA's name.

Fair Value of Investments

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1: Quoted (unadjusted) prices in active markets or an identical asset or liability at the measurement date.
- Level 2: The market approach technique is utilized using quoted prices of securities with similar characteristics or independent asset pricing services.
- Level 3: Unobservable inputs for an asset or liability

The City has the following fair value measurements as of December 31, 2024:

Investment by fair value level	Fair Value Measurements			
	Carrying Value	Level 1	Level 2	Level 3
US Treasuries	\$ 48,169,085	\$ 48,169,085	\$ -	\$ -
US Agency Securities	120,075,280	-	120,075,280	-
Corporate Bonds	46,419,613	-	46,419,613	-
Municipal Bonds	15,459,720	-	15,459,720	-
Negotiable Certificates of Deposit	404,721	-	404,721	-
Supranational	15,815,700	-	15,815,700	-
Total Investments by fair value level	246,344,119	48,169,085	198,175,034	-
Local Government Investment Pool - CSIP	118,411,891			
Local Government Investment Pool - COLOTRUST	9,519,323			
Local Government Investment Pool - CSAFE	21,021			
	127,952,234			
	<u>\$ 374,296,353</u>			

As of December 31, 2024, the City had the following investments and maturities:

Investment Maturities								
Asset Category	Credit Quality	Carrying Value	<= 1 year	>1 yr and <= 2 yrs.	>2 yrs and <= 3 yrs.	>3 yrs and <= 4 yrs.	>4 yrs and <= 5 yrs.	% of total
Local Government Investment Pool Trust Funds	AAA	\$ 127,952,234	127,952,234	-	-	-	-	34.18%
U.S. Treasuries	AA+	\$ 48,169,085	4,451,962	23,143,787	11,304,572	7,714,103	1,554,662	12.87%
U.S. Agencies								
FFCB	AA+	\$ 20,475,060	3,979,520	8,751,940	7,743,600	-	-	5.47%
FHLB	AA+	\$ 50,133,554	5,075,146	23,866,240	14,284,688	1,979,000	4,928,480	13.39%
FHLMC	AA+	\$ 21,084,159	6,888,070	1,390,211	4,523,920	5,918,279	2,363,678	5.63%
FNMA	AA+	\$ 18,613,807	17,569,330	529,263	-	515,214	-	4.97%
FAMC	AA+	\$ 9,768,700	7,786,000	-	1,982,700	-	-	2.61%
Supranationals	AAA	\$ 15,815,700	5,383,638	1,492,842	3,977,720	-	4,961,500	4.23%
Subtotal for U.S. Agencies		\$ 135,890,980	\$ 46,681,704	\$36,030,497	\$32,512,628	\$ 8,412,493	\$12,253,658	
Corporate Bonds	AA	\$ 46,419,613	7,958,150	12,330,290	8,994,679	5,768,910	11,367,584	12.40%
Municipal Bonds	AA+	\$ 15,459,720	12,903,833	559,587	-	-	1,996,300	4.13%
Negotiable Certificates of Deposit	A	\$ 404,721	-	404,721	-	-	-	0.11%
Total for all Asset Categories		<u>\$ 374,296,353</u>	<u>\$199,947,883</u>	<u>\$72,468,882</u>	<u>\$52,811,878</u>	<u>\$ 21,895,506</u>	<u>\$27,172,204</u>	
			53.42%	19.36%	14.11%	5.85%	7.26%	

B. Capital, Lease, and Subscription Assets

A summary of changes in capital, lease and subscription assets activity for the year ended December 31, 2024, follows (in thousands):

	Balance January 1, 2024	Additions	Retirements	Transfers To (From) CIP	Balance December 31, 2024
Primary Government:					
Governmental activities					
Capital, lease and subscription assets not being depreciated/amortized:					
Land	\$ 58,764	\$ -	\$ -	\$ 9	\$ 58,773
Lease land	237	-	-	-	237
Construction in progress	98,550	47,433	(329)	(7,037)	138,617
Total capital, lease and subscription assets, not being depreciated/amortized	157,551	47,433	(329)	(7,028)	197,627
Capital, lease and subscription assets, being depreciated/amortized:					
Buildings	62,554	9,399	-	1,003	72,956
Improvements other than buildings	178,368	1,976	-	2,679	183,023
Equipment & vehicles	55,022	3,537	(614)	329	58,274
Subscriptions	7,202	455	(240)	-	7,417
Lease equipment & vehicles	207	98	(90)	-	215
Infrastructure	487,629	10,874	-	3,017	501,520
Total capital, lease and subscription assets being depreciated/amortized	790,982	26,339	(944)	7,028	823,405
Less accumulated depreciation/amortization for:					
Buildings	(27,295)	(1,351)	-	-	(28,646)
Improvements other than buildings	(77,370)	(7,674)	-	-	(85,044)
Equipment & vehicles	(34,504)	(5,200)	600	-	(39,104)
Subscriptions	(684)	(1,425)	243	-	(1,866)
Lease equipment & vehicles	(158)	(83)	90	-	(151)
Infrastructure	(346,647)	(9,295)	-	-	(355,942)
Total accumulated depreciation/amortization	(486,658)	(25,028)	933	-	(510,753)
Total capital, lease and subscription assets, being depreciated/amortized, net	304,324	1,311	(11)	7,028	312,652
Governmental activities capital, lease and subscription assets, net	\$ 461,875	\$ 48,744	\$ (340)	\$ -	\$ 510,279
Business-type activities					
Capital assets not being depreciated/amortized:					
Water rights	\$ 31,605	\$ -	\$ -	\$ -	\$ 31,605
Land	8,168	-	-	-	8,168
Construction in progress	100,198	69,041	(217)	(9,554)	159,468
Total capital assets, not being depreciated/amortized	139,971	69,041	(217)	(9,554)	199,241
Capital, lease and subscription assets, being depreciated/amortized:					
Buildings	20,204	-	-	9	20,213
Improvements other than buildings	420,525	5,020	(1,137)	7,898	432,306
Equipment & vehicles	3,815	125	-	-	3,940
Subscriptions	62	-	-	-	62
Lease equipment & vehicles	565	-	-	-	565
Infrastructure	7,155	-	-	1,647	8,802
Total capital, lease and subscription assets being depreciated/amortized	452,326	5,145	(1,137)	9,554	465,888
Less accumulated depreciation/ amortization for:					
Buildings	(10,626)	(401)	-	-	(11,027)
Improvements other than buildings	(138,738)	(8,372)	537	-	(146,573)
Equipment & vehicles	(3,122)	(136)	-	-	(3,258)
Subscriptions	(24)	(24)	-	-	(48)
Lease equipment & vehicles	(339)	(170)	-	-	(509)
Infrastructure	(1,913)	(150)	-	-	(2,063)
Total accumulated depreciation/amortization	(154,762)	(9,253)	537	-	(163,478)
Total capital, lease and subscription assets, being depreciated/amortized, net	297,564	(4,108)	(600)	9,554	302,410
Business-type activities capital, lease and subscription assets, net	\$ 437,535	\$ 64,933	\$ (817)	\$ -	\$ 501,651

Depreciation and amortization expense was charged to functions/programs of the primary government as follows (in thousands):

	<u>Governmental</u>	<u>Business-Type</u>
General Government	\$ 8,221	\$ -
Public Safety- police and judicial	652	-
Public Works	10,130	-
Parks	797	-
Culture	-	-
Internal Service	5,228	-
Water	-	5,307
Wastewater	-	1,753
Stormwater	-	1,423
Golf	-	770
Total	<u>\$ 25,028</u>	<u>\$ 9,253</u>

C. Construction Commitments

The City has active construction projects as of December 31, 2024. The projects include streets, general construction and water, and stormwater system projects. At year end the City's commitments with contractors are as follows (in thousands):

	<u>Project Spent-to-Date</u>	<u>Remaining Commitment</u>
Streets construction	\$ 19,065	\$ 2,599
General Construction	42,003	2,938
Water system	23,875	6,919
Stormwater system	834	49
Total	<u>\$ 85,777</u>	<u>\$ 12,506</u>

D. Interfund Transactions

There were two "advance to" and "advance from" as of December 31, 2024. The Wastewater Fund loaned the Golf Fund \$2,000,000 for the construction of an irrigation system at Westwoods Golf Course. The loan is for 15 years at 2.5% interest with semi-annual interest and principal payments beginning in June 2018. The balance as of December 31, 2024, was \$1,174,706. The Water Fund loaned the Solid Waste Fund \$2,000,000 for the startup of this new service offered to citizens of Arvada. The loan is for five (5) years at 2.0% interest with annual interest and principal payments beginning in December 2021. The balance as of December 31, 2024, is \$368,130. These transactions have been eliminated in the presentation of the Government-Wide financial statements but appear in the proprietary funds' financial statements.

Transfers to/from other funds for the year ended December 31, 2024, were as follows (in thousands):

Fund	Trans In	Trans Out
General Fund	-	17,312
Community Development	23	8
Parks	5,313	68
Capital Projects Fund	9,255	3,263
Construction	5,340	-
Non-Major Governmental Funds	3,172	4,185
Water Fund	33	65
Wastewater Fund	-	6
Stormwater	-	863
Golf Course Fund	411	416
Solid Waste	-	-
Internal Service Fund	2,639	-
Total	26,186	26,186

The General Fund transfers out include support transfers to Parks, Community Development, Water, Golf Course, and Buildings Fund. Capital transfer to the Capital Projects Fund, to the Computers Fund for the ERP replacement, and debt transfers to the COP Fund.

The Community Development Fund transfer in is from the General Fund to support operations and the transfers out are to the Housing Fund for operations.

The Parks Fund transfer in is from the General Fund to support operations and safety. The transfer out is to the Vehicle Internal Service Fund to purchase vehicles.

This year the General and Police Tax Increment (TI) funds made transfers into the Capital Projects Fund for the evidence storage project and other various capital projects.

The Water Fund transfer out was to the Buildings Fund for the energy efficiency project. The transfers in are from the General Fund for operations.

The Wastewater Fund transfers out are to the Water Fund for operations, Buildings Fund for the energy efficiency project.

The Stormwater Fund transfers out are to the Water Fund for the operations, the Bond Funds for debt service payment on the 2015 Certificates of Participation, and the General Fund to support operations and safety.

The Golf Course Fund transfers in are from the General Fund to support operation and from Capital Projects Fund for various capital improvements. The transfers out are to the Buildings Fund for the energy efficiency project and the Debt Fund for payment of the 2015 Certificates of Participation.

The Internal Service Funds transfers in are in support of vehicle purchases, computer replacements, and support for the efficiency project in the Buildings Fund.

E. Long-Term Debt

Revenue Bonds, Certificates of Participation and Leases

Governmental Activities

Series 2016 Certificates of Participation

On August 31, 2016, the City issued \$11,180,000 of Certificates of Participation Series 2016 dated September 15, 2016, for two projects, Westwoods Golf Clubhouse expansion and W 72nd Ave and Indiana Ave intersection improvements. The coupon rate ranges from 4.0% to 5.0% with interest payable semi-annually on June 1 and December 1. The payments mature beginning in 2016 and continue through 2036.

Year Ending December 31	Principal	Interest	Total
2025	515	317	832
2026	540	291	831
2027	560	269	829
2028	585	247	832
2029	605	223	828
2030-2034	3,415	734	4,149
2035-2036	1,565	95	1,660
Totals	\$ 7,785	\$ 2,176	\$ 9,961

Sales and Use Tax Revenue Bonds Series 2019

On February 13, 2019, the City issued \$72,570,000 of Sales and Use Tax Revenue Bonds Series 2019 for two projects, West 72nd Ave improvements and railroad underpass between Kipling Street and Simms Street and Ralston Road improvement between Yukon Street and Garrison Street. The coupon rate ranges from 3.375% to 5.0% with interest payable semi-annually on June 1 and December 1. The bonds mature beginning in 2019 and continue through 2038.

Year Ending December 31	Principal	Interest	Total
2025	3,030	2,329	5,359
2026	3,180	2,177	5,357
2027	3,340	2,018	5,358
2028	3,510	1,852	5,362
2029	3,685	1,676	5,361
2030-2034	21,190	5,603	26,793
2035-2038	19,765	1,671	21,436
Totals	\$ 57,700	\$ 17,326	\$ 75,026

Series 2021 Certificates of Participation - Direct Placement

On December 22, 2021, the City and Jefferson County School District issued \$35,210,000 of 2021 Certificates of Participation in a direct placement transaction. The City and the School District entered into a "Lease Purchase" Agreement with the property consisting of the property located at 7900 Carr Drive Arvada, CO. The City and School District are each responsible for ½ of the Certificates of Participation, the City's portion is \$17,605,000. Should the School District default or fail to appropriate their portion of the payments, the City would become responsible for the entire payment. In the event of default by the City and the School District the property must be surrendered. The certificates have an interest rate of 2.25%, payable semi-annually. The payments mature starting in 2023 and continue through 2041.

The City's annual payments for Series 2021 Certificates and outstanding balance at December 31, 2024, are as follows (in thousands):

Year Ending December 31	Principal	Interest	Total
2025	786	357	1,143
2026	804	340	1,144
2027	822	322	1,144
2028	841	303	1,144
2029	860	284	1,144
2030-2034	4,601	1,118	5,719
2035-2039	5,145	574	5,719
2040-2041	2,225	63	2,288
Totals	\$ 16,084	\$ 3,361	\$ 19,445

Sales and Use Tax Revenue Bonds Series 2023

On May 31, 2023, the City issued \$7,230,000 of Sales and Use Tax Revenue Bonds Series 2023 for two projects, West 72nd Ave improvements and railroad underpass between Kipling Street and Simms Street and Ralston Road improvement between Yukon Street and Garrison Street. The coupon rate of 5.0% with interest payable semi-annually on June 1 and December 1. The bonds mature beginning in 2023 and continue through 2042.

Year ending December 31	Principal	Interest	Total Payment
2025	95	343	438
2026	105	339	444
2027	110	333	443
2028	110	328	438
2029	115	322	437
2030-2034	680	1,518	2,198
2035-2039	1,830	1,330	3,160
2040-2042	3,820	388	4,208
Totals	\$ 6,865	\$ 4,901	\$ 11,766

Governmental Leases

The City's annual payments for governmental lease liabilities and outstanding balance at December 31, 2024, are as follows (in thousands):

Year ending December 31	Principal	Interest	Total Payment
2025	95	8	103
2026	14	4	18
2027	15	4	19
2028	16	3	19
2029	16	3	19
2030-2034	95	9	104
2035-2036	33	1	34
Totals	284	32	316

The City's annual payments for governmental subscription liabilities and outstanding balance at December 31, 2024, are as follows (in thousands):

Year ending December 31	Principal	Interest	Total Payment
2025	1082	191	1273
2026	867	154	1021
2027	509	129	638
2028	461	108	569
2029	492	88	580
2030-2033	1709	128	1837
Totals	5120	798	5918

Business Type Activities

Water Enterprise Revenue Bonds Series 2022

On December 20, 2022, the City issued \$48,150,000 of Water Enterprise Revenue Bonds Series 2022 for various wastewater infrastructure projects. The coupon rate ranges from 4.0% to 5.0% with interest payable semi-annually on June 1 and December 1. The bonds mature beginning in 2023 and continue through 2052.

Year ending December 31	Principal	Interest	Total Payment
2025	830	2,045	2,875
2026	875	2,004	2,879
2027	915	1,960	2,875
2028	960	1,914	2,874
2029	1,010	1,866	2,876
2030-2034	5,860	8,520	14,380
2035-2039	7,475	6,902	14,377
2040-2044	9,355	5,025	14,380
2045-2049	11,385	2,998	14,383
2050-2052	7,980	647	8,627
Totals	\$ 46,645	\$ 33,881	\$ 80,526

The 2022 Water Enterprise Revenue Bonds are paid solely from revenues of the Water Fund. During the year ended December 31, 2024, revenues of \$25,510,938 were available to pay the annual debt service of \$2,874,550.

Wastewater Enterprise Revenue Bonds Series 2022

On December 20, 2022, the City issued \$47,855,000 of Water Enterprise Revenue Bonds Series 2022 for various water infrastructure projects. The coupon rate ranges from 4.0% to 5.0% with interest payable semi-annually on June 1 and December 1. The bonds mature beginning in 2023 and continue through 2052.

Year ending December 31	Principal	Interest	Total Payment
2025	825	2,070	2,895
2026	865	2,028	2,893
2027	910	1,985	2,895
2028	955	1,940	2,895
2028	1,000	1,892	2,892
2030-2034	5,810	8,657	14,467
2035-2039	7,415	7,052	14,467
2040-2044	9,280	5,190	14,470
2045-2049	11,310	3,159	14,469
2050-2052	7,990	689	8,679
Totals	\$ 46,360	\$ 34,662	\$ 81,022

The 2022 Wastewater Enterprise Revenue Bonds are paid solely from revenues of the Wastewater Fund. During the year ended December 31, 2024, revenues of \$6,566,505 were available to pay the annual debt service of \$2,893,956.

Business Type Leases

The City's annual payments for business type subscription liabilities and outstanding balance at December 31, 2024, are as follows (in thousands):

Year ending December 31	Principal	Interest	Total Payment
2025	21	-	21
Totals	21	-	21

Changes in General Long-Term Liabilities

During the year ended December 31, 2024, the following changes occurred in liabilities reported in the governmental activities (including internal service funds), and business type activities (in thousands):

Governmental Activities	Balance 1/1/2024 as restated	Additions	Reductions	Balance 12/31/2024	Due in 1 year
Sales and Use Tax Revenue Bonds Series 2019	\$ 60,585	\$ -	\$ 2,885	\$ 57,700	\$ 3,030
Bond Premium - Sales and Use Tax Series 2019	5,826	-	364	5,462	364
Sales and Use Tax Revenue Bonds Series 2023	6,960	-	95	6,865	95
Bond Premium - Sales and Use Tax Series 2023	910	-	48	862	48
Lease liability	277	98	91	284	95
Subscription liability	6,054	392	1,327	5,120	1,082
2016 Certificates of Participation	8,275	-	490	7,785	515
Certificate of Participation Premium	1,218	-	94	1,124	94
Compensated Absences*	6,957	734	-	7,690	2,743
Total Governmental	\$ 97,062	\$ 1,224	\$ 5,394	\$ 92,892	\$ 8,066

Governmental Activities - Direct Placement	Balance 1/1/2024	Additions	Reductions	Balance 12/31/2024	Due in 1 year
2015 Certificates of Participation	\$ 1,270	\$ -	\$ 1,270	\$ -	\$ -
2021 Certificates of Participation	16,853	-	770	16,083	786
Equipment purchase, direct placement	402	-	131	271	134
Total Governmental- Direct Placement	\$ 18,525	\$ -	\$ 2,171	\$ 16,354	\$ 920

Business-Type Activities	Balance 1/1/2024 as restated	Additions	Reductions	Balance 12/31/2024	Due in 1 year
Water Enterprise Revenue Bond 2022	\$ 47,435	\$ -	\$ 790	\$ 46,645	\$ 830
Bond Premium - Water Enterprise Revenue Bond 2022	2,254	-	78	2,176	78
Wastewater Enterprise Revenue Bond 2022	47,145	-	785	46,360	825
Bond Premium - Wastewater Enterprise Revenue Bond 2022	2,463	-	85	2,378	85
Lease liability	191	-	191	-	-
Subscription liability	41	-	20	21	21
Compensated Absences*	1,319	52	-	1,372	292
Total Business Type	\$ 100,849	\$ 52	\$ 1,949	\$ 98,952	\$ 2,131

* The change in compensated absences above is a net change for the year.

4. Other Information

A. Risk Management

The City has established a risk management program for much of its insurance needs. It is self-insured for occurrences of general liability and auto liability claims, which are subject to the Colorado Governmental Immunity Act which caps recoveries at \$424,000 per person and \$1,195,000 per accident. Property damage is subject to a \$100,000 deductible except for wind and/or hail then it is \$250,000 minimum or 5% of the value of each location. Liability insurance a \$250,000 self-insured retention (SIR). Effective April 1, 2022, the Workers' Compensation program maintains a self-insured retention limit of \$750,000. There have been no settlements which exceed the Governmental Immunity Caps for general or auto liability in the last three years.

Premiums are paid by each department into the Insurance Fund (internal service) to pay claims, claim reserves, loss control and administrative costs of the program including premiums to commercial insurance companies for losses in excess of the self-insured amounts.

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The liability for claims and judgments is recorded in the internal service funds.

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

	Insurance Service
Unpaid Claims, January 1, 2023	\$ 3,210
Incurred Claims	407
Claim Payments	702
Unpaid Claims, December 31, 2023	2,915
Incurred Claims	374
Claim Payments	824
Unpaid Claims, December 31, 2024	\$ 2,465

Effective January 1, 2014, the City established a self-funded medical insurance program for employees who choose to participate in the program. The City utilizes a third-party provider to administer the plan. Excess insurance coverage is maintained for claims greater than \$175,000 to limit the loss of any individual claim. Changes in the balance of unpaid claims related to medical insurance during the past two years are as follows (in thousands):

	Medical Insurance
Unpaid Claims, January 1, 2023	\$ 771
Incurred Claims	10,154
Claim Payments	10,128
Unpaid Claims, December 31, 2023	797
Incurred Claims	11,058
Claim Payments	11,079
Unpaid Claims, December 31, 2024	\$ 776

The City also provides dental insurance for employees. Dental claims are limited to \$1,500/year per person.

B. Commitments and Contingencies

1) Litigation

The City is involved in pending litigation. The City anticipates no potential claims resulting from these cases which would materially affect the financial statements of the City.

2) Federal Grants

Federal grants are subject to audit which could result in disallowed costs, the amount which is undeterminable at December 31, 2024. If any costs are disallowed in the future, the City expects them to be insignificant.

3) Tax Abatements

The City enters into sales tax abatement agreements with local businesses for the purpose of attracting or retaining businesses within the City. Abatements are granted to businesses located within or promising to relocate to the City upon City Council approval.

For the fiscal year ended December 31, 2024, the City abated sales taxes totaling \$72,979 under this program, including the following tax abatement agreements:

- A 50% sales tax abatement to a retail store for construction including infrastructure and improvements of a retail store. The abatement amounted to \$2,729.
- A 100% admission tax abatement after the first \$100,000 is retained by the City annually and a 100% use tax abatement on the building permit to reconstruct and modernize a public amenity. The abatement amounted to \$70,250.

4) AURA Commitments

Developer Agreements

The Authority, under the Urban Renewal Law of the State of Colorado, has entered into various Disposition and Development Agreements (DDAs) with certain developers, the terms of which are scoped into the requirements of Governmental Accounting Standards Board Statement No. 77, Tax Abatements. These agreements generally stipulate that the Authority will sell property held for resale, typically at a discount, and provide certain types of property and sales tax rebates (in excess of a set "base" amount and up to a set maximum dollar threshold and/or maturity date), lodging tax rebates, public improvement fee (PIF) rebates and/or PIF in lieu of sales taxes in exchange for a commitment from the developer to purchase, develop and otherwise rehabilitate the related property within a specified period of time.

As of December 31, 2024, the Authority has entered into 11 DDAs expiring from 2025 to 2035. During the year ended December 31, 2024, the Authority rebated property tax of \$27,665,810, PIF of \$1,301,158 and lodging tax of \$79,013.

C. Industrial Development Revenue Bonds and Other Instruments Issued under the Colorado County and Municipality Development Revenue Bond Act

The City has lent its name to various industrial development revenue bond issues over the years. Proceeds from these bonds have been used to finance private sector activities related to business development, construction and expansion.

Private Activity Bonds (PABs) are a form of tax-exempt financing in which the City acts as the conduit issuer under the County and Municipality Development Revenue Bond Act, section 29-3-101 et seq. C.R.S. PABs are authorized for the purpose of enabling counties and municipalities to promote industry and develop trade or other forms of economic activity by inducing profit or nonprofit enterprises to locate, expand or remain in their communities. An advantage to borrowers is the ability to access lower interest rates because the bonds are exempt from federal income tax. The City currently prioritizes allocating its PABs to qualified residential rental projects. These PABs are secured by the property financed and are payable solely from specific revenue streams related to the project. As such, the City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The City currently assigns its annual PAB allocation to Colorado Housing and Finance Authority (CHFA).

D. Retirement Commitments

The City has adopted one pension plan and three defined contribution plans (Plans) covering all employees, except those hired on a temporary basis.

Although it has not expressed any intention to do so, the City has the right under the Plans to discontinue its contribution or to terminate the Plans.

Should the Plans terminate at some future time; their net position will be used to provide participants' benefits. Upon such termination, the assets of the Plans are to be allocated for the benefit of each participant and the beneficiary in a manner approved by the Internal Revenue Service.

1) Defined Benefit Police Pension Plan

Governmental Accounting Standards Board Statement No. 67 *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25* (GASB 67) establishes the requirements for governmental pension plan financial statement reporting, including pension plan financial statements included as a pension trust fund of a government. Accordingly, GASB 67 applies to the City's reporting of statement of fiduciary net position, statement of changes in fiduciary net position, certain notes to the financial statements and certain required supplementary information (RSI).

Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* sets forth the pension reporting requirements for the City in the statement of net position, statement of activities, certain notes to the financial statements and certain RSI. For purposes of measuring net pension liability, deferred outflows of resources and deferred inflows of resources related to the pension, pension expense, and information about the fiduciary net position of the Defined Benefit Police Pension (Plan) have been determined on the same basis as they are reported by the Plan. Benefit payments are recognized when due and payable. As no stand-alone financial report is issued, all required disclosures for both GASB 67 and GASB 68 are contained in this note.

Plan Description

The City has a single employer defined benefit pension plan that covers the uniformed police officers who did not elect to participate in the Defined Contribution Police Pension Plan that became effective January 1, 1986. In 1986, single premium group annuities were purchased for the benefit of retired employees, beneficiaries and terminated vested employees. After January 1, 1986, all new uniformed police officers are participants in the Defined Contribution Police Pension Plan.

The pension plan board consists of seven trustees, the Director of Finance (or designee), the Director of Human Resources (or designee), one resident citizen of the City of Arvada not employed by the City or affiliated with the retirement plan, four members of the retirement system elected by the members of the retirement system.

One fully vested participant remains in the Defined Benefit Plan as of December 31, 2024. The participant began receiving retirement benefits in 1997, as defined by City ordinance. The City does not issue a stand-alone financial report for the plan.

Lifetime retirement benefits are established in Chapter 86 of the City of Arvada City Code. A monthly benefit begins at the age of 55 and is based upon the members final base pay, allowing 2 ½ percent for each year of credited service to a maximum of 65 percent of final base pay. Final base pay is determined on the basis of the highest total salary received during any three consecutive years of service divided by the number of months for which pay was received.

No contributions were made by the participant for the year ended December 31, 2024. The City contributed \$20,000 per year to the plan from 2012 through 2015. During 2016 the City contributed \$170,000 to the plan, \$12,000 in 2019 and 2020, \$18,000 in 2022, an \$18,450 in 2023, and \$19,096 in 2024. The City did not make a contribution to the plan during 2017, 2018 or 2021.

Investments

The pension plan's investment policy follows the City's investment policy as summarized on pages 57-58. The December 31, 2024, plan asset allocation is shown below:

Asset Class	Allocation
Local Government Investment Pool	1.94%
Pooled cash and investments	98.06%
	<u>100.00%</u>

For the year ended December 31, 2024 the annual money-weighted rate of return on pension plan investments, net of pension plan expense, was 4.50% percent. The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of them they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow each month. The money-weighted rate of return is calculated net of investment expenses.

Net Pension Liability of the City

The components of the net pension liability of the City at December 31, 2024, were as follows:

Total pension liability	\$ 370,364
Plan fiduciary net position	<u>395,401</u>
City's net pension liability (asset)	<u>(\$ 25,037)</u>
Plan fiduciary net position as a percentage of the total pension liability	106.76%

Mortality rates were based on the Pub-2010 Safety Retiree Mortality (Participant) and Pub 2010 General Retiree Mortality (Spouse), with Generational Projection using MP2020.

The long-term expected rate of return is selected by the Plan Sponsor after review of expected inflation and long-term real-returns, reflecting volatility and correlation. The assumption currently selected is 1.50% per annum, net of investment expenses.

The discount rate used to measure the total pension liability was based on the daily rate of the municipal bond rate closest to, but not later than, the measurement date in accordance with GASB 68. The resulting rate is a single discount rate of 4.08 percent. The projection of cash flows used to determine the discount rate assumed the City will not make additional contributions to the plan.

The following presents the net pension liability of the City, calculated using the discount rate of 4.08 percent, as well as what the City's net pension (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (3.08 percent) or 1-percentage-point higher (5.08 percent) than the current rate:

	"1% Decrease (3.08%)"	"Current Discount Rate (4.08%)"	"1% Increase (5.08%)"
Net pension liability (asset)	\$ 11,914	\$ (25,037)	\$ (56,544)

Net Pension Liability of the City

The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2025, rolled back to December 31, 2023 using standard actuarial methods.

Significant methods and assumptions included the following:

- Actuarial Valuation Date – January 1, 2025
- Measurement Date – December 31, 2024
- Actuarial Cost Method – Entry Age Normal
- Amortization Method – Level Dollar, closed
- Rate of Investment Return – 1.5% per annum
- Remaining Closed Amortization Period – 6 years
- Asset Valuation Method – Market Value

Changes in the Net Pension Liability

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
Balances as of December 31, 2023	\$ 392,084	\$ 388,292	\$ 3,792
Interest on total pension liability	14,243	-	14,243
Effect of economic/demographic gains or losses	3,675	-	3,675
Effect of assumptions changes or inputs	(10,819)	-	(10,819)
Benefit payments	(28,819)	(28,819)	-
Employer contributions	-	19,096	(19,096)
Net investment income (loss)	-	16,832	(16,832)
Balances December 31, 2024	<u>\$ 370,364</u>	<u>\$ 395,401</u>	<u>\$ (25,037)</u>

Information regarding pension plan fiduciary net position can be found on pages 40-41 of this report.

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

For the year ended December 31, 2024, the City recognized pension expense of \$4,922. At December 31, 2024 the City reported deferred outflows and inflows of resources related to pensions from the following source:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between expected and actual experience	\$ -	\$ -
Assumption Changes	-	-
Net difference between projected and actual earnings on pension plan investments	-	3,082
Totals	<u>\$ -</u>	<u>\$ 3,082</u>

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

Year ended December 31:	
2025	\$ 3,368
2026	540
2027	(4,774)
2028	(2,216)
2029	-
Thereafter	-
Total	<u>\$ (3,082)</u>

2) City of Arvada Retirement Plan – Defined Contribution Plan

Effective January 1, 1993, all eligible City employees participate in the City of Arvada Retirement Plan (CARP), a defined contribution plan.

All City full-time and part-time employees, except uniformed police officers, the City Manager, the City Attorney, the Municipal Judge and Department Heads are eligible to participate in CARP. 584 employees were participants in the plan as of December 31, 2024. Employer contributions vest with the employee according to the following:

Years of Service	Vesting Percentage
Less than 1 year	0%
1 year	20%
2 years	40%
3 years	60%
4 years	80%
5 or more years	100%

The plan requires covered employees to contribute 8% of their salary to the plan and the City to contribute 10% of the compensation of all participants hired after April 2, 2004. Employees hired on or before April 2, 2004, had a choice of receiving a flat rate 10% contribution or receiving an age weighted, graduated retirement contribution up to a maximum of 15%. The maximum permissible contribution is the lesser of \$51,000 or 100% of the participant's earnings for the plan year.

If a participant is less than one hundred percent vested at the time of termination of employment, the non-vested portion of the amount in his/her Employer Contribution account shall be credited to a suspense account. If the participant does not incur a break in service after termination, prior to re-employment the credit in the suspense account shall be transferred back to the reconstituted Employer Contribution Account. If a break in service occurs after termination the amount credited to the suspense account will be used first to offset expenses of the plan. If the value in the suspense account exceeds \$50,000 as of the last day of the plan year, the amounts in excess of \$50,000 shall be allocated to participants pro rata based upon each participant's months of continuous service with the City during which the participant participated in the City benefit plans.

Benefit payments are based upon the participant account balance as of the valuation date immediately preceding the date of distribution. The participant may elect to receive distribution in a lump sum; substantially equal annual, semi-annual, quarterly, or monthly installments; through the purchase of an immediate or deferred single payment, non-transferable annuity contract; or a combination of the above.

The required City contribution of \$5,366,490 and the required employee contributions of \$4,164,281 were paid during 2024. Additional employee contributions, in the form of rollovers, of \$1,479,711 were also made in 2024. The required contributions represent 10.3% and 8% of total covered payroll, respectively. The plan investments are maintained and administered by Fidelity.

3) Defined Contribution Police Pension Plan

The City provides retirement benefits for all of its uniformed officers not covered in the Defined Benefit Police Pension Plan through a defined contribution plan named the City of Arvada Police Retirement Plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Participants are eligible to participate from the date of employment.

The Plan requires that the City and the participant each contribute 12% of the participant's compensation. Participants are fully vested after five years of continuous service. City contributions for, and interest forfeited by, employees who leave employment before five years of service are used to reduce the Plan's expenses.

171 employees were participants as of December 31, 2024. The required contributions for the City were \$2,079,190, and for the City of Arvada Police Retirement Plan employees the required contributions were \$2,482,452 (12% of covered payroll). The plan allows voluntary and roll over contributions by employees. The plan investments are maintained and administered by Fidelity Investments.

4) Executive Retirement Plan

The City provides retirement benefits for the City Manager, the City Attorney, and the Municipal Judge through separate defined contribution plans. The plans are administered by Fidelity Retirement Services. Qualified employees are eligible to participate from the date of employment. Under the plan, the City contributes an amount equal to 10.02% of the participant's base salary. The employees covered by this plan were required to make an 8% contribution in 2024.

Employees covered under these Plans are vested upon date of hire. Employees who leave employment with the City are entitled to all contributions and interest earnings. For the year ended December 31, 2024, the City contributed \$89,914 for the benefit of the 3 participants in the Plan and the employees contributed \$57,533, as required. The plan investments are maintained and administered by Fidelity Investments.

E. Postemployment Benefits Other than Pensions

Governmental Accounting Standards Board Statement No. 75 *Accounting and Financial Reporting for Post-employment Benefits Other than Pensions* establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources and expenditures and certain note disclosure and required supplementary information.

Plan Description

The City has established a single employer-defined benefit post-employment healthcare plan for eligible retirees, their spouses, and dependents.

All benefits are provided through the City's self-insured health plan. The two optional benefits levels High Deductible Health Plan (HDHP) and Traditional Open Access – IN Plan (OAP-IN), are the same for retirees as those afforded to active employees.

Benefits Provided

The City provides retiree health program coverage to current and future retirees of the City who qualify for retirement. Members who terminate prior to retirement eligibility are not eligible to participate in the program. The election to participate in the plan must occur upon retirement. The retirement eligibility is based on the following requirements:

Civilian employees (CARP retirement plan) must have completed 20 years of service or must have completed five years of service and attained 59 ½ years of age.

Sworn police officers (The City of Arvada Police Retirement Plan) must have completed 20 years of service.

Once a retiree reaches the age of 65, or becomes eligible for Medicare, the retiree is no longer eligible to receive benefits under the City's plan.

As of December 31, 2024, the following employees were covered by the benefit terms:

Retirees and beneficiaries receiving benefits	20
Active Employees	713
	<u>733</u>

Accounting Policy

An irrevocable trust has not been established that meets the criteria in paragraph 4 of GASB Statement No. 75. Therefore, the plan is not accounted for as a trust fund. The plan does not issue a stand-alone financial report for the plan.

Funding Policies

The contribution requirements of plan members and the City are established and may be amended by the City Council. The required contribution is based on projected pay-as-you-go financing requirements. For the year ended December 31, 2024, the City made \$122,670 in contributions to the plan. Plan members are required to contribute their share of the premiums.

Monthly retiree health coverage contribution rates for offered benefit levels are as follows:

	HDHP	OAP-IN
Retiree	\$ 680	\$ 791
Retiree plus one	\$ 1,429	\$ 1,662

Actuarial Methods and Assumptions

Actuarial cost method	Individual Entry-Age Normal
Discount rate	4.08%
Inflation	2.50%
Salary increases	3.50%, including inflation
Medical trend	7.50% declining to an ultimate rate of 4.25% after 15 years
Mortality	For healthy retirees, the Pub-2010 Retirees Tables for males and females are used. Those rates are projected on a fully generational basis based on the mortality improvement scale MP-2020.
Mortality Improvement Scale MP-2020 from 2010 base year, and projected forward using MP-2020 on a generational basis participation rates	All current retired participants are assumed to continue retiree health coverage. 20% of future eligible retired participants are assumed to elect retiree health coverage upon retirement. This assumption is based on historical participant behavior and expectations of future plan experience

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding funded status and contributions of the City's retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The assumptions reflect the Bond Buyer 20-Year General Obligation Bond Index for the 4.08% discount rate.

Changes in assumptions

- Discount rate has been updated according to the 20-year tax-exempt municipal bond yield as of the measurement date to 4.08%

Total OPEB Liability

The total OPEB liability of \$1,749,750 was measured as of December 31, 2024, and was determined by an actuarial valuation as of January 1, 2024 and rolled forward to December 31, 2024.

The total OPEB liability and related information are as follows as of December 31, 2024:

	Total OPEB Liability
Balance as of January 1, 2024	\$ 1,774,492
Changes for the year:	
Service cost	128,689
Interest on Total OPEB Liability	66,799
Difference between expected and actual expense	(186,633)
Effect of assumptions changes or inputs	100,366
Benefit payments	(133,963)
Balance as of December 31, 2024	<u>\$ 1,749,750</u>

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

For the year ended December 31, 2024, the City recognized OPEB expense of \$122,670. As of December 31, 2024, the City reported deferred inflows of resources and deferred outflows of resources related to OPEB from the following:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ (657,116)	\$ 21,260
Changes of assumptions	(191,651)	126,911
Total at December 31, 2024	<u>\$ (848,767)</u>	<u>\$ 148,171</u>

Amounts currently reported as deferred inflows/outflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

Year ended December 31	
2025	\$ (95,231)
2026	(92,640)
2027	(93,470)
2028	(93,841)
2029	(93,841)
Thereafter	(229,573)
Total	<u>\$ (698,596)</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 4.08 percent, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.08 percent) or 1 percentage point higher (5.08 percent) than the current rate:

	1% Decrease 3.08%	Current Discount Rate 4.08%	1% Increase 5.08%
Total OPEB liability	\$ 1,909,525	\$ 1,749,750	\$ 1,603,342

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, calculated using healthcare cost trend rates that are 1 percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current Healthcare Cost Trend Rates Assumption	1% Increase
Total OPEB liability	\$ 1,517,417	\$ 1,749,750	\$ 2,033,654

F. Related Party Notes

In February 2010, the City and AURA entered into a promissory note in which the City loaned AURA \$2,745,000 at a simple interest rate of 3.5% for 2 years. Interest payments are due monthly. The loan was due and payable in full on April 1, 2016. The loan was collateralized with a building and two parcels of land. During 2015, the property was sold and the note amended. Under the amended note, AURA made a lump sum payment to the City in the amount of \$500,000 at the time of sale and the remaining balance of \$2,245,000 is being paid in monthly installments beginning January 2016 and continuing through November 2030 at a simple interest rate of 1.5%. The balance as of December 31, 2024, is \$949,159. Though the note is unsecured, the City shall be authorized to withhold payment to AURA derived from the incremental sales tax in the event of default.

In June 2016, the City entered into a loan agreement with AURA in which the City's Wastewater Fund loaned AURA \$5,000,000 at a simple interest rate of 3% through June 2028. Interest payments are due monthly beginning in June 2017 through 2028. Principal and interest is being paid monthly thereafter until maturity. The balance as of December 31, 2024, is \$2,321,743. The loan is unsecured, though the City shall be authorized to withhold payment to AURA derived from incremental sales tax or public improvement fees in the event of default.

In November 2024, the City and the Authority entered into a third intergovernmental agreement in which the City loaned the Authority \$12,000,000, made up of two separate loans: \$8,000,000 at a simple interest rate of 3.0% through March 2027 and \$4,000,000 at a simple interest rate of 4.5% through March 2027. Principal and interest payments are due annually beginning in March 2025 until maturity. The loans' balance at December 31, 2024 was \$12,000,000 and is unsecured, though the City shall be authorized to withhold payment to the Authority derived from incremental sales tax or public improvement fees in the event of default.

G. Net Investment in Capital, Lease and Subscription Assets

Net investment in capital assets is a component of net position, and consists of capital, lease and subscription assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of borrowing attributable to the acquisition, construction, or improvement of those assets. The calculation of net investment in capital assets is shown below:

	Governmental Activities	Business-type Activities
Capital, lease and subscription assets, net	\$ 510,279	\$ 501,651
Related debt including premium	(101,557)	(97,580)
Unspent debt proceeds including premiums	34,696	59,637
Deferred loss on refunding	-	-
Outstanding related accounts and contracts payable	(4,598)	(9,408)
Net investment in capital assets	<u>\$ 438,820</u>	<u>\$ 454,300</u>

H. GASB Statement No. 101, Compensated Absences

The City adopted and implemented *GASB Statement No. 101 Compensated Absences*.

The statement requires that liabilities for compensated absences be recognized for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled through cash and noncash means upon separation from employment. The liability is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employment resignations or retirements. The implementation resulted in the recognition of an additional compensated absences liability of \$3,052,801 in the governmental activities and \$622,468 in the business-type activities. As a result of the GASB statement No.101 implementation, the City has restated beginning net position within the government-wide financial statements by (\$2,535,000) related to Governmental Activities and (\$545,277) related to Business-Type Activities. Additionally, in the fund statements, beginning net position as of January 1, 2024, of the proprietary funds and internal service funds were restated by (\$545,277) and (\$87,476) respectively.

I. Subsequent Events

Water Enterprise Revenue Bonds Series 2025

On July 9, 2025, the City issued \$85,670,000 of Water Enterprise Revenue Bonds Series 2025 for various water infrastructure projects. The coupon rate is 5.0% with interest payable semi-annually on June 1 and December 1. The bonds mature beginning in 2025 and continue through 2054.

Year Ending December 31	Principal	Interest	Total Payment
2025	530	1,689	2,219
2026	1,365	4,257	5,622
2027	1,435	4,189	5,624
2028	1,505	4,117	5,622
2029	1,580	4,042	5,622
2030-2034	9,180	18,941	28,121
2035-2039	11,710	16,405	28,115
2040-2044	14,950	13,169	28,119
2045-2049	19,070	9,040	28,110
2050-2054	24,345	3,770	28,115
Totals	\$ 85,670	\$ 79,619	\$ 165,289

The 2025 Water Enterprise Revenue Bonds are paid solely by the revenues of the Water Fund.

Wastewater Enterprise Revenue Bonds Series 2025

On July 9, 2025, the City issued \$14,555,000 of Wastewater Enterprise Revenue Bonds Series 2025 for various wastewater infrastructure projects. The coupon rate is 5.0% with interest payable semi-annually on June 1 and December 1. The bonds mature beginning in 2025 and continue through 2054.

Year Ending December 31	Principal	Interest	Total Payment
2025	90	287	377
2026	235	723	958
2027	245	712	957
2028	255	699	954
2029	270	687	957
2030-2034	1,555	3,217	4,772
2035-2039	1,990	2,787	4,777
2040-2044	2,540	2,237	4,777
2045-2049	3,240	1,536	4,776
2050-2054	4,135	640	4,775
Totals	\$ 14,555	\$ 13,525	\$ 28,080

The 2025 Wastewater Enterprise Revenue Bonds are paid solely by the revenues of the Wastewater Fund.

Required Supplementary Information

Post-Employment Benefits Other Than Pensions



Schedule of Changes in Total OPEB Liability and Related Ratios

Last 10 Fiscal Years

Total OPEB Liability	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Service cost	\$ 128,689	\$ 107,810	\$ 190,868	\$ 185,326	\$ 173,158	\$ 132,977	\$ 140,410	N/A	N/A	N/A
Interest on total OPEB liability	66,799	68,020	52,771	54,960	69,153	91,761	78,071	N/A	N/A	N/A
Effect of changes to benefit terms	-	-	-	-	-	-	-	N/A	N/A	N/A
Effect of economic/demographic (gains) or losses	(186,633)	4,577	(688,894)	-	95,941	-	-	N/A	N/A	N/A
Effect of assumption changes or inputs	100,366	41,049	(238,698)	11,435	(115,988)	134,468	(119,139)	N/A	N/A	N/A
Benefit payments	(133,963)	(145,143)	(168,228)	(215,793)	(116,196)	(110,772)	(135,863)	N/A	N/A	N/A
Net change in total OPEB liability	(24,742)	76,313	(852,181)	35,928	106,068	248,434	(36,521)	N/A	N/A	N/A
Total OPEB liability, beginning	1,774,492	1,698,179	2,550,360	2,514,432	2,408,364	2,159,930	2,196,451	N/A	N/A	N/A
Total OPEB liability, ending	1,749,750	1,774,492	1,698,179	2,550,360	2,514,432	2,408,364	2,159,930	2,196,451	N/A	N/A
Covered-employee payroll	72,634,985	66,611,074	60,765,502	56,452,482	55,899,049	53,649,127	50,439,938	49,581,247	N/A	N/A
Total OPEB liability as % of covered-employee payroll	2.41%	2.66%	2.79%	4.52%	4.50%	4.49%	4.28%	4.43%	N/A	N/A

*Years prior to 2018 are not calculated using GASB 75 requirements and therefore are not shown.

Note: Assets are not accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay benefits for the OPEB plan.

Changes of assumptions reflect the effects of changes in the discount rate each period. This discount rate at the beginning of FYE 2018 was 3.44%.

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Defined Benefit Police Pension Plan

Police Defined Benefit Pension Plan
Schedule of Changes in the City's Net Pension Liability (Asset) and Related Ratios

	Fiscal Year Ending December 31									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on total pension liability	14,243	15,170	11,321	11,748	15,084	15,416	15,663	16,108	16,538	17,200
Effect of plan changes	-	-	-	-	-	-	-	-	-	-
Effect of assumption changes or inputs	3,675	6,563	6,204	-	5,396	-	6,060	-	5,548	-
Effect of economic/demographic gains (losses)	(10,819)	10,346	(67,043)	-	47,345	3,922	-	-	(12,961)	-
Benefit payments	(28,819)	(28,819)	(28,819)	(28,819)	(28,819)	(28,819)	(28,818)	(28,819)	(28,819)	(28,819)
Net change in total pension liability (asset)	(21,720)	3,260	(78,337)	(17,071)	39,006	(9,481)	(7,095)	(12,711)	(19,694)	(11,619)
Total pension liability, beginning	392,084	388,824	467,161	484,232	445,226	454,707	461,802	474,513	494,207	505,826
Total pension liability, ending	370,364	392,084	388,824	467,161	484,232	445,226	454,707	461,802	474,513	494,207

Fiduciary Net Position

Employer contributions	19,096	18,450	18,000	-	12,000	12,000	-	-	170,000	20,000
Member contributions	-	-	-	-	-	-	-	-	-	-
Investment income net of investment expenses	16,832	18,408	(16,501)	(3,498)	14,145	9,846	8,525	4,978	3,066	1,458
Benefit payments	(28,819)	(28,819)	(28,819)	(28,819)	(28,819)	(28,819)	(28,818)	(28,819)	(28,819)	(28,819)
Administrative payments	-	-	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	7,109	8,039	(27,320)	(32,317)	(2,674)	(6,973)	(20,293)	(23,841)	144,247	(7,361)
Fiduciary net position, beginning	388,292	380,253	407,573	439,890	442,564	449,537	469,830	493,671	349,424	356,785
Fiduciary net position, ending	395,401	388,292	380,253	407,573	439,890	442,564	449,537	469,830	493,671	349,424
Net pension liability (asset) ending	(25,037)	3,792	8,571	59,588	44,342	2,662	5,170	(8,028)	(19,158)	144,783
Fiduciary net position as a % of total pension liability	106.76%	99.03%	97.80%	87.24%	90.84%	99.40%	98.86%	101.74%	104.04%	70.70%
Covered-employee payroll **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability at a % of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

** Covered payroll is zero as plan covers one retired person; plan is not open to current or future employees.

*** Because this plan does not issue stand-alone financial statements, additional disclosures as required by GASB 67 are presented within this financial report.



**Police Defined Benefit Pension Plan
Schedule of City Contributions
Last 10 Fiscal Years**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$16,486	\$12,011	\$14,785	\$ 6,131	\$ 6,131	\$ -	\$ -	\$ 11,927	\$ 11,927	\$12,011
Contributions in relation to the Actuarially determined contribution	19,096	18,450	18,000	-	12,000	12,000	-	-	170,000	20,000
Contribution deficiency (excess)	(2,610)	(6,439)	(3,215)	6,131	(5,869)	(12,000)	-	11,927	(158,073)	(7,989)
Covered-employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* The City did not make contributions to the plan from 2017-2018 and 2021.

Methods and assumptions used to determine contribution rates:

Actuarial valuation date:	January 1, 2025
Actuarial cost method:	Entry age normal
Amortization method:	Level dollar
Closed, open or layered periods	Closed
Remaining amortization period:	6 years
Asset valuation method:	Market value
Rate of investment return:	1.50%
Mortality:	Pub-2010 Safety Retiree Monthly (Participant) and Pub-2010 General Retiree Mortality (Spouse), with Gnerational Projection Using MP2020

**Police Defined Benefit Pension Plan
Schedule of Money Weighted Returns
Last 10 Fiscal Years**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual money-weighted rate of return net of investment expense	4.50%	5.04%	-4.21%	-0.82%	3.31%	2.26%	1.88%	1.04%	0.71%	0.43%

Nonmajor Governmental Funds

Arvada Housing Authority

Police Seizure Fund

Police Tax Increment Funds

Grants Fund

Arvada Economic Development Association (AEDA)

Bond Fund

Debt Service Fund



NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Arvada Housing Authority Fund - The Section 8 Housing Assistance Payments Program is administered by the Arvada Housing Authority. The program is designed to provide rent subsidies to low or moderate income households.

Police Seizure Fund - Colorado statutes authorize local law enforcement agencies to seize cash and other assets belonging to persons convicted of public nuisance crimes. The statutes also specify that the courts may award the property to the agency that apprehended the criminal and that these resources must be used only for specific law enforcement purposes. This fund was established to account for these resources as they are awarded to and expended by the City's law enforcement agency.

Police Tax Increment Funds - The purpose of the tax increment funds is to account for the voter approved sales tax increases to fund expanded police services.

Grants Fund - To account for receipt of lottery monies through the Conservation Trust Fund. Also to account for the disbursement of monies through transfers to other funds for specific uses as dictated by the Conservation Trust Fund.

Arvada Economic Development Association (AEDA) - The purpose of the AEDA fund is to encourage and stimulate all forms of economic development, commercial and industrial. This fund accounts for this activity.

Debt Service Funds

Bond Fund – To account for transfers from the General Fund and Stormwater Fund for payments of principal and interest on the \$18,505,000 Series 2015 and 2016 COP Bonds.

Debt Service Fund – To account for the payment of revenue debt incurred through bond issues other than Water Bond Issues, which are accounted for in the Water Fund. Payments for the Limited Sales and Use Tax Revenue Bonds are included in this fund.



**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2024
(in thousands)**

Special Revenue Funds

	Arvada Housing Authority Fund	Police Seizure Fund	Police Tax Increment (.21) Fund	Police Tax Increment (.25) Fund	Grants Fund	Arvada Economic Development Association
ASSETS						
Cash and investments	\$ 294	\$ 313	\$ 8,797	\$ 9,229	\$ 3,142	\$ 534
Accounts receivable (net)	33	-	910	840	-	-
Accrued interest	-	2	45	58	15	-
Prepaid costs	-	-	10	2	-	-
Total assets	<u>327</u>	<u>315</u>	<u>9,762</u>	<u>10,129</u>	<u>3,157</u>	<u>534</u>
LIABILITIES, AND FUND BALANCE						
LIABILITIES						
Accounts payable	54	-	457	216	-	7
Unearned revenue	<u>37</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>91</u>	<u>-</u>	<u>457</u>	<u>216</u>	<u>-</u>	<u>7</u>
DEFERRED INFLOW OF RESOURCES						
Grants	<u>-</u>	<u>-</u>	<u>131</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>131</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	10	2	-	-
Restricted	<u>236</u>	<u>315</u>	<u>9,164</u>	<u>9,911</u>	<u>3,157</u>	<u>527</u>
Total fund balance	<u>236</u>	<u>315</u>	<u>9,174</u>	<u>9,913</u>	<u>3,157</u>	<u>527</u>
Total liabilities and fund balances	<u>\$ 327</u>	<u>\$ 315</u>	<u>\$ 9,762</u>	<u>\$ 10,129</u>	<u>\$ 3,157</u>	<u>\$ 534</u>

<u>Debt Service</u>		
<u>Bond Fund</u>	<u>Debt Service Fund</u>	<u>Total Non-major Governmental</u>
\$ 117	\$ 483	\$ 22,909
-	-	1,783
-	-	120
-	-	12
<u>117</u>	<u>483</u>	<u>24,824</u>
-	-	734
-	-	37
-	-	771
-	-	131
-	-	131
-	-	12
117	483	23,910
<u>117</u>	<u>483</u>	<u>23,922</u>
<u>\$ 117</u>	<u>\$ 483</u>	<u>\$ 24,824</u>



NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended December 31, 2024
(in thousands)

	Special Revenue Funds					
	Arvada Housing Authority Fund	Police Seizure Fund	Police Tax Increment (.21) Fund	Police Tax Increment (.25) Fund	Grants Fund	Arvada Economic Development Association
REVENUES						
Taxes	\$ -	\$ -	\$ 6,781	\$ 8,159	\$ -	\$ -
Intergovernmental	8,785	-	627	37	764	250
Investment earnings	1	11	426	511	91	13
Miscellaneous	32	135	38	-	-	-
	<u>8,818</u>	<u>146</u>	<u>7,872</u>	<u>8,707</u>	<u>855</u>	<u>263</u>
Total Revenues						
EXPENDITURES						
Program costs	8,907	28	7,382	5,924	-	131
Debt Service						
Principal	-	-	-	-	-	-
Interest	-	-	1	-	-	-
Capital outlay	-	-	-	-	-	-
	<u>8,907</u>	<u>28</u>	<u>7,383</u>	<u>5,924</u>	<u>-</u>	<u>131</u>
Total expenditures						
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(89)</u>	<u>118</u>	<u>489</u>	<u>2,783</u>	<u>855</u>	<u>132</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	8	-	-	-	-	-
Transfers out	-	(51)	(567)	(3,567)	-	-
	<u>8</u>	<u>(51)</u>	<u>(567)</u>	<u>(3,567)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)						
NET CHANGE IN FUND BALANCES	<u>(81)</u>	<u>67</u>	<u>(78)</u>	<u>(784)</u>	<u>855</u>	<u>132</u>
FUND BALANCES, BEGINNING	<u>317</u>	<u>248</u>	<u>9,252</u>	<u>10,697</u>	<u>2,302</u>	<u>395</u>
FUND BALANCES, ENDING	<u>\$ 236</u>	<u>\$ 315</u>	<u>\$ 9,174</u>	<u>\$ 9,913</u>	<u>\$ 3,157</u>	<u>\$ 527</u>

Debt Service		
Bond Fund	Debt Service Fund	Total Non-major Governmental
\$-	\$5,803	\$20,743
-	-	10,463
-	-	1,053
-	-	205
-	5,803	32,464
4	2	22,378
2,529	2,980	5,509
738	2,821	3,560
-	-	-
3,271	5,803	31,447
(3,271)	-	1,017
3,164	-	3,172
-	-	(4,185)
3,164	-	(1,013)
(107)	-	4
224	483	23,918
\$ 117	\$ 483	\$ 23,922



ARVADA HOUSING AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2024
(in thousands)

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Intergovernmental				
Federal grants	\$ 5,940	\$ 5,940	\$ 8,785	\$ 2,845
Investment earnings	1	1	1	-
Miscellaneous	17	17	32	15
	<u>5,958</u>	<u>5,958</u>	<u>8,818</u>	<u>2,860</u>
Total revenues				
EXPENDITURES				
Current expenditures:				
Personnel services	366	366	374	(8)
Services and charges	97	98	59	39
Supplies	13	13	35	(22)
Rents	5,547	8,451	8,439	12
	<u>6,023</u>	<u>8,928</u>	<u>8,907</u>	<u>21</u>
Total expenditures				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(65)	(2,970)	(89)	(2,881)
OTHER FINANCING SOURCES				
Transfers in	75	75	8	(67)
	<u>75</u>	<u>75</u>	<u>8</u>	<u>(67)</u>
Total other financing sources				
NET CHANGE IN FUND BALANCE	10	(2,895)	(81)	(2,814)
FUND BALANCE, BEGINNING	317	317	317	-
FUND BALANCE, ENDING	<u>\$ 327</u>	<u>\$ (2,578)</u>	<u>\$ 236</u>	<u>\$ (2,814)</u>



POLICE SEIZURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2024
(in thousands)

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Miscellaneous	\$ 25	\$ 25	\$ 135	\$ 110
Investment earnings	8	8	11	3
Total revenues	33	33	146	113
EXPENDITURES				
Supplies	31	35	28	7
Total current expenditures	31	35	28	7
Capital outlay	-	47	-	47
Total expenditures	31	82	28	54
OTHER FINANCING USES				
Transfers Out	-	-	(51)	51
NET CHANGE IN FUND BALANCE	2	(49)	67	116
FUND BALANCE, BEGINNING	248	248	248	-
FUND BALANCE, ENDING	\$ 250	\$ 199	\$ 315	\$ 116



POLICE TAX INCREMENT (.21) FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2024
(in thousands)

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Sales and use taxes	\$ 6,770	\$ 6,770	\$ 6,781	\$ 11
Intergovernmental				
Federal grants	499	499	627	128
Investment earnings	115	115	426	311
Miscellaneous	20	20	38	18
	<u>7,404</u>	<u>7,404</u>	<u>7,872</u>	<u>468</u>
Total revenues				
EXPENDITURES				
Current expenditures:				
Personnel services	5,941	5,931	5,543	388
Services and charges	1,460	1,732	1,610	122
Interest	-	-	1	(1)
Supplies	123	220	229	(9)
	<u>7,524</u>	<u>7,883</u>	<u>7,383</u>	<u>500</u>
Total current expenditures				
Total expenditures	<u>7,524</u>	<u>7,883</u>	<u>7,383</u>	<u>500</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(120)</u>	<u>(479)</u>	<u>489</u>	<u>968</u>
OTHER FINANCING (USES)				
Transfers Out	<u>(67)</u>	<u>(567)</u>	<u>(567)</u>	<u>-</u>
Total other financing uses	<u>(67)</u>	<u>(567)</u>	<u>(567)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(187)	(1,046)	(78)	968
FUND BALANCE, BEGINNING	<u>9,252</u>	<u>9,252</u>	<u>9,252</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 9,065</u>	<u>\$ 8,206</u>	<u>\$ 9,174</u>	<u>\$ 968</u>



POLICE TAX INCREMENT (.25) FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2024
(in thousands)

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Sales and use taxes	\$ 7,995	\$ 7,995	\$ 8,159	\$ 164
Intergovernmental				
Federal grants	\$ -	\$ -	\$ 37	\$ 37
Investment earnings	153	153	511	\$ 358
Miscellaneous	20	20	-	(20)
	<u>8,168</u>	<u>8,168</u>	<u>8,707</u>	<u>539</u>
Total Revenues				
EXPENDITURES				
Current expenditures:				
Personnel services	5,935	5,935	4,173	1,762
Services and charges	339	402	306	96
Supplies	1,427	1,449	1,445	4
	<u>7,701</u>	<u>7,786</u>	<u>5,924</u>	<u>1,862</u>
Total current expenditures				
Capital outlay	1	1	-	1
	<u>7,702</u>	<u>7,787</u>	<u>5,924</u>	<u>1,863</u>
Total expenditures				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>466</u>	<u>381</u>	<u>2,783</u>	<u>2,402</u>
OTHER FINANCING (USES)				
Transfers Out	(567)	(3,567)	(3,567)	-
Total other financing uses	<u>(567)</u>	<u>(3,567)</u>	<u>(3,567)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(101)	(3,186)	(784)	2,402
FUND BALANCE, BEGINNING	<u>10,697</u>	<u>10,697</u>	<u>10,697</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 10,596</u>	<u>\$ 7,511</u>	<u>\$ 9,913</u>	<u>\$ 2,402</u>



GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2024
(in thousands)

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Intergovernmental revenues				
State grants	\$ 583	\$ 583	\$ 764	\$ 181
Investment earnings	13	13	91	78
Total revenues	596	596	855	259
OTHER FINANCING USES				
Transfers out	(190)	(190)	-	190
Total other financing uses	(190)	(190)	-	190
NET CHANGE IN FUND BALANCE	406	406	855	449
FUND BALANCE, BEGINNING	2,302	2,302	2,302	-
FUND BALANCE, ENDING	\$ 2,708	\$ 2,708	\$ 3,157	\$ 449



BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2024
(in thousands)

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Investment earnings	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Debt Service				
Principal	2,529	2,529	2,529	-
Interest	739	739	738	1
Professional services	10	9	6	3
Total expenditures	3,278	3,277	3,273	4
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,278)	(3,277)	(3,273)	4
OTHER FINANCING SOURCES				
Transfers in	3,268	3,268	3,166	(102)
Total other financing sources	3,268	3,268	3,166	(102)
NET CHANGE IN FUND BALANCE	(10)	(9)	(107)	(98)
FUND BALANCE, BEGINNING	224	224	224	-
FUND BALANCE, ENDING	\$ 214	\$ 215	\$ 117	\$ (98)



DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2024
(in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final Budget Positive (Negative)</u>
REVENUES				
Sales and use taxes	\$ 5,801	\$ 5,801	\$ 5,803	\$ 2
Investment earnings	8	8	-	(8)
	<u>5,809</u>	<u>5,809</u>	<u>5,803</u>	<u>(6)</u>
Total revenues				
EXPENDITURES				
Services and charges	3	3	2	1
Debt Service				
Principal	2,980	2,980	2,980	-
Interest	<u>2,821</u>	<u>2,821</u>	<u>2,821</u>	<u>-</u>
	<u>5,804</u>	<u>5,804</u>	<u>5,803</u>	<u>1</u>
Total expenditures				
NET CHANGE IN FUND BALANCE	5	5	-	(5)
FUND BALANCE, BEGINNING	<u>483</u>	<u>483</u>	<u>483</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 488</u>	<u>\$ 488</u>	<u>\$ 483</u>	<u>\$ (5)</u>

Enterprise Funds

Water Fund

Wastewater Fund

Stormwater Fund

Golf Fund

Solid Waste Fund



ENTERPRISE FUNDS

Water Fund - This fund accounts for all activity within the scope of water utility operations. Water service is available to all areas within the City limits and is extended to some residents of the county and adjacent cities. All activities necessary to provide such service are accounted for in this fund, including administration, operations, capital water projects, maintenance, financing and related debt service, and billing and collection.

Wastewater Fund - This fund accounts for all activities necessary in the collection, transmission, and disposal of sewage and wastewater. It includes administration, operations, capital maintenance, financing and billing and collection.

Stormwater Fund - This fund accounts for all activities necessary to maintain a stormwater management plan. It includes administration, operations, capital maintenance and billing and collection.

Golf Course Fund - This fund accounts for all revenues and expenses of the Lake Arbor and West Woods Golf Courses, including food service operations. It includes administrative, operations, maintenance, financing and related debt service at Lake Arbor and West Woods Golf Courses. Food service activities include restaurant operations at the West Woods and Lake Arbor Golf Courses.

Solid Waste Fund – This fund accounts for all activities necessary to offer waste and recycling services to the City of Arvada.



NON-MAJOR PROPRIETARY FUNDS
STATEMENT OF NET POSITION
Year Ended December 31, 2024
(in thousands)

	Golf Course	Solid Waste	Total Business Type Activities
ASSETS			
CURRENT ASSETS			
Cash and investments	\$ 3,228	\$ 203	\$ 3,431
Accounts receivable, net of allowance for uncollectibles	22	961	983
Inventories	213	-	213
Prepaid costs	10	-	10
Total current assets	<u>3,473</u>	<u>1,164</u>	<u>4,637</u>
NONCURRENT ASSETS			
Subscription assets net of amortization	56	-	56
Leased assets net of amortization	15	-	15
Land, water rights & construction in progress	4,230	-	4,230
Property and equipment, net of accumulated depreciation	10,601	-	10,601
Total non-current assets	<u>14,902</u>	<u>-</u>	<u>14,902</u>
Total assets	<u>18,375</u>	<u>1,164</u>	<u>19,539</u>
DEFERRED OUTFLOWS OF RESOURCES			
Items related to OPEB	<u>4</u>	<u>-</u>	<u>4</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	399	351	750
Accrued compensated absences	99	-	99
OPEB liability	26	3	29
Interfund payable	135	368	503
Accrued interest	9	-	9
Lease payable	21	-	21
Unearned revenue	132	-	132
Total current liabilities	<u>821</u>	<u>722</u>	<u>1,543</u>
NONCURRENT LIABILITIES			
Accrued compensated absences	206	-	206
OPEB liability	26	2	28
Advance from Wastewater Fund	1,040	-	1,040
Total non-current liabilities	<u>1,272</u>	<u>2</u>	<u>1,274</u>
Total liabilities	<u>2,093</u>	<u>724</u>	<u>2,817</u>
DEFERRED INFLOWS OF RESOURCES			
Items related to OPEB liability	<u>25</u>	<u>2</u>	<u>27</u>
Total deferred inflows of resources	<u>25</u>	<u>2</u>	<u>27</u>
NET POSITION			
Net investment in capital, lease and subscription assets	14,881	-	14,881
Restricted - debt service	21	-	21
Unrestricted	1,359	438	1,797
Total net position	<u>\$ 16,261</u>	<u>\$ 438</u>	<u>\$ 16,699</u>



NON-MAJOR PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year Ended December 31, 2024
(in thousands)

	Golf Course	Solid Waste	Total Non-Major Funds
OPERATING REVENUES			
Sales	\$ 3,459	\$ 5,094	\$ 8,553
Service charges & fees	6,218	-	6,218
Miscellaneous	5	-	5
Total revenues	<u>9,682</u>	<u>5,094</u>	<u>14,776</u>
EXPENSES			
Operating, maintenance and administration	7,995	4,191	12,186
Depreciation and amortization	770	-	770
Total expenses	<u>8,765</u>	<u>4,191</u>	<u>12,956</u>
OPERATING INCOME (LOSS)	<u>917</u>	<u>903</u>	<u>1,820</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment earnings	91	16	107
Interest expense	(34)	(17)	(51)
Total non-operating (expenses)	<u>57</u>	<u>(1)</u>	<u>56</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	974	902	1,876
TRANSFERS IN	411	-	411
TRANSFERS OUT	<u>(416)</u>	<u>-</u>	<u>(416)</u>
CHANGE IN NET POSITION	969	902	1,871
NET POSITION, BEGINNING AS PREVIOUSLY REPORTED	15,384	(464)	14,920
RESTATEMENT FOR ADOPTION OF GASB 101	(92)	-	(92)
NET POSITION, BEGINNING AS RESTATED	15,292	(464)	14,828
NET POSITION, ENDING	<u>\$ 16,261</u>	<u>\$ 438</u>	<u>\$ 16,699</u>



NON-MAJOR PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
Year Ended December 31, 2024
(in thousands)

	Golf Course	Solid Waste	Total Business Type Activities
Cash flows from operating activities			
Cash received from external customers	\$ 9,670	\$ 4,936	\$ 14,606
Cash payments to external suppliers	(4,225)	(3,986)	(8,211)
Cash payments to internal suppliers	(679)	(23)	(702)
Cash payments to employees for services	(3,059)	(156)	(3,215)
Net cash provided by operating activities	<u>1,707</u>	<u>771</u>	<u>2,478</u>
Cash flows from non-capital financing activities			
Transfers to other funds	(416)	-	(416)
Transfers from other funds	411	-	411
Net cash provided (used) in non-capital financing activities	<u>(5)</u>	<u>-</u>	<u>(5)</u>
Cash flows from capital & related financing activities			
Capital contributions	-	-	-
Purchase of capital assets	(14)	-	(14)
Principle paid on lease and subscription payable	(210)	-	(210)
Interest paid on lease and subscription payable	(2)	-	(2)
Principal paid on interfund payable	(131)	(473)	(604)
Interest paid on interfund payable	(34)	(17)	(51)
Net cash provided (used) by capital and related financing activities	<u>(391)</u>	<u>(490)</u>	<u>(881)</u>
Cash flows from investing activities			
Investment earnings	143	17	160
Change in equity in non-cash pooled investments	(52)	(1)	(53)
Net cash (used) by investing activities	<u>91</u>	<u>16</u>	<u>107</u>
Net increase (decrease) in cash and cash equivalents	<u>1,402</u>	<u>297</u>	<u>1,699</u>
Cash and cash equivalents January 1, 2024	<u>1,826</u>	<u>(94)</u>	<u>1,732</u>
Total cash, cash equivalents and cash with fiscal agent January 1, 2024	1,826	(94)	1,732
Cash and cash equivalents December 31, 2024	<u>3,228</u>	<u>203</u>	<u>3,431</u>
Total cash, cash equivalents and cash with fiscal agent December 31, 2024	<u>3,228</u>	<u>203</u>	<u>3,431</u>
Reconciliation of operating income (loss) to net cash provided by (used) in operating activities:			
Operating income (loss)	917	903	1,820
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation and amortization	770	-	770
(Increase) decrease in account receivable	(10)	(157)	(167)
(Increase) decrease in inventories	(50)	-	(50)
(Increase) decrease in prepaid costs	(1)	-	(1)
(Decrease) increase deferred inflow leases	-	-	-
(Decrease) increase in accrued payroll	53	7	60
(Decrease) increase in accounts payable	(93)	18	(75)
(Decrease) increase in total OPEB liability	(2)	-	(2)
(Decrease) increase in unearned revenue	48	-	48
(Decrease) increase in compensated absences	75	-	75
Net cash provided by operating activities	<u>\$ 1,707</u>	<u>\$ 771</u>	<u>\$ 2,478</u>
Non-cash investing, capital and financing activities			
Change in fair value of non-cash pooled investment	\$ (52)	\$ (1)	\$ (53)
Amortization of lease and subscription assets	\$ 194	\$ -	\$ 194



WATER FUND
BUDGETARY COMPARISON SCHEDULE (NON-GAAP)
Year Ended December 31, 2024
(in thousands)

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Sales	\$ 35,342	\$ 35,342	\$ 37,310	\$ 1,968
Service charges and fees	485	485	524	39
Investment earnings	485	485	2,803	2,318
Miscellaneous revenues	715	715	3,120	2,405
Water/tap	10,787	10,787	8,451	(2,336)
Developer contributions	-	-	2,844	2,844
Transfers in	502	502	33	(469)
	<u>48,316</u>	<u>48,316</u>	<u>55,085</u>	<u>6,769</u>
Total revenues				
EXPENDITURES				
Operating and maintenance	39,239	47,135	26,364	20,771
Capital outlay	58,859	91,473	53,484	37,989
Principal expense	790	790	790	-
Interest expense	2,085	2,085	2,085	-
Transfers out	65	65	65	-
	<u>101,038</u>	<u>141,548</u>	<u>82,788</u>	<u>58,760</u>
Total expenditures				
CHANGE IN NET POSITION	<u>\$ (52,722)</u>	<u>\$ (93,232)</u>	(27,703)	<u>\$ 65,529</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			53,484	
Principal			790	
Net book value of assets retired			(12)	
Depreciation and amortization			(5,307)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 21,252</u>	



WASTEWATER FUND
BUDGETARY COMPARISON SCHEDULE (NON-GAAP)
Year Ended December 31, 2024
(in thousands)

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Service charges and fees	\$ 17,747	\$ 17,747	\$ 17,663	\$ (84)
Investment earnings	161	161	1,398	1,237
Miscellaneous revenues	678	678	82	(596)
Sewer/tap	3,143	3,143	1,941	(1,202)
Developer contributions	-	-	1,192	1,192
	<u>-</u>	<u>-</u>	<u>1,192</u>	<u>1,192</u>
Total revenues	<u>21,729</u>	<u>21,729</u>	<u>22,276</u>	<u>547</u>
EXPENDITURES				
Operating, maintenance and administration	17,117	17,347	14,430	2,917
Capital outlay	35,719	53,513	11,564	41,949
Principal expense	785	785	785	-
Interest	2,109	2,109	2,109	-
Transfers out	242	242	6	236
	<u>242</u>	<u>242</u>	<u>6</u>	<u>236</u>
Total expenditures	<u>55,972</u>	<u>73,996</u>	<u>28,894</u>	<u>45,102</u>
CHANGE IN NET POSITION	<u>\$ (34,243)</u>	<u>\$ (52,267)</u>	(6,618)	<u>\$ 45,649</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			11,564	
Net book value of assets retired			(567)	
Principal			785	
Depreciation and amortization			(1,753)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 3,411</u>	



STORMWATER FUND
BUDGETARY COMPARISON SCHEDULE (NON-GAAP)
Year Ended December 31, 2024
(in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final Budget Positive (Negative)</u>
REVENUES				
Service charges and fees	\$ 4,215	\$ 4,215	\$ 4,192	\$ (23)
Grants	17	17	156	139
Investment earnings	90	90	154	64
Developer contributions	-	-	984	984
	<u>4,322</u>	<u>4,322</u>	<u>5,486</u>	<u>1,164</u>
Total revenues				
EXPENDITURES				
Operating and maintenance and administration	3,690	3,675	3,072	603
Capital outlay	2,004	3,580	651	2,929
Transfers out	1,067	1,067	863	204
	<u>6,761</u>	<u>8,322</u>	<u>4,586</u>	<u>3,736</u>
Total expenditures				
CHANGE IN NET POSITION	<u>\$ (2,439)</u>	<u>\$ (4,000)</u>	900	<u>\$ 4,900</u>
ADJUSTMENTS TO GAAP BASIS				
Capital outlay			651	
Net book value of assets retired			(21)	
Depreciation			(1,423)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 107</u>	



GOLF COURSE FUND
BUDGETARY COMPARISON SCHEDULE (NON-GAAP)
Year Ended December 31, 2024
(in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final Budget Positive (Negative)</u>
REVENUES				
Sales	\$ 2,878	\$ 2,878	\$ 3,459	\$ 581
Service charges and fees	4,992	4,992	6,218	1,226
Investment earnings	-	-	91	91
Miscellaneous revenues	2	2	5	3
Transfers in	291	291	411	120
	<u>8,163</u>	<u>8,163</u>	<u>10,184</u>	<u>2,021</u>
EXPENDITURES				
Operating, maintenance and administration	7,379	8,193	7,995	198
Principal expense	131	131	131	-
Interest expense	32	32	34	(2)
Capital outlay	30	30	13	17
Transfers out	438	438	416	22
	<u>8,010</u>	<u>8,824</u>	<u>8,589</u>	<u>235</u>
CHANGE IN NET POSITION	<u>\$ 153</u>	<u>\$ (661)</u>	1,595	<u>\$ 2,256</u>
ADJUSTMENTS TO GAAP BASIS				
Principal			131	
Capital outlay			13	
Depreciation			(770)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 969</u>	



SOLID WASTE FUND
BUDGETARY COMPARISON SCHEDULE (NON-GAAP)
Year Ended December 31, 2024
(in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final Budget Positive (Negative)</u>
REVENUES				
Sales	\$ 4,332	\$ 4,332	\$ 5,094	\$ 762
Investment earnings	-	-	16	16
Miscellaneous revenues	<u>273</u>	<u>273</u>	<u>-</u>	<u>(273)</u>
Total revenues	<u>4,605</u>	<u>4,605</u>	<u>5,110</u>	<u>505</u>
EXPENDITURES				
Administration	4,248	4,248	4,191	57
Principal expense	473	473	473	-
Interest expense	<u>17</u>	<u>17</u>	<u>17</u>	<u>-</u>
Total expenditures	<u>4,738</u>	<u>4,738</u>	<u>4,681</u>	<u>57</u>
CHANGE IN NET POSITION	<u>\$ (133)</u>	<u>\$ (133)</u>	429	<u>\$ 562</u>
ADJUSTMENTS TO GAAP BASIS				
Principal			473	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 902</u>	

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Internal Service Funds

Insurance Service Fund

Arvada Medical Fund

Computer Fund

Print Shop Fund

Vehicle Fund

Building Fund



INTERNAL SERVICE FUNDS

Insurance Service Fund - This fund accounts for the activities that are associated with the City's worker's compensation, unemployment and property and liability insurance activities. Premiums are paid by each department into this fund to pay claims, claim reserves and administrative costs of the program including premiums to commercial insurance companies for losses in excess of the self-insured amounts.

Arvada Medical Fund - This fund accounts for all of the activities associated with the self-insured medical plan for employees who choose to participate in the plan.

Computer Fund - This fund accounts for the accumulation of financial resources necessary for the timely and orderly replacement and maintenance of the City's computer equipment and software.

Print Shop Fund - This fund accounts for the accumulation of financial resources necessary for the operation of the City's print shop, copier maintenance and replacement.

Vehicle Fund – This fund accounts for the accumulation of financial resources necessary for the timely and orderly replacement and maintenance of the City's vehicles and equipment.

Building Fund – This fund accounts for the accumulation of financial resources used for non-routine building maintenance.

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
December 31, 2024
(in thousands)

	Insurance Service Fund	Arvada Medical Fund	Computer Fund	Print Shop Fund	Vehicle Fund	Building Fund	Total Internal Service Funds
ASSETS							
CURRENT ASSETS							
Cash and investments	\$ 4,378	\$ 13,040	\$ 11,824	\$ 346	\$ 10,658	\$ 3,311	\$ 43,557
Accounts receivable (net)	14	381	3	1	-	-	399
Accrued interest	21	61	56	2	50	23	213
Lease Receivable	-	-	-	-	-	144	144
Inventories	-	-	-	3	439	-	442
Prepaid costs	8	-	375	6	4	-	393
Total current assets	4,421	13,482	12,258	358	11,151	3,478	45,148
NONCURRENT ASSETS							
Lease receivable	-	-	-	-	-	1,339	1,339
Lease assets, net of amortization	-	-	-	49	14	-	63
Subscription assets, net of amortization	-	-	4,572	-	-	-	4,572
Property and equipment, net of accumulated depreciation	35	-	3,953	52	10,947	1,799	16,786
Total assets	4,456	13,482	20,783	459	22,112	6,616	67,908
DEFERRED OUTFLOWS OF RESOURCES							
Items related to OPEB	1	-	-	-	3	-	4
LIABILITIES, DEFERRED INFLOWS OF RESOURCES							
CURRENT LIABILITIES							
Accounts payable	98	892	200	18	942	226	2,376
Accrued interest payable	-	-	74	-	-	-	74
Claims payable	2,465	776	-	-	-	-	3,241
OPEB	5	-	1	3	20	1	30
Lease payable	-	-	702	50	19	-	771
Accrued compensated absences	6	-	-	-	44	-	50
Total current liabilities	2,574	1,668	977	71	1,025	227	6,542
NONCURRENT LIABILITIES							
OPEB	4	-	1	2	20	1	28
Subscriptions payable	-	-	3,520	-	-	-	3,520
Accrued compensated absences	23	-	-	-	118	-	141
Total non-current liabilities	27	-	3,521	2	138	1	3,689
Total liabilities	2,601	1,668	4,498	73	1,163	228	10,231
DEFERRED INFLOWS OF RESOURCES							
Items related to OPEB	5	-	1	2	21	-	29
Items related to lease receivable	-	-	-	-	-	1,386	1,386
Total deferred inflows of resources	5	-	1	2	21	1,386	1,415
NET POSITION							
Net investment in capital, lease and subscription assets	35	-	4,303	51	10,942	1,799	17,130
Unrestricted	1,816	11,814	11,981	333	9,989	3,203	39,136
Total net position	\$ 1,851	\$ 11,814	\$ 16,284	\$ 384	\$ 20,931	\$ 5,002	\$ 56,266

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
Year Ended December 31, 2024
(in thousands)

	Insurance Service Fund	Arvada Medical Fund	Computer Fund	Print Shop Fund	Vehicle Fund	Building Fund	Total Internal Service Funds
REVENUES							
Service charges	\$ 3,768	\$ -	\$ 6,056	\$ 350	\$ 7,120	\$ 1,041	\$ 18,335
Recovered costs	233	-	188	-	279	-	700
Contributions							
Employer	-	9,374	-	-	-	-	9,374
Employee	-	2,189	-	-	-	-	2,189
Retirees and continued benefit individuals	-	232	-	-	-	-	232
Miscellaneous	-	2,048	-	-	-	-	2,048
Total revenues	4,001	13,843	6,244	350	7,399	1,041	32,878
EXPENSES							
Operating, maintenance, and administration	923	1,961	3,372	298	3,836	707	11,097
Insurance premiums/ prescriptions	1,635	1,533	-	-	-	-	3,168
Uninsured damages and claims	824	11,079	-	-	-	-	11,903
Depreciation and amortization	4	-	1,918	62	2,664	580	5,228
Total expenses	3,386	14,573	5,290	360	6,500	1,287	31,396
Operating income (loss)	615	(730)	954	(10)	899	(246)	1,482
NON-OPERATING REVENUES (EXPENSES)							
Gain on sale of assets	-	-	-	-	181	-	181
Interest expense	-	-	(206)	-	-	-	(206)
Investment (loss)	179	567	525	16	321	236	1,844
Total non-operating expenses	179	567	319	16	502	236	1,819
INCOME(LOSS) BEFORE TRANSFERS	794	(163)	1,273	6	1,401	(10)	3,301
TRANSFERS IN	-	-	624	-	469	1,546	2,639
TRANSFERS OUT	-	-	-	-	-	-	-
CHANGE IN NET POSITION	794	(163)	1,897	6	1,870	1,536	5,940
NET POSITION, BEGINNING AS PREVIOUSLY REPORTED	1,073	11,977	14,387	378	19,132	3,466	50,413
RESTATEMENT FOR ADOPTION OF GASB 101	(16)	-	-	-	(71)	-	(87)
NET POSITION, BEGINNING AS RESTATED	1,057	11,977	14,387	378	19,061	3,466	50,326
NET POSITION, ENDING	\$ 1,851	\$ 11,814	\$ 16,284	\$ 384	\$ 20,931	\$ 5,002	\$ 56,266



INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year Ended December 31, 2024

(in thousands)

	Insurance Service Fund	Arvada Medical Fund	Computer Fund	Print Shop Fund	Vehicle Fund	Building Fund	Total Internal Service
Cash Flows From Operating Activities							
Cash received from external customers	\$ 229	\$ 2,285	\$ 188	\$ -	\$ 282	\$ 349	\$ 3,333
Cash received from internal customers	3,752	11,563	6,056	350	7,120	618	29,459
Cash payments to external suppliers	(3,298)	(14,726)	(4,536)	(58)	(1,126)	(796)	(24,540)
Cash payments to internal suppliers	(25)	-	(135)	(15)	(252)	10	(417)
Cash payments to employees for services	(571)	-	-	(222)	(1,830)	79	(2,544)
Net cash provided by (used in) operating activities	<u>87</u>	<u>(878)</u>	<u>1,573</u>	<u>55</u>	<u>4,194</u>	<u>260</u>	<u>5,291</u>
Cash Flows From Noncapital Financing Activities							
Transfer from other funds	-	-	624	-	469	1,546	2,639
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>-</u>	<u>624</u>	<u>-</u>	<u>469</u>	<u>1,546</u>	<u>2,639</u>
Cash Flows From Capital and Related Financing Activities							
Purchases of capital assets	-	-	(1,010)	(97)	(2,502)	(21)	(3,630)
Proceeds from sale of assets	-	-	-	-	181	-	181
Payment of lease and subscription liability	-	-	(758)	50	(15)	-	(723)
Net cash (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(1,768)</u>	<u>(47)</u>	<u>(2,336)</u>	<u>(21)</u>	<u>(4,172)</u>
Cash Flows From Investing Activities							
Investment earnings (loss)	249	775	349	17	331	224	1,945
Change in equity in pooled investments	(70)	(202)	(23)	(1)	(21)	(7)	(324)
Net cash provided by investing activities	<u>179</u>	<u>573</u>	<u>326</u>	<u>16</u>	<u>310</u>	<u>217</u>	<u>1,621</u>
Net increase (decrease) in cash and cash equivalents	266	(305)	755	24	2,637	2,002	5,379
Cash and cash equivalents January 1, 2024	<u>4,112</u>	<u>13,345</u>	<u>11,069</u>	<u>322</u>	<u>8,021</u>	<u>1,309</u>	<u>38,178</u>
			11,824				
Cash and cash equivalents December 31, 2024	<u>4,378</u>	<u>13,040</u>	<u>11,824</u>	<u>346</u>	<u>10,658</u>	<u>3,311</u>	<u>43,557</u>
Reconciliation of operating income (loss) to net cash provided by (used) in operating activities :							
Operating income (loss)	615	(730)	954	(10)	899	(246)	1,482
Adjustments to reconcile operating income (loss) to net cash provided by (used) in operating activities :							
Depreciation and amortization expense	4	-	1,918	62	2,664	580	5,228
(Increase) decrease in account receivable	(14)	5	-	-	3	-	(6)
(Increase) decrease in inventories	-	-	-	1	7	-	8
(Increase) decrease in prepaid expenditures	(6)	-	291	(4)	-	-	281
(Decrease) increase in accounts payable	(85)	(132)	(1,590)	6	581	23	(1,197)
(Decrease) increase in claims payable	(450)	(21)	-	-	-	-	(471)
(Decrease) increase in lease receivable	-	-	-	-	-	(1,483)	(1,483)
(Decrease) increase in deferred inflows leases	-	-	-	-	-	1,386	1,386
(Decrease) increase in OPEB	2	-	-	-	(1)	-	1
(Decrease) increase in accrued compensated absences	21	-	-	-	41	-	62
Net cash provided by (used in) operating activities	<u>\$ 87</u>	<u>\$ (878)</u>	<u>\$ 1,573</u>	<u>\$ 55</u>	<u>\$ 4,194</u>	<u>\$ 260</u>	<u>\$ 5,291</u>
Non-cash investing, capital and financing activities							
Change in fair value of pooled investment	\$ (70)	\$ (202)	\$ (23)	\$ (1)	\$ (21)	\$ (7)	\$ (324)
Amortization of deferred inflows - leases	-	\$ -	\$ -	\$ -	\$ -	\$ 402	\$ 402
Amortization of lease and subscription assets	\$ -	\$ -	\$ 995	\$ 49	\$ 15	\$ -	\$ 1,059



INSURANCE SERVICE FUND
BUDGETARY COMPARISON SCHEDULE (NON-GAAP)
Year Ended December 31, 2024
(in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final Budget Positive (Negative)</u>
REVENUES				
Service charges	\$ 3,755	\$ 3,755	\$ 3,768	\$ 13
Recovered costs	-	-	233	233
Investment earnings	75	75	179	104
	<u>3,830</u>	<u>3,830</u>	<u>4,180</u>	<u>350</u>
Total revenues				
EXPENDITURES				
Administration	1,065	1,299	923	376
Insurance premiums	1,787	2,127	1,635	492
Uninsured damages and claims	696	694	824	(130)
	<u>3,548</u>	<u>4,120</u>	<u>3,382</u>	<u>738</u>
Total expenditures				
CHANGE IN NET POSITION	<u>\$ 282</u>	<u>\$ (290)</u>	798	<u>\$ 1,088</u>
ADJUSTMENTS TO GAAP BASIS				
Depreciation and amortization			(4)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 794</u>	



COMPUTER FUND
BUDGETARY COMPARISON SCHEDULE (NON-GAAP)
Year Ended December 31, 2024
(in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Service charges	\$ 5,287	\$ 6,048	\$ 6,056	\$ 8
Recovered costs	211	211	188	(23)
Miscellaneous revenues	300	300	-	(300)
Investment earnings	-	-	525	525
Transfer In	500	500	624	124
	<u>6,298</u>	<u>7,059</u>	<u>7,393</u>	<u>334</u>
EXPENDITURES				
Operating, maintenance, and administration	7,028	10,127	3,372	6,755
Interest expense	-	-	206	(206)
Transfer out	-	-	-	-
	<u>7,028</u>	<u>10,127</u>	<u>3,578</u>	<u>6,549</u>
CHANGE IN NET POSITION	<u>\$ (730)</u>	<u>\$ (3,068)</u>	3,815	<u>\$ 6,883</u>
ADJUSTMENTS TO GAAP BASIS				
Depreciation and amortization			<u>(1,918)</u>	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 1,897</u>	



PRINT SHOP FUND
BUDGETARY COMPARISON SCHEDULE (NON-GAAP)
Year Ended December 31, 2024
(in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final Budget Positive (Negative)</u>
REVENUES				
Service charges	\$ 335	\$ 335	\$ 350	\$ 15
Investment earnings	-	-	16	16
Total revenues	<u>335</u>	<u>335</u>	<u>366</u>	<u>31</u>
EXPENDITURES				
Operating, maintenance, and administration	361	361	298	63
Capital outlay	<u>5</u>	<u>5</u>	<u>-</u>	<u>5</u>
Total expenditures	<u>366</u>	<u>366</u>	<u>298</u>	<u>68</u>
CHANGE IN NET POSITION	<u>\$ (31)</u>	<u>\$ (31)</u>	68	<u>\$ 99</u>
ADJUSTMENTS TO GAAP BASIS				
Depreciation and amortization			<u>(62)</u>	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 6</u>	



VEHICLE FUND
BUDGETARY COMPARISON SCHEDULE (NON-GAAP)
Year Ended December 31, 2024
(in thousands)

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Service charges	\$ 7,629	\$ 7,629	\$ 7,120	\$ (509)
Recovered costs	-	-	279	279
Investment earnings	74	74	321	247
Transfer in	-	-	469	469
Gain on sale of assets	75	75	181	106
	<u>7,778</u>	<u>7,778</u>	<u>8,370</u>	<u>592</u>
Total revenues				
EXPENDITURES				
Operating, maintenance, and administration	2,866	3,208	3,836	(628)
Capital outlay	4,263	5,494	-	5,494
	<u>7,129</u>	<u>8,702</u>	<u>3,836</u>	<u>4,866</u>
Total expenditures				
CHANGE IN NET POSITION	<u>\$ 649</u>	<u>\$ (924)</u>	4,534	<u>\$ 5,458</u>
ADJUSTMENTS TO GAAP BASIS				
Depreciation and amortization			(2,664)	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 1,870</u>	



BUILDING FUND
BUDGETARY COMPARISON SCHEDULE (NON-GAAP)
Year Ended December 31, 2024
(in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final Budget Positive (Negative)</u>
REVENUES				
Service charges	\$ 854	\$ 854	\$ 1,041	\$ 187
Investment earnings	30	30	236	206
Transfers in	<u>258</u>	<u>258</u>	<u>1,546</u>	<u>1,288</u>
Total revenues	<u>1,142</u>	<u>1,142</u>	<u>2,823</u>	<u>1,681</u>
EXPENDITURES				
Operating, maintenance, and administration	<u>476</u>	<u>765</u>	<u>707</u>	<u>58</u>
Total expenditures	<u>476</u>	<u>765</u>	<u>707</u>	<u>58</u>
CHANGE IN NET POSITION	<u>\$ 666</u>	<u>\$ 377</u>	2,116	<u>\$ 1,739</u>
ADJUSTMENTS TO GAAP BASIS				
Depreciation and amortization			<u>(580)</u>	
CHANGE IN NET POSITION, GAAP BASIS			<u>\$ 1,536</u>	

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Custodial Fund

Ralston House



CUSTODIAL FUND

Ralston House - Accounts for the monies held for the Ralston House, a local 501(c)(3) not for profit agency to which the City of Arvada provides accounting and investing services.

Jefferson Parkway Public Highway Authority (JPPHA) - Accounts for the money held for the JPPHA, or public-private partnership, which was established to complete the last unbuilt portion of the Denver Metropolitan beltway.



CUSTODIAL FUND
STATEMENT OF CUSTODIAL NET POSITION
December 31, 2024
(in thousands)

	Ralston House	JPPHA	Total Custodial Funds
Assets			
Pooled cash and investments	\$ 2,242	\$ (7)	\$ 2,235
Accrued interest	11	-	11
Grants receivable	193	-	193
Contributions receivable	317	-	317
Total current assets	<u>2,763</u>	<u>(7)</u>	<u>2,756</u>
 Total Assets	 <u>2,763</u>	 <u>(7)</u>	 <u>2,756</u>
Liabilities			
Current Liabilities			
Accounts payable	15	1	16
Due to employees	209	-	209
Total current liabilities	<u>224</u>	<u>1</u>	<u>225</u>
 Total liabilities	 <u>224</u>	 <u>1</u>	 <u>225</u>
 NET POSITION RESTRICTED FOR			
Individuals, organizations, and other governments	2,539	(8)	2,531
Total fiduciary net position	<u>\$ 2,539</u>	<u>\$ (8)</u>	<u>\$ 2,531</u>



CUSTODIAL FUND
STATEMENT OF CHANGES IN CUSTODIAL NET POSITION
Year Ended December 31, 2024
(in thousands)

	Ralston House	JPPHA	Total Custodial Funds
ADDITIONS			
Investment income	\$ 83	\$ -	\$ 83
Contribution	2,954	47	3,001
Total additions	<u>3,037</u>	<u>47</u>	<u>3,085</u>
DEDUCTIONS			
Program costs	2,317	90	2,407
Total deductions	<u>2,317</u>	<u>90</u>	<u>2,407</u>
INCREASE IN FIDUCIARY NET POSTION	720	(42)	678
Fiduciary Net position, January 1	<u>1,819</u>	<u>34</u>	<u>1,853</u>
Fiduciary Net position, December 31	<u>\$ 2,539</u>	<u>\$ (8)</u>	<u>\$ 2,531</u>

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Financial Data Schedules



Arvada Housing Authority (CO050)
Arvada, CO
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal year End: 12/31/2024

	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Subtotal	Total
111 Cash - Unrestricted	\$0	\$0	\$0	\$0
112 Cash - Restricted - Modernization and Development	\$0	\$0	\$0	\$0
113 Cash - Other Restricted	\$0	\$0	\$0	\$0
114 Cash - Tenant Security Deposits	\$0	\$0	\$0	\$0
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0	\$0
100 Total Cash	\$0	\$0	\$0	\$0
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$0	\$0	\$0	\$0
124 Accounts Receivable - Other Government	\$0	\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$0	\$0	\$0	\$0
126 Accounts Receivable - Tenants	\$0	\$0	\$0	\$0
126.1 Allowance for Doubtful Accounts - Tenants	\$0	\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0	\$0	\$0
128 Fraud Recovery	\$0	\$36,847	\$36,847	\$36,847
128.1 Allowance for Doubtful Accounts - Fraud	\$0	-\$3,524	-\$3,524	-\$3,524
129 Accrued Interest Receivable	\$0	\$0	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$33,323	\$33,323	\$33,323
131 Investments - Unrestricted	\$0	\$0	\$0	\$0
132 Investments - Restricted	\$1,398	\$292,713	\$294,111	\$294,111
135 Investments - Restricted for Payment of Current Liability	\$0	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$0	\$0	\$0	\$0
143 Inventories	\$0	\$0	\$0	\$0
143.1 Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0
144 Inter Program Due From	\$0	\$0	\$0	\$0
145 Assets Held for Sale	\$0	\$0	\$0	\$0
150 Total Current Assets	\$1,398	\$326,036	\$327,434	\$327,434
161 Land	\$0	\$0	\$0	\$0
162 Buildings	\$0	\$0	\$0	\$0
163 Furniture, Equipment & Machinery - Dwellings	\$0	\$0	\$0	\$0
164 Furniture, Equipment & Machinery - Administration	\$0	\$0	\$0	\$0
165 Leasehold Improvements	\$0	\$0	\$0	\$0
166 Accumulated Depreciation	\$0	\$0	\$0	\$0
167 Construction in Progress	\$0	\$0	\$0	\$0
168 Infrastructure	\$0	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current	\$0	\$0	\$0	\$0
174 Other Assets	\$0	\$0	\$0	\$0
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$0	\$0	\$0	\$0

	14.879 Main-stream Vouchers	14.871 Housing Choice Vouchers	Subtotal	Total
200 Deferred Outflow of Resources		\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$1,398	\$326,036	\$327,434	\$327,434
311 Bank Overdraft	\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$0	\$3,597	\$3,597	\$3,597
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$0	\$19,010	\$19,010	\$19,010
322 Accrued Compensated Absences - Current Portion	\$0	\$0	\$0	\$0
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0
325 Accrued Interest Payable	\$0	\$0	\$0	\$0
331 Accounts Payable - HUD PHA Programs	\$1,398	\$29,824	\$31,222	\$31,222
332 Account Payable - PHA Projects	\$0	\$0	\$0	\$0
333 Accounts Payable - Other Government	\$0	\$0	\$0	\$0
341 Tenant Security Deposits	\$0	\$0	\$0	\$0
342 Unearned Revenue	\$0	\$36,847	\$36,847	\$36,847
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$0	\$0	\$0	\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0	\$0
345 Other Current Liabilities	\$0	\$0	\$0	\$0
346 Accrued Liabilities - Other	\$0	\$0	\$0	\$0
347 Inter Program - Due To	\$0	\$0	\$0	\$0
348 Loan Liability - Current	\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$1,398	\$89,278	\$90,676	\$90,676
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0	\$0	\$0	\$0
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0	\$0	\$0
353 Non-current Liabilities - Other	\$0	\$0	\$0	\$0
354 Accrued Compensated Absences - Non Current	\$0	\$0	\$0	\$0
355 Loan Liability - Non Current	\$0	\$0	\$0	\$0
356 FASB 5 Liabilities	\$0	\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0
300 Total Liabilities	\$1,398	\$89,278	\$90,676	\$90,676
400 Deferred Inflow of Resources	\$0	\$0	\$0	\$0
508.3 Nonspendable Fund Balance	\$0	\$0	\$0	\$0
509.3 Restricted Fund Balance	\$0	\$236,758	\$236,758	\$236,758
510.3 Committed Fund Balance	\$0	\$0	\$0	\$0
511.3 Assigned Fund Balance	\$0	\$0	\$0	\$0
512.3 Unassigned Fund Balance	\$0	\$0	\$0	\$0
513 Total Equity - Net Assets / Position	\$0	\$236,758	\$236,758	\$236,758
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,398	\$326,036	\$327,434	\$327,434



Arvada Housing Authority (CO050)
Arvada, CO
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2024

	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Subtotal	Total
70300 Net Tenant Rental Revenue	\$0	\$0	\$0	\$0
70400 Tenant Revenue - Other	\$0	\$0	\$0	\$0
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$714,521	\$8,070,099	\$8,784,620	\$8,784,620
70610 Capital Grants	\$0	\$0	\$0	\$0
70710 Management Fee				
70720 Asset Management Fee				
70730 Book Keeping Fee				
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue				
70800 Other Government Grants	\$0	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$0	\$839	\$839	\$839
71200 Mortgage Interest Income	\$0	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$12,976	\$12,976	\$12,976
71500 Other Revenue	\$0	\$0	\$0	\$0
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0	\$0
70000 Total Revenue	\$714,521	\$8,083,914	\$8,798,435	\$8,798,435
91100 Administrative Salaries	\$24,705	\$258,310	\$283,015	\$283,015
91200 Auditing Fees	\$0	\$0	\$0	\$0
91300 Management Fee	\$0	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0	\$0
91400 Advertising and Marketing	\$0	\$0	\$0	\$0
91500 Employee Benefit contributions - Administrative	\$6,389	\$74,782	\$81,171	\$81,171
91600 Office Expenses	\$1,499	\$35,625	\$37,124	\$37,124
91700 Legal Expense	\$0	\$0	\$0	\$0
91800 Travel	\$0	\$11,836	\$11,836	\$11,836
91810 Allocated Overhead	\$1,475	\$45,635	\$47,110	\$47,110
91900 Other	\$0		\$0	\$0
91000 Total Operating - Administrative	\$34,068	\$426,188	\$460,256	\$460,256
92000 Asset Management Fee	\$0	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0	\$0	\$0
92200 Relocation Costs	\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0	\$0
92400 Tenant Services - Other	\$0	\$0	\$0	\$0
92500 Total Tenant Services	\$0	\$0	\$0	\$0
93100 Water	\$0	\$0	\$0	\$0
93200 Electricity	\$0	\$0	\$0	\$0
93300 Gas	\$0	\$0	\$0	\$0
93400 Fuel	\$0	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0	\$0
93600 Sewer	\$0	\$0	\$0	\$0
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0	\$0
93000 Total Utilities	\$0	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor	\$0	\$0	\$0	\$0
94200 Ordinary Maintenance and Operations - Materials and Other	\$0	\$2,162	\$2,162	\$2,162
94300 Ordinary Maintenance and Operations Contracts	\$0	\$0	\$0	\$0
94500 Employee Benefit Contributions - Ordinary Maintenance	\$0	\$0	\$0	\$0
94000 Total Maintenance	\$0	\$2,162	\$2,162	\$2,162

	14.879 Mainstream Vouchers	14.871 Housing Choice Vouchers	Subtotal	Total
95100 Protective Services - Labor	\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0	\$0
96110 Property Insurance	\$0	\$11,501	\$11,501	\$11,501
96120 Liability Insurance	\$0	\$3,566	\$3,566	\$3,566
96130 Workmen's Compensation	\$0	\$6,445	\$6,445	\$6,445
96140 All Other Insurance	\$133	\$10,900	\$11,033	\$11,033
96100 Total insurance Premiums	\$133	\$32,412	\$32,545	\$32,545
96200 Other General Expenses	\$283	\$33,745	\$34,028	\$34,028
96210 Compensated Absences	\$0	\$0	\$0	\$0
96300 Payments in Lieu of Taxes	\$0	\$0	\$0	\$0
96400 Bad debt - Tenant Rents	\$0	\$0	\$0	\$0
96500 Bad debt - Mortgages	\$0	\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0	\$0
96000 Total Other General Expenses	\$283	\$33,745	\$34,028	\$34,028
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$34,484	\$494,507	\$528,991	\$528,991
97000 Excess of Operating Revenue over Operating Expenses	\$680,037	\$7,589,407	\$8,269,444	\$8,269,444
97100 Extraordinary Maintenance	\$0	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0	\$0
97300 Housing Assistance Payments	\$743,409	\$7,617,044	\$8,360,453	\$8,360,453
97350 HAP Portability-In	\$0	\$65,910	\$65,910	\$65,910
97400 Depreciation Expense	\$0	\$0	\$0	\$0
97500 Fraud Losses	\$0	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds	\$0	\$0	\$0	\$0
97700 Debt Principal Payment - Governmental Funds	\$0	\$0	\$0	\$0
97800 Dwelling Units Rent Expense	\$0	\$0	\$0	\$0
90000 Total Expenses	\$777,893	\$8,177,461	\$8,955,354	\$8,955,354
10010 Operating Transfer In	\$0	\$0	\$0	\$0
10020 Operating transfer Out	\$0	\$0	\$0	\$0
10030 Operating Transfers from/to Primary Government	\$7,500	\$69,030	\$76,530	\$76,530
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds	\$0	\$0	\$0	\$0
10060 Proceeds from Property Sales	\$0	\$0	\$0	\$0
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In				
10092 Inter Project Excess Cash Transfer Out				
10093 Transfers between Program and Project - In	\$0	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$7,500	\$69,030	\$76,530	\$76,530
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$55,872	-\$24,517	-\$80,389	-\$80,389
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$55,872	\$261,275	\$317,147	\$317,147
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance	\$0	\$0	\$0	\$0
11060 Changes in Contingent Liability Balance	\$0	\$0	\$0	\$0
11070 Changes in Unrecognized Pension Transition Liability	\$0	\$0	\$0	\$0
11080 Changes in Special Term/Severance Benefits Liability	\$0	\$0	\$0	\$0
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents	\$0	\$0	\$0	\$0
11100 Changes in Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0
11170 Administrative Fee Equity		\$266,854	\$266,854	\$266,854
11180 Housing Assistance Payments Equity		-\$30,096	-\$30,096	-\$30,096
11190 Unit Months Available	588	6156	6744	6744
11210 Number of Unit Months Leased	541	5876	6417	6417
11270 Excess Cash				
11610 Land Purchases				
11620 Building Purchases				
11630 Furniture & Equipment - Dwelling Purchases				
11640 Furniture & Equipment - Administrative Purchases				
11650 Leasehold Improvements Purchases				
11660 Infrastructure Purchases				
13510 CFFP Debt Service Payments				
13901 Replacement Housing Factor Funds				

Local Highway Finance Report



Local Highway Finance Report Year Ended December 31, 2024

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

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Arvada			
This Information From The Records Of (example - City of _ or County of _):		Prepared By: Debra Nielson			
		Phone: 720-898-7124			
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE					
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration	
1. Total receipts available					
2. Minus amount used for collection expenses					
3. Minus amount used for nonhighway purposes					
4. Minus amount used for mass transit					
5. Remainder used for highway purposes					
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES			
ITEM	AMOUNT	ITEM	AMOUNT		
A. Receipts from local sources:		A. Local highway disbursements:			
1. Local highway-user taxes		1. Capital outlay (from page 2)	21,724,731		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	8,562,288		
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:			
c. Total (a.+b.)		a. Traffic control operations	4,468,229		
2. General fund appropriations	45,483,509	b. Snow and ice removal	1,955,515		
3. Other local imposts (from page 2)	1,962,217	c. Other			
4. Miscellaneous local receipts (from page 2)	0	d. Total (a. through c.)	6,423,744		
5. Transfers from toll facilities		4. General administration & miscellaneous	4,421,073		
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	13,345,847		
a. Bonds - Original Issues	0	6. Total (1 through 5)	54,477,682		
b. Bonds - Refunding Issues		B. Debt service on local obligations:			
c. Notes		1. Bonds:			
d. Total (a. + b. + c.)	0	a. Interest			
7. Total (1 through 6)	47,445,726	b. Redemption			
B. Private Contributions		c. Total (a. + b.)	0		
C. Receipts from State government (from page 2)	5,209,958	2. Notes:			
D. Receipts from Federal Government (from page 2)	0	a. Interest			
E. Total receipts (A.7 + B + C + D)	52,655,684	b. Redemption			
		c. Total (a. + b.)	0		
		3. Total (1.c + 2.c)	0		
		C. Payments to State for highways			
		D. Payments to toll facilities			
		E. Total disbursements (A.6 + B.3 + C + D)	54,477,682		
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)					
	Opening Debt	Amount Issued	Redemptions	Closing Debt	
A. Bonds (Total)	67,545,000	0	2,980,000	64,565,000	
1. Bonds (Refunding Portion)					
B. Notes (Total)				0	
V. LOCAL ROAD AND STREET FUND BALANCE					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	218,946,883	52,655,684	54,477,682	217,124,885	0
Notes and Comments:					



Local Highway Finance Report
Year Ended December 31, 2024

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2024	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	1,275,924	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	686,293	g. Other Misc. Receipts	
6. Total (1. through 5.)	1,962,217	h. Other	
c. Total (a. + b.)	1,962,217	i. Total (a. through h.)	0
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	4,804,022	1. FHWA (from Item I.D.5.)	
2. State general funds	0	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	405,935	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	405,935	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	5,209,958	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs		0	0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements	0	466,846	466,846
(3). System Preservation		12,740,031	12,740,031
(4). System Enhancement & Operation		8,517,854	8,517,854
(5). Total Construction (1) + (2) + (3) + (4)	0	21,724,731	21,724,731
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	21,724,731	21,724,731
			(Carry forward to page 1)
Notes and Comments:			

Statistical Section

(Unaudited)

STATISTICAL SECTION

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Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.



City of Arvada
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(in thousands)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net investment in capital assets	\$ 314,529	\$ 346,609	\$ 344,826	\$ 354,428	\$352,675	\$ 362,678	\$367,234	\$ 375,681	\$ 379,201	\$ 438,820
Restricted	19,900	10,448	22,053	24,408	24,532	30,496	35,213	39,790	42,685	34,684
Unrestricted	90,610	90,156	89,367	89,866	106,286	109,809	133,983	156,094	191,447	184,964
Total governmental activities net position	<u>\$ 425,039</u>	<u>\$ 447,213</u>	<u>\$ 456,246</u>	<u>\$ 468,702</u>	<u>\$483,493</u>	<u>\$ 502,983</u>	<u>\$536,430</u>	<u>\$ 571,565</u>	<u>\$ 613,333</u>	<u>\$ 658,468</u>
Business-type Activities										
Net investment in capital assets	\$ 263,285	\$ 265,019	\$ 278,095	\$ 294,032	\$304,821	\$ 319,340	\$335,824	\$ 368,453	\$ 425,330	\$ 454,300
Restricted	1,964	1,915	2,114	2,090	2,279	-	-	1,425	1,575	1,839
Unrestricted	103,479	122,107	130,694	129,871	128,216	129,422	124,106	109,252	83,653	81,176
Total business-type activities net position	<u>\$ 368,728</u>	<u>\$ 389,041</u>	<u>\$ 410,903</u>	<u>\$ 425,993</u>	<u>\$435,316</u>	<u>\$ 448,762</u>	<u>\$459,930</u>	<u>\$ 479,130</u>	<u>\$ 510,558</u>	<u>\$ 537,315</u>
Primary Government										
Net investment in capital assets	\$ 577,814	\$ 611,628	\$ 622,921	\$ 648,460	\$657,496	\$ 682,018	\$703,058	\$ 744,134	\$ 804,531	\$ 893,120
Restricted	21,864	12,363	24,167	26,498	26,811	30,496	35,213	41,215	44,260	36,339
Unrestricted	194,089	212,263	220,061	219,737	234,502	239,231	258,089	265,346	275,100	266,324
Total primary government net position	<u>\$ 793,767</u>	<u>\$ 836,254</u>	<u>\$ 867,149</u>	<u>\$ 894,695</u>	<u>\$918,809</u>	<u>\$ 951,745</u>	<u>\$996,360</u>	<u>\$ 1,050,695</u>	<u>\$ 1,123,891</u>	<u>\$ 1,195,783</u>

Source: City of Arvada, Finance Department

Note: Government-wide financial statements have been prepared in accordance with the requirements of GASB 34.

City of Arvada
Changes in Net Position (Expenses)
Last Ten Fiscal Years
(accrual basis of accounting)
(in thousands)

Functions/Program Activities	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	\$ 20,939	\$ 25,627	\$ 27,429	\$ 28,941	\$ 35,055	\$ 43,114	\$ 33,451	\$ 52,303	\$ 52,196	\$ 65,664
Public safety	28,030	29,263	31,893	31,347	35,852	35,035	36,031	36,199	37,788	42,606
Public works	31,124	32,126	38,974	38,521	31,981	39,787	35,420	32,771	30,770	35,455
Parks and recreation	8,279	8,543	9,130	9,161	9,413	9,663	10,474	11,582	13,117	14,269
Culture	10,068	5,545	169	107	277	326	437	-	-	-
Human services	4,665	4,781	5,177	5,467	5,853	6,139	7,948	7,294	9,527	9,446
Interest	659	821	954	804	3,217	3,560	3,414	3,619	3,640	3,543
Total governmental activities expenses	<u>103,764</u>	<u>106,706</u>	<u>113,726</u>	<u>114,348</u>	<u>121,648</u>	<u>137,624</u>	<u>127,175</u>	<u>143,768</u>	<u>147,038</u>	<u>170,983</u>
Business-type activities:										
Water	21,632	22,688	22,662	23,794	25,235	26,126	27,202	30,017	31,068	33,355
Wastewater	12,620	12,127	13,049	12,489	13,470	12,954	13,154	15,940	16,872	18,187
Other	8,648	9,412	8,752	11,789	11,131	9,782	15,115	14,413	16,152	17,347
Total business-type activities expenses	<u>42,900</u>	<u>44,227</u>	<u>44,463</u>	<u>48,072</u>	<u>49,836</u>	<u>48,862</u>	<u>55,471</u>	<u>60,370</u>	<u>64,092</u>	<u>68,889</u>
Total primary government expenses	<u>\$ 146,664</u>	<u>\$ 150,933</u>	<u>\$ 158,189</u>	<u>\$ 162,420</u>	<u>\$ 171,484</u>	<u>\$ 186,486</u>	<u>\$ 182,646</u>	<u>\$ 204,138</u>	<u>\$ 211,130</u>	<u>\$ 239,872</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	5,397	5,694	5,495	5,515	5,206	4,806	5,499	7,086	6,871	6,118
Public works	5,170	6,094	6,383	3,794	2,552	3,784	4,235	4,927	3,210	5,176
Parks & recreation	958	965	46	1,035	1,000	-	760	1,048	80	81
Other activities	4,660	1,655	-	-	-	-	-	-	-	-
Operating grants and contributions	12,529	12,066	12,317	12,453	14,035	22,554	17,179	21,308	23,083	23,594
Capital grants and contributions	10,206	8,936	7,850	3,917	3,710	8,108	8,881	18,051	2,986	13,410
Total governmental activities program revenues	<u>38,920</u>	<u>35,410</u>	<u>32,091</u>	<u>26,714</u>	<u>26,503</u>	<u>39,252</u>	<u>36,554</u>	<u>52,420</u>	<u>36,230</u>	<u>48,379</u>
Business-type activities:										
Charges for services:										
Water	20,565	23,120	22,573	24,425	23,459	29,748	26,311	35,534	29,887	40,942
Wastewater	11,721	11,516	12,361	11,938	12,601	12,801	16,684	15,209	15,231	17,178
Other	9,324	9,295	8,252	10,128	10,847	9,196	13,376	15,677	17,239	19,103
Capital grants and contributions	20,578	20,912	14,922	14,177	10,823	7,624	10,671	17,935	26,272	15,412
Total business-type activities program revenues	<u>62,188</u>	<u>64,843</u>	<u>58,108</u>	<u>60,668</u>	<u>57,730</u>	<u>59,369</u>	<u>67,042</u>	<u>84,355</u>	<u>88,629</u>	<u>92,635</u>
Total primary government program revenues	<u>\$ 101,108</u>	<u>\$ 100,253</u>	<u>\$ 90,199</u>	<u>\$ 87,382</u>	<u>\$ 84,233</u>	<u>\$ 98,621</u>	<u>\$ 103,596</u>	<u>\$ 136,775</u>	<u>\$ 124,859</u>	<u>\$ 141,014</u>



City of Arvada
Changes in Net Position (Revenues)
Last Ten Fiscal Years
(accrual basis of accounting)
(in thousands)

Functions/Program Activities	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expense)/Revenue										
Governmental activities	(64,844)	(71,296)	(81,635)	(87,634)	(95,145)	(98,372)	(90,621)	(91,348)	(110,808)	(122,604)
Business-type activities	19,288	20,616	13,645	12,596	7,894	10,507	11,571	23,985	24,537	23,746
Total primary government net expense	<u>(\$ 45,556)</u>	<u>(\$ 50,680)</u>	<u>(\$ 67,990)</u>	<u>(\$ 75,038)</u>	<u>(\$ 87,251)</u>	<u>(\$ 87,865)</u>	<u>(\$ 79,050)</u>	<u>(\$ 67,363)</u>	<u>(\$ 86,271)</u>	<u>(\$ 98,858)</u>
General Revenues and Other Changes In Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 5,074	\$ 6,056	\$ 6,235	\$ 7,215	\$ 6,584	\$ 8,100	\$ 8,172	\$ 8,909	\$ 8,827	\$ 10,852
Sales and use taxes	69,744	74,083	78,564	76,357	76,062	83,026	96,063	107,697	109,080	110,703
Transportation taxes	5,400	4,923	5,061	6,108	5,162	4,704	5,061	5,606	5,174	6,080
Investment earnings (loss)	823	1,003	1,397	2,025	6,403	6,421	(600)	(6,814)	10,544	9,167
Miscellaneous	4,219	6,435	6,425	7,390	13,018	14,524	15,508	9,144	17,072	32,566
Transfers	1,412	957	(7,014)	(556)	2,707	374	(136)	1,941	1,879	906
Total governmental activities	<u>86,672</u>	<u>93,457</u>	<u>90,668</u>	<u>98,539</u>	<u>109,936</u>	<u>117,149</u>	<u>124,068</u>	<u>126,483</u>	<u>152,576</u>	<u>170,274</u>
Business-type activities										
Investment earnings	507	550	1,099	2,203	4,032	3,313	(539)	(2,844)	8,770	4,462
Miscellaneous	104	104	104	104	104	-	-	-	-	-
Transfers	(1,412)	(957)	7,014	556	(2,707)	(374)	136	(1,941)	(1,879)	(906)
Total business-type activities	<u>(801)</u>	<u>(303)</u>	<u>8,217</u>	<u>2,863</u>	<u>1,429</u>	<u>2,939</u>	<u>(403)</u>	<u>(4,785)</u>	<u>6,891</u>	<u>3,556</u>
Total primary government	<u>\$ 85,871</u>	<u>\$ 93,154</u>	<u>\$ 98,885</u>	<u>\$ 101,402</u>	<u>\$ 111,365</u>	<u>\$ 120,088</u>	<u>\$ 123,665</u>	<u>\$ 121,698</u>	<u>\$ 159,467</u>	<u>\$ 173,830</u>
Change in Net Position										
Governmental activities	21,828	22,161	9,033	10,905	14,791	18,777	33,447	35,135	41,768	47,670
Business-type activities	18,487	20,313	21,862	15,459	9,323	13,446	11,168	19,200	31,428	27,302
Total primary government	<u>\$ 40,315</u>	<u>\$ 42,474</u>	<u>\$ 30,895</u>	<u>\$ 26,364</u>	<u>\$ 24,114</u>	<u>\$ 32,223</u>	<u>\$ 44,615</u>	<u>\$ 54,335</u>	<u>\$ 73,196</u>	<u>\$ 74,972</u>

Source: City of Arvada, Finance Department

Note: General Government represents support and administrative divisions such as Legal, Finance, City Manager's Office, KATV, Human Resources, Planning, Code Enforcement, Information Services, Courts, and City Council.

City of Arvada
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(in thousands)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	\$ 664	\$ 589	\$ 570	\$ 518	\$ 423	\$ 563	\$ 578	\$ 558	\$ 575	\$ 802
Restricted	2,447	2,589	2,856	2,836	2,844	3,273	3,311	3,602	3,903	4,488
Assigned	1,468	15,143	-	11	2,295	2,698	1,312	-	-	-
Unassigned	32,951	23,076	43,264	41,496	40,221	41,077	57,388	65,818	81,244	69,163
Total general fund	<u>37,530</u>	<u>41,397</u>	<u>46,690</u>	<u>44,861</u>	<u>45,783</u>	<u>47,611</u>	<u>62,589</u>	<u>69,978</u>	<u>85,722</u>	<u>74,453</u>
All Other Governmental Funds										
Nonspendable	110	46	43	39	51	36	35	33	50	32
Restricted	17,453	19,796	19,189	21,572	100,636	100,003	119,339	110,813	86,480	76,428
Committed	17,330	7,693	11,393	14,842	23,192	24,752	17,654	18,054	39,968	41,651
Assigned	20,172	25,783	21,264	16,259	17,164	11,855	23,897	24,884	24,174	19,062
Subtotal All Other	<u>55,065</u>	<u>53,318</u>	<u>51,889</u>	<u>52,712</u>	<u>141,043</u>	<u>136,646</u>	<u>160,925</u>	<u>153,784</u>	<u>150,672</u>	<u>137,173</u>
Governmental Funds	<u>92,595</u>	<u>94,715</u>	<u>98,579</u>	<u>97,573</u>	<u>186,826</u>	<u>184,257</u>	<u>223,514</u>	<u>223,762</u>	<u>236,394</u>	<u>211,626</u>
Total Governmental Funds										
Nonspendable	774	635	613	557	474	599	613	591	625	834
Restricted	19,900	22,385	22,045	24,408	103,480	103,276	122,650	114,415	90,383	80,916
Committed	17,330	7,693	11,393	14,842	23,192	24,752	17,654	18,054	39,968	41,651
Assigned	21,640	40,926	21,264	16,270	19,459	14,553	25,209	24,884	24,174	19,062
Unassigned	32,951	23,076	43,264	41,496	40,221	41,077	57,388	65,818	81,244	69,163
Total all other governmental funds	<u>\$ 92,595</u>	<u>\$ 94,715</u>	<u>\$ 98,579</u>	<u>\$ 97,573</u>	<u>\$ 186,826</u>	<u>\$ 184,257</u>	<u>\$ 223,514</u>	<u>\$ 223,762</u>	<u>\$ 236,394</u>	<u>\$ 211,626</u>

Source: City of Arvada Finance Department

Note: In Fiscal Year ending December 31, 2011, the City of Arvada implemented Government Accounting Standard Board Statement Financial Statement Number 54. The presentation of the different Fund Balance types are listed above with figures recorded in the applicable categories. A brief definition of these categories is defined on page 53 of the Notes to the Financial Statements section of the ACFR.



City of Arvada
Changes in Fund Balances-Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(in thousands)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues:										
Taxes	\$ 79,169	\$ 84,443	\$ 89,199	\$ 88,004	\$ 88,808	\$ 95,538	\$ 109,022	\$ 121,975	\$ 123,219	\$ 126,582
Licenses and Permits	5,197	6,041	6,508	4,164	3,322	3,492	4,215	4,652	3,945	4,331
Intergovernmental	17,849	18,172	15,751	18,170	18,759	28,545	23,071	27,315	28,795	24,656
Charges for Services	5,684	2,878	1,063	841	1,019	783	957	1,150	1,033	1,379
Fines and Forfeits	1,846	1,732	4,317	1,558	1,282	961	1,089	854	1,016	1,101
Interest	635	801	1,187	1,668	5,506	5,391	(600)	(6,814)	10,544	11,160
Memberships and Donations	942	758	1,332	505	5,404	2,879	8,246	3,008	8,228	14,003
Miscellaneous	3,881	2,893	6,949	8,167	5,860	9,278	9,068	8,369	8,592	11,943
Total revenues	<u>\$ 115,203</u>	<u>\$ 117,718</u>	<u>\$ 126,306</u>	<u>\$ 123,077</u>	<u>\$ 129,960</u>	<u>\$ 146,867</u>	<u>\$ 155,068</u>	<u>\$ 160,509</u>	<u>\$ 185,372</u>	<u>\$ 195,155</u>
Expenditures:										
General Government	\$ 15,759	\$ 18,642	\$ 21,835	\$ 23,296	\$ 26,853	\$ 35,232	\$ 26,321	\$ 31,732	\$ 36,086	\$ 44,943
Public Safety	28,166	28,731	31,139	32,186	36,129	36,008	35,993	37,200	39,196	45,788
Public Works	22,577	23,174	29,958	29,887	23,104	31,020	26,430	32,932	31,052	36,152
Program Costs	22,460	17,623	13,899	14,463	15,115	15,491	17,921	18,989	22,811	24,082
Capital Outlay	23,305	34,949	12,162	15,740	15,126	24,761	17,798	28,417	46,321	58,462
Debt Service										
Principal	4,510	4,670	5,085	5,400	3,295	3,960	4,125	4,316	5,487	5,509
Interest	721	718	946	771	2,924	3,522	3,362	3,590	3,579	3,560
Bond Issuance costs	-	162	-	-	350	-	101	-	146	-
Total Expenditures	<u>\$ 117,498</u>	<u>\$ 128,669</u>	<u>\$ 115,024</u>	<u>\$ 121,743</u>	<u>\$ 122,896</u>	<u>\$ 149,994</u>	<u>\$ 132,051</u>	<u>\$ 157,176</u>	<u>\$ 184,678</u>	<u>\$ 218,496</u>
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	<u>(2,295)</u>	<u>(10,951)</u>	<u>11,282</u>	<u>1,334</u>	<u>7,413</u>	<u>(3,127)</u>	<u>23,017</u>	<u>3,333</u>	<u>694</u>	<u>(23,341)</u>
Other Financing Sources (Uses)										
Proceeds from borrowing	11,820	13,083	-	-	80,171	-	17,605	-	8,166	-
Payments to escrow agent	(11,816)	-	-	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-	-	-	-
Issuance of subscription debt	-	-	-	-	-	-	-	-	-	306
Transfers in	18,410	21,735	18,477	17,994	21,102	14,035	15,504	18,201	27,342	23,103
Transfers out	(17,738)	(21,747)	(25,895)	(20,334)	(19,083)	(14,190)	(16,869)	(21,286)	(23,570)	(24,836)
Total Other Financing										
Sources (Uses)	<u>676</u>	<u>13,071</u>	<u>(7,418)</u>	<u>(2,340)</u>	<u>82,190</u>	<u>(155)</u>	<u>16,240</u>	<u>(3,085)</u>	<u>11,938</u>	<u>(1,427)</u>
Net Change in Fund Balances	<u>\$ (1,619)</u>	<u>\$ 2,120</u>	<u>\$ 3,864</u>	<u>\$ (1,006)</u>	<u>\$ 89,603</u>	<u>\$ (3,282)</u>	<u>\$ 39,257</u>	<u>\$ 248</u>	<u>\$ 12,632</u>	<u>\$ (24,767)</u>
Debt service as a % of										
Noncapital Expenditures	<u>6%</u>	<u>6%</u>	<u>6%</u>	<u>6%</u>	<u>6%</u>	<u>6%</u>	<u>7%</u>	<u>6%</u>	<u>7%</u>	<u>6%</u>

Source: City of Arvada, Finance Department

**City of Arvada
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years**

City Direct Rates		Overlapping Rates					
Fiscal Year	Basic Rate	State of Colorado	Jefferson County	Adams County	Rapid Transit District RTD	Cultural Facilities District	Baseball Football Stadium District
2015	3.46%	2.90%	0.50%	0.75%	1.00%	0.10%	0.00%
2016	3.46%	2.90%	0.50%	0.75%	1.00%	0.10%	0.00%
2017	3.46%	2.90%	0.50%	0.75%	1.00%	0.10%	0.00%
2018	3.46%	2.90%	0.50%	0.75%	1.00%	0.10%	0.00%
2019	3.46%	2.90%	0.50%	0.75%	1.00%	0.10%	0.00%
2020	3.46%	2.90%	0.50%	0.75%	1.00%	0.10%	0.00%
2021	3.46%	2.90%	0.50%	0.75%	1.00%	0.10%	0.00%
2022	3.46%	2.90%	0.50%	0.75%	1.00%	0.10%	0.00%
2023	3.46%	2.90%	0.50%	0.75%	1.00%	0.10%	0.00%
2024	3.46%	2.90%	0.50%	0.75%	1.00%	0.10%	0.00%

Source: City of Arvada, Finance Department

The combined direct and overlapping rates for Jefferson and Adams counties are 7.96% and 8.21%, respectively.

**City of Arvada
Sales and Use Tax
Last Ten Fiscal Years**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Sales Tax:					
Grocery Chain Stores	\$ 10,007,863	\$ 10,250,605	\$ 10,428,743	\$ 11,006,047	\$ 11,655,160
Fast Food Restaurants	1,848,439	1,904,774	1,988,556	1,961,776	2,061,043
General Dept Stores	8,977,911	9,712,663	10,323,021	10,717,989	11,325,604
Public Utilities	4,034,612	3,888,283	4,037,700	4,106,099	4,278,532
Restaurant & Lounges	3,039,338	3,175,973	3,355,016	3,506,679	3,799,181
Telephone Equipment & Service	2,426,775	2,367,071	2,487,706	2,129,580	1,952,427
Other	<u>23,507,566</u>	<u>25,167,368</u>	<u>26,447,292</u>	<u>26,573,880</u>	<u>26,424,700</u>
 Total Sales Tax	 53,842,504	 56,466,737	 59,068,034	 60,002,050	 61,496,646
 Use Tax:					
Grocery Chain Stores	33,986	32,944	37,529	20,359	15,557
Fast Food Restaurants	87,669	20,323	28,062	34,220	16,393
General Dept Stores	36,868	39,593	36,250	70,261	47,779
Public Utilities	217,714	180,360	432,564	276,330	110,992
Restaurant & Lounges	32,264	30,293	33,002	37,339	22,342
Telephone Equipment & Service	5,820	4,633	26,963	33,100	64,684
Other	<u>1,429,836</u>	<u>1,206,037</u>	<u>969,664</u>	<u>1,213,319</u>	<u>975,975</u>
 Total Use Tax	 1,844,157	 1,514,182	 1,564,034	 1,684,928	 1,253,722
 Auto Use	 8,042,434	 8,260,640	 9,849,865	 9,252,673	 9,375,906
 Building Use	 6,015,271	 7,841,134	 8,082,067	 4,715,298	 3,839,795
 Total	 <u>\$ 69,744,366</u>	 <u>\$ 74,082,694</u>	 <u>\$ 78,564,000</u>	 <u>\$ 75,654,949</u>	 <u>\$ 75,966,069</u>
 City Direct Sales Tax Rate	 3.46%	 3.46%	 3.46%	 3.46%	 3.46%

Source: City of Arvada, Finance Department.

Note: Figures include .46% Sales and Use Tax imposed for police and public safety purposes.

Note: Total sales taxes collected in 2024 increased by 1.80% over 2023. The Fast Foods Restaurants category showed the largest increase with a 5.13% increase compared to 2023. 2024 total use tax collections were down 3.22% compared to 2023. Use tax for Restaurant & Lounge category was significantly up, 179.06%, compared to 2023.

**City of Arvada
Sales and Use Tax
Last Ten Fiscal Years**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Sales Tax:					
Grocery Chain Stores	\$ 13,275,562	\$ 12,838,119	\$ 13,475,763	\$ 14,056,988	\$ 14,366,957
Fast Food Restaurants	3,532,779	4,023,549	4,154,271	4,447,433	4,374,972
General Dept Stores	10,618,820	12,248,352	13,773,837	14,040,138	14,643,913
Public Utilities	3,206,587	3,612,865	4,360,304	4,379,936	4,215,278
Restaurant & Lounges	2,806,889	3,576,298	4,372,236	4,640,097	4,878,194
Telephone Equipment & Service	1,048,674	1,100,251	1,188,858	1,096,228	1,055,324
Misc. - Other	<u>32,577,797</u>	<u>40,150,384</u>	<u>43,652,204</u>	<u>45,952,222</u>	<u>46,673,760</u>
 Total Sales Tax	 67,067,108	 77,549,818	 84,977,473	 88,613,041	 90,208,398
 Use Tax:					
Grocery Chain Stores	11,796	12,783	22,995	11,681	6,847
Fast Food Restaurants	23,720	29,041	38,265	22,726	17,775
General Dept Stores	44,406	52,075	74,010	49,838	50,898
Public Utilities	111,375	194,880	277,453	232,324	197,736
Restaurant & Lounges	9,251	12,004	19,873	8,049	22,463
Telephone Equipment & Service	11,305	18,843	22,705	15,104	1,200
Misc. - Other	<u>743,626</u>	<u>899,635</u>	<u>762,109</u>	<u>833,885</u>	<u>838,916</u>
 Total Use Tax	 955,479	 1,219,261	 1,217,410	 1,173,608	 1,135,835
 Auto Use	 9,864,747	 11,527,196	 11,723,633	 9,872,688	 11,487,029
 Building Use	 4,353,953	 4,467,398	 8,239,667	 5,221,114	 5,476,914
 Total	 <u>\$ 82,241,287</u>	 <u>\$ 94,763,673</u>	 <u>\$ 106,158,183</u>	 <u>\$ 104,880,451</u>	 <u>\$ 108,308,176</u>
 City Direct Sales Tax Rate	 3.46%	 3.46%	 3.46%	 3.46%	 3.46%



**City of Arvada
Principal Property Tax Payers
Last Ten Fiscal Years
(in thousands)**

Tax Remitter	2015			2016			2017			2018			2019		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
5458 Lee CO LLC															
ADLP 80th LLC	3,568	6	0.31%	3,568	6	0.31%	3,531	9	0.31%						
Arvada Hotel Investors LLC										3,855	10	0.34%	4,021	10	0.35%
Arvada Prime 1 LLC															
Bpaz Holdings 16 LLC															
Comcast of Colorado													4,450	9	0.39%
Costco Wholesale Corp.							4,011	7	0.35%	4,011	8	0.35%			
Dillon Companies LLC													5,763	6	0.51%
Gateway at Arvada Ridge LLC															
GP Retail I LLC	2,983	9	0.26%	2,983	9	0.26%									
Lee Street Owner LLC															
Livanova Inc							5,284	5	0.47%	5,020	5	0.44%	5,320	7	0.47%
Lowes HIW Inc							3,903	8	0.34%	3,903	9	0.34%			
Neodyne Industries	3,306	7	0.29%												
Panorama AR LLP	3,005	8	0.27%	3,005	8	0.27%									
Plains End LLC	20,467	2	1.81%	18,554	2	1.64%	19,204	2	1.69%	16,926	2	1.49%			
Plains End II LLC															
Public Service Co of Colorado	24,349	1	2.15%	24,722	1	2.18%	29,413	1	2.60%	34,613	1	3.05%	50,380	1	4.45%
Qwest Corp.	10,533	3	0.93%	11,155	3	0.98%	11,623	3	1.03%	7,755	4	0.68%	6,218	5	0.55%
Seagate Panorama Assoc LLC							4,277	6	0.38%	4,277	6	0.38%	7,862	2	0.69%
Solana Olde Town Station LLC										4,277	7	0.38%	6,795	4	0.60%
Sorin Group (Cobe Laboratories)	3,909	5	0.34%	3,909	5	0.34%									
Sundyne Corp.				3,463	7	0.31%									
Target Corp.	2,858	10	0.25%				3,472	10	0.31%						
Taylor Morrison of Colorado															
Timberline LLC															
Union Pacific Railroad Co				2,925	10	0.26%									
W PT Arvada VII LLC	7,031	4	0.62%	9,585	4	0.85%	10,715	4	0.95%	10,715	3	0.95%	7,514	3	0.66%
Walmart Real Estate Business Trust													4,925	8	0.43%
Total	\$ 82,009		7.24%	\$ 83,869		7.40%	\$ 95,433		8.42%	\$ 95,352		8.41%	\$ 103,248		9.11%

Source: Jefferson and Adams County Assessors Offices

Note: The top ten taxpayers represent roughly 6% of the total assessed valuation for the City of Arvada. The remaining 94% represents smaller business and residential customers.



City of Arvada
Principal Property Tax Payers
Last Ten Fiscal Years
(in thousands)

Tax Remitter	2020			2021			2022			2023			2024		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
5458 Lee CO LLC							5,978	5	0.53%	7,064	4	0.62%	7,064	7	0.28%
ADLP 80th LLC				6,293	6	0.56%	5,552	6	0.49%	5,511	9	0.49%			
Arvada Hotel Investors LLC															
Arvada Prime 1 LLC													12,134	2	0.48%
Bpaz Holdings 16 LLC				5,027	10	0.44%	5,027	9	0.44%	5,596	8	0.49%			
Comcast of Colorado							4,099	10	0.36%						
Costco Wholesale Corp.															
Dillon Companies LLC	5,763	5	0.51%												
Gateway at Arvada Ridge LLC	5,714	6	0.50%												
GP Retail I LLC															
Lee Street Owner LLC				6,286	7	0.55%									
Livanova Inc	5,320	7	0.47%	5,550	8	0.49%	5,550	7	0.49%	6,007	6	0.53%	6,007	10	0.24%
Lowes HIW Inc															
Neodyne Industries															
Panorama AR LLP															
Plains End LLC				15,776	2	1.39%							9,665	4	0.38%
Plains End II LLC													9,995	3	0.40%
Public Service Co of Colorado	58,581	1	5.17%	59,657	1	5.26%	67,613	1	5.97%	73,247	1	6.46%	78,148	1	3.11%
Qwest Corp.	6,455	4	0.57%	6,518	5	0.58%	6,221	4	0.55%	5,881	7	0.52%			
Seagate Panorama Assoc LLC	4,908	9	0.43%	5,361	9	0.47%	5,099	8	0.45%	6,301	5	0.56%	6,301	9	0.25%
Solana Olde Town Station LLC	6,795	3	0.60%	7,475	4	0.66%	7,109	3	0.00%	8,402	3	0.00%	8,187	5	0.33%
Sorin Group (Cobe Laboratories)															
Sundyne Corp.	4,472	10	0.39%							5,065	10	1.07%			
Target Corp.															
Taylor Morrison of Colorado													7,066	6	0.28%
Timberline LLC													6,836	8	0.27%
Union Pacific Railroad Co															
W PT Arvada VII LLC	7,514	2	0.66%	15,403	3	1.36%	12,151	2	1.07%	12,134	2	1.07%			
Walmart Real Estate Business Trust	4,925	8	0.43%												
Total	\$ 110,447		9.75%	\$ 133,346		11.77%	\$ 124,399		10.35%	\$ 135,208		11.81%	\$ 151,403		6.03%



City of Arvada
Property Tax Levies and Collections
Last Ten Years
(modified accrual basis of accounting)

Levy/ Collection Year	Taxes Levied for the Fiscal Year (1)	Collection within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014/2015	4,690,479	4,668,082	99.52%	3,457	4,671,539	99.60%
2015/2016	5,626,198	5,583,065	99.23%	107	5,583,172	99.24%
2016/2017	5,714,052	5,654,004	98.95%	784	5,654,789	98.96%
2017/2018	6,593,213	6,568,030	99.62%	2,622	6,570,652	99.66%
2018/2019	6,662,940	6,583,728	98.81%	14,736	6,598,464	99.03%
2019/2020	7,516,948	7,495,926	99.72%	7,524	7,503,450	99.82%
2020/2021	7,598,342	7,543,438	99.28%	17,850	7,561,288	99.51%
2021/2022	8,360,970	8,290,609	99.16%	19,553	8,310,162	99.39%
2022/2023	8,207,927	8,188,412	99.76%	9,255	8,197,667	99.87%
2023/2024	9,767,204	10,166,101	104.08%	8,565	10,174,666	104.17%

Source: Jefferson and Adams County Assessors Offices

Note: Excludes Specific Ownership Tax

(1) Taxes levied is for the tax year preceding the fiscal year.

The mill levy rate for 2024 is 4.31.



City of Arvada
Assessed Value and Actual Value of Taxable Property
Last Ten Years
(in thousands)

	Levy/Collection Year				
	2015	2016	2017	2018	2019
Vacant property	\$ 52,087,362	\$ 39,879,257	\$ 52,814,910	\$ 32,807,309	\$ 34,095,406
Residential property	\$ 944,952,123	\$ 971,097,836	\$ 1,112,005,105	\$ 1,146,929,524	\$ 1,324,987,688
Commercial property	\$ 233,245,944	\$ 277,903,562	\$ 351,310,400	\$ 354,064,947	\$ 343,468,354
Industrial property	\$ 69,176,989	\$ 23,620,892	\$ 33,189,278	\$ 32,388,439	\$ 34,073,436
Agricultural property	\$ 1,651,435	\$ 1,593,393	\$ 1,967,531	\$ 2,033,147	\$ 2,389,402
Natural Resources	\$ 496	\$ 495	\$ 502	\$ 516	\$ 557
State assessed property	\$ 62,662,700	\$ 62,171,458	\$ 66,236,214	\$ 64,238,210	\$ 8,655,208
Personal property	\$ 3,429,310	\$ 3,648,980	\$ 3,995,640	\$ 3,953,280	\$ 129,527,210
Total taxable assessed value	<u>\$ 1,367,206,359</u>	<u>\$ 1,379,915,873</u>	<u>\$ 1,621,519,580</u>	<u>\$ 1,636,415,372</u>	<u>\$ 1,877,197,261</u>
Total direct tax rate	4.31	4.31	4.31	4.31	4.31
Estimated actual taxable value (in thousands)	\$ 13,187,691	\$ 14,465,213	\$ 18,072,919	\$ 17,435,897	\$ 20,235,588
Assessed value as a percentage of estimated actual value	10.4%	9.5%	9.0%	9.4%	9.3%
	2020	2021	2022	2023	2024
Vacant property	\$ 34,095,406	\$ 32,138,917	\$ 33,873,992	\$ 43,153,762	\$ 40,783,507
Residential property	\$ 1,324,988,638	\$ 1,478,385,954	\$ 1,445,137,713	\$ 1,764,555,154	\$ 1,784,359,358
Commercial property	\$ 343,394,594	\$ 392,501,187	\$ 389,417,624	\$ 441,073,220	\$ 450,984,512
Industrial property	\$ 33,647,026	\$ 46,012,166	\$ 45,397,830	\$ 53,561,967	\$ 52,316,181
Agricultural property	\$ 2,389,402	\$ 2,128,489	\$ 1,767,957	\$ 1,754,078	\$ 1,617,272
Natural Resources	\$ 557	\$ 535	\$ 535	\$ 517	\$ 517
State assessed property	\$ 8,574,968	\$ 10,850,471	\$ 10,247,715	\$ 11,642,208	\$ 11,696,255
Personal property	\$ 129,339,130	\$ 133,292,874	\$ 149,161,632	\$ 168,004,186	\$ 169,658,482
Total taxable assessed value	<u>\$ 1,876,429,721</u>	<u>\$ 2,095,310,593</u>	<u>\$ 2,075,004,998</u>	<u>\$ 2,483,745,092</u>	<u>\$ 2,511,416,084</u>
Total direct tax rate	4.31	4.31	4.31	4.31	4.31
Estimated actual taxable value (in thousands)	\$ 20,493,984	\$ 22,577,041	\$ 22,726,178	\$ 28,327,059	\$ 31,325,161
Assessed value as a percentage of estimated actual value	9.2%	9.3%	9.1%	8.8%	8.0%

Assessed values, as reported in this schedule, include certain tax-exempt properties

Assessed values included in this schedule include tax increment financing districts located within the City



City of Arvada
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(in thousands)

Fiscal Year	Governmental Activities						Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Sales Tax Increment Bonds	Lease Liability	Subscription Liability	Equipment Purchase Direct Placement	Certificates of Participation	Water Bonds	Waste-water Bonds	Lease Liability	Subscription Liability			
2015	-	11,583	98	-	-	10,685	10,571	-	77	-	33,014	0.87%	0.30
2016	-	7,837	-	-	-	22,556	8,606	-	-	-	38,999	0.97%	0.34
2017	-	3,976	-	-	-	20,992	6,587	-	-	-	31,555	0.74%	0.27
2018	-	-	-	-	-	19,383	4,473	-	-	-	23,856	0.50%	0.20
2019	-	78,107	-	-	-	17,739	2,279	-	-	-	98,125	1.89%	0.79
2020	-	75,368	-	-	-	16,060	-	-	-	-	91,428	1.66%	0.73
2021	-	72,509	-	-	-	31,941	-	-	-	-	104,450	1.91%	0.87
2022	-	69,525	363	-	-	30,177	50,482	50,402	375	-	201,324	3.43%	1.63
2023	-	74,281	679	6,054	402	27,616	49,689	49,608	191	41	208,561	3.20%	1.69
2024	-	70,889	284	5,120	271	24,992	48,821	48,738	-	21	199,136	2.68%	1.61

Source: City of Arvada Finance Department

City of Arvada
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(modified accrual basis of accounting)

General Bonded Debt Outstanding					
Fiscal Year	General Obligation Bonds	Redevelopment Bonds	Total	Percentage of Actual Taxable Value of Property	Per Capita
2015	\$ 0	\$ 0	\$ 0	0.00%	\$ 0.00
2016	\$ 0	\$ 0	\$ 0	0.00%	\$ 0.00
2017	\$ 0	\$ 0	\$ 0	0.00%	\$ 0.00
2018	\$ 0	\$ 0	\$ 0	0.00%	\$ 0.00
2019	\$ 0	\$ 0	\$ 0	0.00%	\$ 0.00
2020	\$ 0	\$ 0	\$ 0	0.00%	\$ 0.00
2021	\$ 0	\$ 0	\$ 0	0.00%	\$ 0.00
2022	\$ 0	\$ 0	\$ 0	0.00%	\$ 0.00
2023	\$ 0	\$ 0	\$ 0	0.00%	\$ 0.00
2024	\$ 0	\$ 0	\$ 0	0.00%	\$ 0.00

Source: City of Arvada Comprehensive Annual Financial Report (2015-2024), Jefferson and Adams County Assessors Offices, Denver Regional Council of Governments



City of Arvada
Direct and Overlapping Governmental Activities Debt
Last Fiscal Year

Jurisdiction	Debt Outstanding	2024 Percents Applicable To City of Arvada	Estimated Share of Overlapping Debt
Direct			
City of Arvada	\$ 101,556,000	100.00%	\$ 101,556,000
Overlapping			
Adams County Fire Protection District	-	5.29%	\$ -
APEX (North Jeffco Park & Recreation)	17,990,000.00	83.66%	15,050,500
Arvada West Town Center Business Improvement District	1,825,000.00	100.00%	1,825,000
Boyd Ponds Metropolitan District No. 2	2,240,000.00	100.00%	2,240,000
Cimarron Metropolitan District	-	100.00%	-
Fairmount Fire Protection District	-	0.02%	-
Hometown Metropolitan District No. 2	545,000	100.00%	545,000
Hyland Hills Park & Recreation District	-	4.26%	-
Jefferson Center Metropolitan Dist. No. 1	132,405,000	37.59%	49,771,040
Jefferson County School District R-1	762,787,897	16.89%	128,828,919
Mountain Shadows Metropolitan District	14,915,000	100.00%	14,915,000
Ralston Valley Water and Sanitation Dist.	-	20.84%	-
Richards Farm Metropolitan Dist. No. 2	3,781,408	100.00%	3,781,408
Spring Mesa Metropolitan District	5,910,000	100.00%	5,910,000
Vauxmont Metropolitan District	105,618,000	98.92%	104,477,326
West Point Metropolitan District	4,240,000	100.00%	4,240,000
Westminster Public Schools FKA Adams County School District 50	24,690,000	6.80%	1,679,506
Subtotal, overlapping debt			<u>\$ 333,263,698</u>
Total, direct and overlapping debt			<u><u>\$ 434,819,698</u></u>

Source: Jefferson County School District, Adams County Schools District, Jefferson County Parks, and Recreation District, Hylands Hills Park Recreation District, Southwest Adams County Fire Protection District, and City of Arvada

Note: Overlapping governments listed above incorporate a portion of the City of Arvada. This percentage of the incorporated areas is used to calculate the estimated share of overlapping debt. This figure is taken into account to determine the City of Arvada's ability to issue and repay long-term debt.



City of Arvada Legal Debt Margin Information Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2024

Actual value	\$ 29,238,496,666
Debt limit (3% of actual value)	877,154,900
Debt applicable to limit:	
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	-
Legal debt margin	877,154,900

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt Limit	399,819,207	408,283,168	516,043,854	528,523,769	613,064,018	612,984,918	684,121,589	688,977,154	859,850,800	877,154,900
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 399,819,207	\$ 408,283,168	\$ 516,043,854	\$ 528,523,769	\$ 613,064,018	\$ 612,984,918	\$ 684,121,589	\$ 688,977,154	\$ 859,850,800	\$ 877,154,900
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Jefferson and Adams County Assessors' Offices

Note: Chapter XI, Section 4 of the Charter of the City of Arvada: "The aggregate amount of bonds or other evidences of indebtedness shall not exceed three (3) percent of the actual value, as determined by the County Assessors of Jefferson County and Adams County, of the taxable property in the City of Arvada: provided, however, that in determining the amount of indebtedness, there shall not be included within the computation, bonds or other evidences of indebtedness outstanding or authorized to be issued for the acquisition, extension, or improvement of the municipal waterworks system or the municipal storm sewer, sanitary sewer, combined storm and sanitary sewers, or sewage disposal systems, short-term notes, local improvement securities, or securities payable solely from the revenues of an income-producing system, utility or other project."

**City of Arvada
Pledged-Revenue Coverage
Last Ten Fiscal Years**

Sales and Use Tax Bonds

Year	Sales & Use Tax Increment	Debt Service		Coverage
		Principal	Interest	
2015	59,690,396.82	3,375,000.00	542,500.00	15.24
2016	63,386,029.26	3,485,000.00	427,400.00	16.20
2017	68,346,419.26	3,615,000.00	294,050.00	17.48
2018	65,224,908.00	3,885,000.00	155,400.00	16.14
2019	65,496,204.97	1,745,000.00	2,347,072.47	16.01
2020	70,926,289.00	2,375,000.00	2,985,281.25	13.23
2021	82,053,039.00	2,495,000.00	2,866,531.25	15.30
2022	91,923,766.00	2,620,000.00	2,741,781.25	17.14
2023	92,632,576.00	3,020,000.00	2,777,472.91	15.98
2024	93,606,612.00	2,980,000.00	2,821,281.26	16.14

Water Revenue Bonds Series 2022

Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2022	41,940,843	25,178,000	16,762,843	-	-	5.82
2023	47,308,000	24,078,000	23,230,000	715,000	2,008,395	8.07
2024	52,208,215	26,697,277	25,510,938	790,000	2,084,550	8.87

Wastewater Revenue Bonds Series 2022

Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2022	15,803,956	13,738,000	2,065,956	-	-	0.71
2023	19,864,000	13,250,000	6,614,000	710,000	2,031,277	2.12
2024	21,083,056	14,516,551	6,566,505	785,000	2,108,956	2.27

Source: City of Arvada, Finance Department

Note: Sales and Use Tax Revenue Bond Series 2023 was issued in 2023.
Sales and use tax bonds are backed by the generation of sales and use tax revenues.
Figures do not include .46% Sales and Use Tax imposed for police and public safety.

Note: Water and Wasterwater Revenue bonds were issued in 2022.
Service charges include water or wastewater sales, licenses and permit fees.
Operating expenses include operations, administration & maintenance, and tap fees.
Coverage represents the ratio of debt payments to net revenue available.



**Schedule of Debt Service Requirements
Governmental-Type Activities
December 31, 2024**

Sales & Use Tax Revenue Bonds - Series 2019

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>	<u>Principal Balance</u>
				60,585,000
2024	2,885,000	2,473,281	5,358,281	57,700,000
2025	3,030,000	2,329,031	5,359,031	54,670,000
2026	3,180,000	2,177,531	5,357,531	51,490,000
2027	3,340,000	2,018,531	5,358,531	48,150,000
2028	3,510,000	1,851,531	5,361,531	44,640,000
2029	3,685,000	1,676,031	5,361,031	40,955,000
2030	3,865,000	1,491,781	5,356,781	37,090,000
2031	4,060,000	1,298,531	5,358,531	33,030,000
2032	4,265,000	1,095,531	5,360,531	28,765,000
2033	4,435,000	924,931	5,359,931	24,330,000
2034	4,565,000	791,881	5,356,881	19,765,000
2035	4,710,000	649,225	5,359,225	15,055,000
2036	4,855,000	502,038	5,357,038	10,200,000
2037	5,015,000	344,250	5,359,250	5,185,000
2038	5,185,000	174,994	5,359,994	\$ 0
TOTALS	<u><u>\$ 60,585,000</u></u>	<u><u>\$ 19,799,100</u></u>	<u><u>\$ 80,384,100</u></u>	



**Schedule of Debt Service Requirements
Governmental-Type Activities
December 31, 2024**

Sales & Use Tax Revenue Bonds - Series 2023

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>	<u>Principal Balance</u>
				6,960,000
2024	95,000	348,000	443,000	6,865,000
2025	95,000	343,250	438,250	6,770,000
2026	105,000	338,500	443,500	6,665,000
2027	110,000	333,250	443,250	6,555,000
2028	110,000	327,750	437,750	6,445,000
2029	115,000	322,250	437,250	6,330,000
2030	125,000	316,500	441,500	6,205,000
2031	130,000	310,250	440,250	6,075,000
2032	135,000	303,750	438,750	5,940,000
2033	140,000	297,000	437,000	5,800,000
2034	150,000	290,000	440,000	5,650,000
2035	155,000	282,500	437,500	5,495,000
2036	165,000	274,750	439,750	5,330,000
2037	175,000	266,500	441,500	5,155,000
2038	180,000	257,750	437,750	4,975,000
2039	1,155,000	248,750	1,403,750	3,820,000
2040	1,210,000	191,000	1,401,000	2,610,000
2041	1,275,000	130,500	1,405,500	1,335,000
2042	1,335,000	66,750	1,401,750	\$ 0
TOTALS	<u>\$ 6,960,000</u>	<u>\$ 5,249,000</u>	<u>\$ 12,209,000</u>	



**Schedule of Debt Service Requirements
Business Type Activities
December 31, 2024**

Water Enterprise Revenue Bonds - Series 2022

Year	Principal	Interest	Total Payment	Principal Balance
				47,435,000
2024	790,000	2,084,550	2,874,550	47,360,000
2025	830,000	2,045,050	2,875,050	46,530,000
2026	875,000	2,003,550	2,878,550	45,655,000
2027	915,000	1,959,800	2,874,800	44,740,000
2028	960,000	1,914,050	2,874,050	43,780,000
2029	1,010,000	1,866,050	2,876,050	42,770,000
2030	1,060,000	1,815,550	2,875,550	41,710,000
2031	1,115,000	1,762,550	2,877,550	40,595,000
2032	1,170,000	1,706,800	2,876,800	39,425,000
2033	1,225,000	1,648,300	2,873,300	38,200,000
2034	1,290,000	1,587,050	2,877,050	36,910,000
2035	1,355,000	1,522,550	2,877,550	35,555,000
2036	1,420,000	1,454,800	2,874,800	34,135,000
2037	1,490,000	1,383,800	2,873,800	32,645,000
2038	1,565,000	1,309,300	2,874,300	31,080,000
2039	1,645,000	1,231,050	2,876,050	29,435,000
2040	1,725,000	1,148,800	2,873,800	27,710,000
2041	1,795,000	1,079,800	2,874,800	25,915,000
2042	1,870,000	1,008,000	2,878,000	24,045,000
2043	1,945,000	933,200	2,878,200	22,100,000
2044	2,020,000	855,400	2,875,400	20,080,000
2045	2,100,000	774,600	2,874,600	17,980,000
2046	2,185,000	690,600	2,875,600	15,795,000
2047	2,275,000	603,200	2,878,200	13,520,000
2048	2,365,000	512,200	2,877,200	11,155,000
2049	2,460,000	417,600	2,877,600	8,695,000
2050	2,555,000	319,200	2,874,200	6,140,000
2051	2,660,000	217,000	2,877,000	3,480,000
2052	2,765,000	110,600	2,875,600	\$ 0
TOTALS	\$ 47,435,000	\$ 35,964,999	\$ 83,399,999	



**Schedule of Debt Service Requirements
Business Type Activities
December 31, 2024**

Wastewater Enterprise Revenue Bonds - Series 2022

Year	Principal	Interest	Total Payment	Principal Balance
				47,145,000
2024	785,000	2,108,956	2,893,956	47,070,000
2025	825,000	2,069,706	2,894,706	46,245,000
2026	865,000	2,028,456	2,893,456	45,380,000
2027	910,000	1,985,206	2,895,206	44,470,000
2028	955,000	1,939,706	2,894,706	43,515,000
2029	1,000,000	1,891,956	2,891,956	42,515,000
2030	1,050,000	1,841,956	2,891,956	41,465,000
2031	1,105,000	1,789,456	2,894,456	40,360,000
2032	1,160,000	1,734,206	2,894,206	39,200,000
2033	1,215,000	1,676,206	2,891,206	37,985,000
2034	1,280,000	1,615,456	2,895,456	36,705,000
2035	1,340,000	1,551,456	2,891,456	35,365,000
2036	1,410,000	1,484,456	2,894,456	33,955,000
2037	1,480,000	1,413,956	2,893,956	32,475,000
2038	1,555,000	1,339,956	2,894,956	30,920,000
2039	1,630,000	1,262,206	2,892,206	29,290,000
2040	1,715,000	1,180,706	2,895,706	27,575,000
2041	1,780,000	1,112,106	2,892,106	25,795,000
2042	1,855,000	1,040,906	2,895,906	23,940,000
2043	1,925,000	966,706	2,891,706	22,015,000
2044	2,005,000	889,706	2,894,706	20,010,000
2045	2,085,000	809,506	2,894,506	17,925,000
2046	2,170,000	726,106	2,896,106	15,755,000
2047	2,255,000	636,594	2,891,594	13,500,000
2048	2,350,000	543,575	2,893,575	11,150,000
2049	2,450,000	443,700	2,893,700	8,700,000
2050	2,555,000	339,575	2,894,575	6,145,000
2051	2,660,000	230,988	2,890,988	3,485,000
2052	2,775,000	117,938	2,892,938	\$ 0
TOTALS	\$ 47,145,000	\$ 36,771,412	\$ 83,916,412	

**City of Arvada, Colorado
Demographic and Economic Statistics
Last Ten Calendar Years**

Year	Population	Personal Income (in thousands of dollars)	Per Capita Income	Median Age	School Enrollment	Unemployment Rate
2015	111,559	3,813,756	34,186	40.0	19,512	4.60%
2016	113,326	4,004,941	35,340	40.5	20,284	3.60%
2017	117,453	4,291,850	36,541	41.0	19,613	2.70%
2018	118,807	4,740,280	39,899	40.9	19,020	3.72%
2019	123,502	5,198,940	42,096	42.3	18,619	2.60%
2020	124,785	5,498,401	44,063	42.3	17,689	2.60%
2021	120,492	5,454,673	45,270	40.0	16,994	3.40%
2022	123,170	5,864,616	47,614	39.9	16,658	2.70%
2023	123,066	6,514,130	52,932	40.2	16,284	3.20%
2024	123,517	7,436,835	60,209	40.5	17,343	3.60%

Source: Denver Regional Council of Governments, Adams and Jefferson County School Districts, Arvada Community and Economic Development, and Colorado Department of Labor & Employment



City of Arvada, Colorado Principal Employers Last Ten Fiscal Years

Employer	2015			2016			2017			2018			2019		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Colorado Lutheran Home	185	10	0.31%				185	10	0.29%						
Parker Personal Care Homes Inc	324	3	0.54%	200	10	0.32%	346	4	0.54%	263	6	0.40%	273	5	0.40%
LivaNova (formerly Sorin Group USA)	290	4	0.48%	250	4	0.40%	250	6	0.39%	250	8	0.38%	250	7	0.37%
City of Arvada	705	1	1.17%	718	2	1.16%	689	2	1.07%	665	2	1.00%	665	2	0.98%
Sundyne Corporation	408	2	0.67%	200	9	0.32%	326	5	0.51%	325	4	0.49%	200	10	0.29%
Target (All locatons)				300	3	0.48%				300	5	0.45%	300	4	0.44%
Pridemark Paramedic Serv. Inc.	202	9	0.33%												
Home Depot	235	6	0.39%	221	5	0.36%	221	7	0.34%	221	9	0.33%	221	8	0.33%
Costco	240	5	0.40%	210	8	0.34%	210	9	0.33%	210	10	0.32%	210	9	0.31%
King Soopers (All locations)	209	8	0.35%	909	1	1.47%	858	1	1.33%	1109	1	1.67%	1109	1	1.63%
Mark VII Equipment						0.00%									
Xcel Energy	220	7	0.36%	220	6	0.36%									
Wanco Inc															
Mc Donalds (all locations)				217	7	0.35%	217	8	0.34%	252	7	0.38%	252	6	0.37%
Walmart							350	3	0.54%	350	3	0.53%	404	3	0.60%
Total Employed by Principal Employers	3,018		4.99%	3,445		5.56%	3,652		5.67%	3,945		5.96%	3,884		5.72%
Total Employed by Other Employers	57,485		95.01%	58,489		94.44%	60,785		94.33%	62,275		94.04%	63,986		94.28%
Total Employees	60,503		100.00%	61,934		100.00%	64,437		100.00%	66,220		100.00%	67,870		100.00%

Source: City of Arvada, CO Department of Labor & Employment and individual employers

Total Employees figure for 2015 constitutes annual average total of employed residents of Arvada (DoL&E stats are based on worker residency, not location of employment).

Starting Jan 1, 2016 we are using the City of Arvada's Sales Tax department's statistics to compile the top 10 employer's data.



**City of Arvada, Colorado
Principal Employers
Last Ten Fiscal Years**

Employer	2020			2021			2022			2023			2024		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Colorado Lutheran Home															
Parker Personal Care Homes Inc	225	8	0.35%	262	7	0.39%	468	4	0.68%						
LivaNova (formerly Sorin Group USA)	320	6	0.49%	320	5	0.48%	320	7	0.46%	320	5	0.46%	320	5	0.46%
City of Arvada	695	2	1.07%	703	2	1.05%	730	2	1.06%	711	2	1.03%	755	2	1.10%
Sundyne Corporation	328	5	0.51%	328	4	0.49%	328	6	0.47%	328	4	0.48%	328	4	0.48%
Target (All locatons)	300	7	0.46%	300	6	0.45%	300	8	0.43%	300	6	0.43%	300	6	0.44%
Pridemark Paramedic Serv. Inc.															
Home Depot	221	10	0.34%	221	8	0.33%	221	9	0.32%	221	8	0.32%	221	8	0.32%
Costco	450	3	0.69%	210	9	0.31%	210	10	0.30%	210	9	0.30%	210	9	0.30%
King Soopers (All locations)	1109	1	1.71%	1109	1	1.65%	1109	1	1.61%	1109	1	1.61%	1109	1	1.61%
Mark VII Equipment															
Xcel Energy															
Wanco Inc				180	10	0.27%				180	10	0.26%	180	10	0.26%
Mc Donalds (all locations)	222	9	0.34%				495	3	0.72%	228	7	0.33%	228	7	0.33%
Walmart	350	4	0.54%	350	3	0.52%	350	5	0.51%	350	3	0.51%	350	3	0.51%
Total Employed by Principal Employers	4,220		6.51%	3,983		5.93%	4,531		6.56%	3957		5.74%	4001		5.81%
Total Employed by Other Employers	60,628		93.49%	63,221		94.07%	64,527		93.44%	65,019		94.26%	64,868		94.19%
Total Employees	64,848		100.00%	67,204		100.00%	69,058		100.00%	68,976		100.00%	68,869		100.00%



City of Arvada, Colorado
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
City Manager's/Clerk's Office	20.95	20.95	22.10	21.10	20.10	20.10	22.10	23.00	24.00	26.00
Community Development	26.00	27.00	21.00	27.00	21.00	8.00	8.00	10.00	8.00	7.00
Cultural Services	39.25	41.25	0*	0*	0*	0*	0*	0*	0*	0*
Economic Development	4.00	4.00	4.00	4.00	4.00	0**	0**	0**	0**	0**
Parks, Golf, and Hospitality	73.00	75.00	80.64	77.64	82.64	83.64	84.25	79.34	86.00	89.00
Finance	33.70	33.70	33.06	33.06	32.36	32.36	32.75	32.66	35.00	31.00
Judicial/Legal/Risk Management	24.00	24.00	25.00	25.00	25.00	25.00	26.00	28.00	29.00	35.00***
Information Technology	29.00	29.00	27.00	27.00	29.00	29.00	27.00	29.00	31.00	45.00
Human Resources	9.00	9.00	10.00	10.00	11.00	11.00	11.00	11.00	13.00	13.00
Public Works	212.25	213.25	201.25	216.25	222.25	207.25	211.25	227.25	252.25	243.25
Public Safety	235.50	241.50	268.00	248.00	235.00	238.00	242.00	252.00	256.00	254.00
Community & Economic Development						36.00	39.00	39.00	35.00	34.00
Total	706.65	718.65	692.05	689.05	682.35	690.35	703.35	731.25	769.25	769.25

Source: City of Arvada 2023 -2024 Revised Biennial Operating and Capital Budget Book

Note: Figures represents budgeted full and part-time benefited employees.

* The Arvada Center became a legally separate and stand-alone not for profit on June 30, 2016.

** In 2020 the City of Arvada had some restructuring in the departments. Economic Development, which was a part of the Community Development and a part of Public Works, formed a new department called Community & Economic Development.

*** In 2024 Risk Management was moved from Finance to Legal.



City of Arvada, Colorado
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government										
Building permits issued	9,957	8,695	13,669	7,704	6,119	6,603	7,332	6,886	7,941	8,237
Police										
Physical arrests	2,638	2,456	2,523	2,764	2,918	1,782	2,025	1,846	2,254	2,479
Parking violations	1,473	2,131	3,779	3,818	3,881	1,474	5,249	5,508	7,849	5,896
Traffic violations	12,215	11,484	11,689	9,018	8,396	6,144	5,820	5,223	6,294	7,274
Other public works										
Street resurfacing (miles)	23	23	137	40	29	50	47	52	51	192
Potholes repaired	9,404	6,337	5,911	4,768	8,409	4,709	4,249	3,732	4,662	6,484
Parks and recreation										
Athletic field permits issued	22,905	22,447	19,012	6,312	61	51	7,264	7,427	7,400	7,601
Water										
Consumers (Tap)	36,193	37,067	38,010	38,464	38,829	39,162	39,441	39,770	40,119	39,137
New connections	705	966	638	457	362	286	246	383	311	318
Leaks	25	29	47	43	43	26	47	47	30	40
Average daily consumption	13,080,428	14,440,172	13,359,897	14,294,415	13,256,739	15,043,088	13,776,756	16,312,413	12,160,178	14,084,599

Source: City of Arvada Building Department, Police Department, Street Department, Parks Department, and Water Department.

Note: In 2019 the City switched to a new permitting system and the number of athletic field permits issued in 2019 is down. A permit is now considered any single organizational contract or event held at a City of Arvada Park.

Note: During 2021 the City of Arvada has transitioned athletic fields operations from APEX to the City. A new reporting system counts a single event as a permit.

**City of Arvada, Colorado
Capital Assets Statistics by Function/Program
Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Stations	3	3	3	3	4	4	4	4	4	4
Patrol units	99	83	93	81	61	64	73	82	59	59
Fire Protection Districts	3	3	3	3	3	3	3	3	3	3
Other public works										
Streets (miles)	481	467	467	478	478	480	474	478	479	484
Parks and recreation										
Square Miles (City of Arvada)	39	39	39	40	40	40	40	40	40	40
Playgrounds	60	67	67	67	67	71	75	70	69	69
Tennis/basketball Courts	77	72	72	72	72	84	87	86	84	48
Baseball/softball diamonds	43	31	31	33	33	46	46	46	50	50
Soccer/football fields	35	27	28	30	30	40	40	40	49	48
Community centers/Sport complexes	19	18	18	18	18	18	21	19	15	15
Water										
Water mains (miles)	621	624	632	633	624	620	627	629	634	635
Fire hydrants	5,392	5,489	5,592	5,741	5,504	5,525	5,637	5,865	5,929	5,623
Wastewater										
Sanitary sewers (miles)	456	458	461	463	460	461	462	464	466	469
Storm sewers (miles)	169	178	174	179	221	221	178	178	180	181
Treatment capacity (millions of gallons)	3,760	3,474	3,200	3,047	3,081	3,114	3,202	3,759	3,759	3,540

Source: City of Arvada, Police, Parks & Rec, Public Works Departments

Compliance Section



CITY OF ARVADA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Award				
Community Development Block Grants/Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants:	14.218	N/A	\$ -	\$ 110,256
COVID-19 - Community Development Block Grants/Entitlement Grants (CARES Act - CDBG-CV)	14.218	N/A	-	71,094
Total for Community Development Block Grants Cluster			-	181,350
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	14.871	N/A	-	8,070,099
Mainstream Vouchers	14.879	N/A	-	714,521
Total Housing Voucher Cluster			-	8,784,620
Total U.S. Department of Housing and Urban Development			-	8,965,970
U.S. DEPARTMENT OF JUSTICE				
Direct Award				
Public Safety Partnership and Community Policing Grants	16.710	N/A	-	87,191
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	-	27,772
Equitable Sharing Program	16.922	N/A	-	171,919
Department of Public Safety, Division of Criminal Justice				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2021-FJ-23-01-6-1	-	13,959
Total U.S. Department of Justice			-	300,841
U.S. DEPARTMENT OF TRANSPORTATION				
Passed through Colorado Department of Transportation				
Highway Planning and Construction	20.205	SAR M040-038 (24677)	-	115,340
Highway Planning and Construction	20.205	23-HTD-ZL-00272/491002971	-	35,997
Total Highway Planning and Construction			-	151,337
Highway Safety Cluster				
Passed through Colorado Department of Transportation				
National Priority Safety Programs	20.616	PO 411037843	-	2,914
Total for Highway Safety Cluster			-	2,914
Total U.S. Department of Transportation			-	154,251



CITY OF ARVADA
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. TREASURY DEPARTMENT				
Direct Award				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	32,110
Passed through Colorado Department of Local Affairs				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	178574	-	29,562
Total U.S. Treasury Department			-	61,672
EXECUTIVE OFFICE OF THE PRESIDENT				
Passed through City of Aurora				
High Intensity Drug Trafficking Areas Program	95.001	RAVEN	-	1,213
Total Executive Office of the President			-	1,213
DEPARTMENT OF HOMELAND SECURITY				
Passed through Colorado Division of Homeland Security & Emergency Management				
Hazard Mitigation Grant	97.039	20FMA22TEP	-	155,805
Total Department of Homeland Security			-	155,805
Total Federal Financial Assistance			\$ -	\$ 9,639,752

See accompanying notes to the Schedule of Federal Awards

City of Arvada
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024

Note 1. Basis of Presentation

This schedule includes the federal awards activity of the City of Arvada (the City). The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate

The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4. Revolving Loan Funds – Not Subject to Compliance

The City has certain revolving loan funds, which were originally financed with federal financial assistance through the Community Development Block Grants/Entitlement Grants Cluster (Assistance Listing No. 14.218). However, this program is not subject to any continuing compliance requirements other than required loan payments; therefore, the outstanding loan balances have not been included in the accompanying schedule of expenditures of federal awards. The outstanding balance of the revolving loan funds at December 31, 2024 is \$1,418,931.

**Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards***

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City and related notes as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Arvada's (the City's) basic financial statements, and have issued our report thereon dated August 13, 2025, which contained an emphasis of matter paragraph regarding a change in accounting principle.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We

consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a significant deficiency.

Report on Compliance and Other Matters

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

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Forvis Mazars, LLP

Denver, Colorado
August 13, 2025

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Arvada's (the City's) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2024. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Honorable Mayor and Members of City Council
City of Arvada

Our consideration of internal control over compliance was for the limited purpose described in the “Auditor’s Responsibilities for the Audit of Compliance” section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Forvis Mazars, LLP

Denver, Colorado
August 13, 2025

City of Arvada
Schedule of Findings and Questioned Costs
Year Ended December 31, 2024

Section I – Summary of Auditor’s Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

☒ Unmodified Qualified Adverse Disclaimer

2. Internal control over financial reporting:

Significant deficiency(ies) identified? ☒ Yes None Reported

Material weakness(es) identified? ☒ Yes No

3. Noncompliance considered material to the financial statements noted?

Yes ☒ No

Federal Awards

4. Internal control over federal awards programs:

Significant deficiency(ies) identified? Yes ☒ None Reported

Material weakness(es) identified? Yes ☒ No

5. The type of auditor’s report issued on compliance for major federal program(s):

☒ Unmodified Qualified Adverse Disclaimer

6. Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)?

Yes ☒ No

7. Identification of major federal programs:

Assistance Listing Number
14.871, 14.879

Name of Federal Program or Cluster
Housing Voucher Cluster

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

9. The City qualified as low-risk auditee?

Yes ☒ No

Section II – Financial Statement Findings

Reference Number	Finding
2024-001	Finding: Capital Assets Criteria or specific requirement: Management is responsible for establishing and maintaining effective internal controls over financial reporting. Effective internal controls are an important component of a system that helps ensure transactions are recorded timely and in the proper reporting period, thereby providing accurate financial data. Specifically, the City should have controls in place to ensure that all capital assets are complete, properly recorded and reported in the proper period. Accounting principles generally accepted in the United States of America (US GAAP) that address the proper recognition and accounting of capital assets include: • Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements — and Management’s Discussion and Analysis — for State and Local Governments (GASB 34) • Governmental Accounting Standards Board (GASB) Statement No. 37, Basic Financial Statements — and Management’s Discussion and Analysis — for State and Local Governments: Omnibus — an amendment of GASB Statements No. 21 and No. 34 (GASB 37) • Various implementation guidance issued by GASB Condition: During testing of capital assets, we noted several instances in which supporting documentation did not agree to amounts reported on the capital asset rollforwards. Effect: The condition above resulted in multiple audit adjustments which were necessary to properly state capital assets as of December 31, 2024. The total audit adjustments posted amounted to \$2,500,000. Cause: The City’s established internal controls were ineffective in timely preventing, detecting, or correcting clerical errors related to the recording and recognition of capital assets. These issues were further compounded by recent staff turnover and the implementation of a new enterprise resource planning (ERP) system, both of which contributed to the errors. Recommendation: We recommend that the City implement additional year-end procedures to verify that capital asset rollforwards are properly supported by data from the general ledger system. Additionally, we suggest a thorough review of the supporting schedules to confirm their completeness and accuracy. Views of responsible officials: Agree. See separate report for planned corrective action.

Reference Number	Finding
2024-002	Finding: Calculation of Net Investment in Capital Assets Criteria or specific requirement: Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements — and Management’s Discussion and Analysis — for State and Local Governments (GASB 34) as amended, outlines the basic calculation of the net investment in capital assets (NICA) portion of net position. Per GASB 34, the portion of capital related debt that remains unspent at year-end, should not be included in the calculation of NICA. In practice this is handled by including the total debt in the calculation and then offsetting that debt with any unspent proceeds from capital related debt that exists at year-end. Condition: In the 2023 calculation of governmental activities NICA, unspent proceeds relating to the 2023 sales and use tax revenue bonds were improperly excluded from the calculation. Effect: Net investment in capital assets was understated by approximately \$7.4 million. This error was corrected in fiscal year 2024. Cause: Oversight by management in performing the calculation. Recommendation: We recommend that the City implement a review process to ensure that the calculation of the net investment in capital assets is proper. Views of responsible officials: Agree. See separate report for planned corrective action.

City of Arvada
Schedule of Findings and Questioned Costs
Year Ended December 31, 2024

(Continued)

Section III – Federal Award Findings and Questioned Costs

<u>Reference Number</u>	<u>Finding</u>	<u>Questioned Costs</u>
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No matters are reportable.

City of Arvada
Summary Schedule of Prior Audit Findings
Year Ended December 31, 2024

<u>Reference Number</u>	<u>Summary of Findings</u>	<u>Status</u>
2023-001	Finding: Accounts Receivable We recommend the City perform a year-end reconciliation to identify balances which should be recorded to the current year and to eliminate balances which do not meet the recognition criteria. As the City begins implementation of a new accounting system, we also recommend formally creating a deferred inflow of resources account so that items are reported in the proper category. This will allow the City to ensure items are recorded appropriately at the time as opposed to reviewing and reclassifying all items at year-end.	Implemented
2023-002	Finding: Accounts Payable We recommend the City increase training over year-end closing to individuals throughout the City, including project managers. Additionally, we recommend the City update their report parameters to ensure all necessary information is captured for evaluation of year-end accruals.	Implemented



**CITY OF ARVADA
8101 RALSTON ROAD
ARVADA, CO 80002**