

Annual Comprehensive Financial Report



For the year ended December 31, 2024



Annual Comprehensive Financial Report
Year Ended December 31, 2024

City of Lafayette, Colorado

Prepared by the Finance Department

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Introductory Section
Year Ended December 31, 2024
City of Lafayette, Colorado



June 26, 2025

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

Councilors and Residents of the City of Lafayette, Colorado:

The Annual Comprehensive Financial Report of the City of Lafayette, Colorado for the year ended December 31, 2024, is hereby submitted. This report provides information about the City to its residents, investors, general public, and others who may have an interest in the financial well-being of the City. This transmittal letter is designed to be read with the Management's Discussion and Analysis (MD&A) which can be found immediately following the report of the independent auditor.

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

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

This Annual Comprehensive Financial Report includes four sections: introductory, financial, statistical, and compliance. The introductory section includes this transmittal letter, the City's organizational chart and a list of principal officials. The financial section includes Management's Discussion and Analysis, the government-wide and fund financial statements, notes to the financial statements, and the combining and individual fund financial statements and schedules, as well as the independent auditor's report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The compliance section includes continuing disclosures on the City's debt as well as the State required Local Highway Finance Report.

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

The Lafayette City Charter and state law require that an annual audit be conducted by an independent certified public accountant. The accounting firm of Eide Bailly, LLP was selected to perform the audit. The independent auditor's report on the City's financial statements and schedules is included in the financial section of this report. Based on the results of the audit, the City of Lafayette's financial statements for the fiscal year ended December 31, 2024, received an unmodified ("clean") opinion in the independent auditor's report.

Profile of the Government

According to the Census Bureau, Lafayette currently has a population of 30,587 living in its 9.5 square mile area, up from 24,453 people according to the 2010 Census, representing a 25% increase over the ten years and ranking Lafayette as the 32nd most populated community in Colorado.

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

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

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

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

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

Factors Affecting Financial Condition

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

Local Economy

The City of Lafayette is located in eastern Boulder County between the City of Boulder to the west, Longmont to the north, and the greater Denver metro area to the south and east. This central location allows Lafayette to contribute to, and benefit from, regional economic activity and local market dynamism. The City has an educated workforce boasting a 75% employment rate with 66% of its residents holding a bachelor's degrees or higher according to the U.S. Census. The employment profile for Lafayette reflects a notable representation in high-paying occupations such as Computer and Mathematics; Life and Physical Sciences; and Architectural and Engineering occupations, all of which have average wages in excess of \$100,000 per year. Median household income in Lafayette is \$110,431, exceeding the state and national median incomes of \$92,470 and \$80,610, respectively.

Lafayette's favorable employment and household income profile combines with its good location along regional transportation corridors to help drive its broad and stable revenue base relative to its size. U.S. Highway 287 runs north-to-south through Lafayette, State Highway 7 runs east-to-west, and Lafayette is bounded by the Northwest Parkway on its southern border providing convenient connections to U.S. Highway 36 to the south and Interstate 25 to the east. All four of these major transportation routes allow Lafayette to support and serve a balanced employment and commuter base.

Lafayette experienced moderating revenue growth in 2024 after successive years of robust double-digit percentage growth coming out of the Covid-19 pandemic. Overall tax revenue for the City grew 7.9% in 2024 driven by a mixture of performance across categories. Sales and use tax grew 0.6% to \$27.4 million driven by mainly by a 5.3% increase in use tax. Sales tax declined 0.6% to \$21.7 million in 2024 driven by a variety of factors including decreases in the retail sales, food tax, and restaurants categories and increases in the utilities and telecom and manufacturers categories. The year 2024 was an assessment year and property tax served as a stabilizing revenue source increasing by over 27% and generating \$14.8 million in total revenues. The City expects a modest increase to property tax revenue for 2025, as it is a non-assessment year.

Long Term Financial Planning

The continued economic uncertainty of the post-Covid inflationary environment has made a systematic, strategic and disciplined approach to planning City projects, programs, and service delivery critically important. The City relies on long-term planning processes that are flexible enough to quickly address the impacts of unforeseen economic trends and events while also recognizing the need to maintain stability in the organization and municipal service delivery models. In 2024, the City continued to make strategic investments in operational capacity, equipment replacement funding, and capital improvements that relied on conservative revenue projections and planned use of fund balance when necessary. All spending plans align with 5 and 10-year revenue forecasts and financing strategies to ensure balanced budgets.

The City is continuing to leverage strategic plans to help inform operational priorities and capital investment plans. City Council has outlined the strategic direction for the City through the adoption of multiple strategic plans in the past four years. These plans not only lay out spending priorities, but also speak to the revenue mechanisms needed to support them including, but not limited to, impact fees, development exactions, taxes, grants, multi-jurisdictional cost sharing, economic incentives and more.

Based on the City's current economic environment and revenue trends, the City believes is positioned to continue providing services for residents in a fiscally sustainable and responsible manner.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023. This was the 37th consecutive year the City has received this prestigious award. To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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



Kady Doelling
City Manager



Morgan Walton
Interim Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Lafayette
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

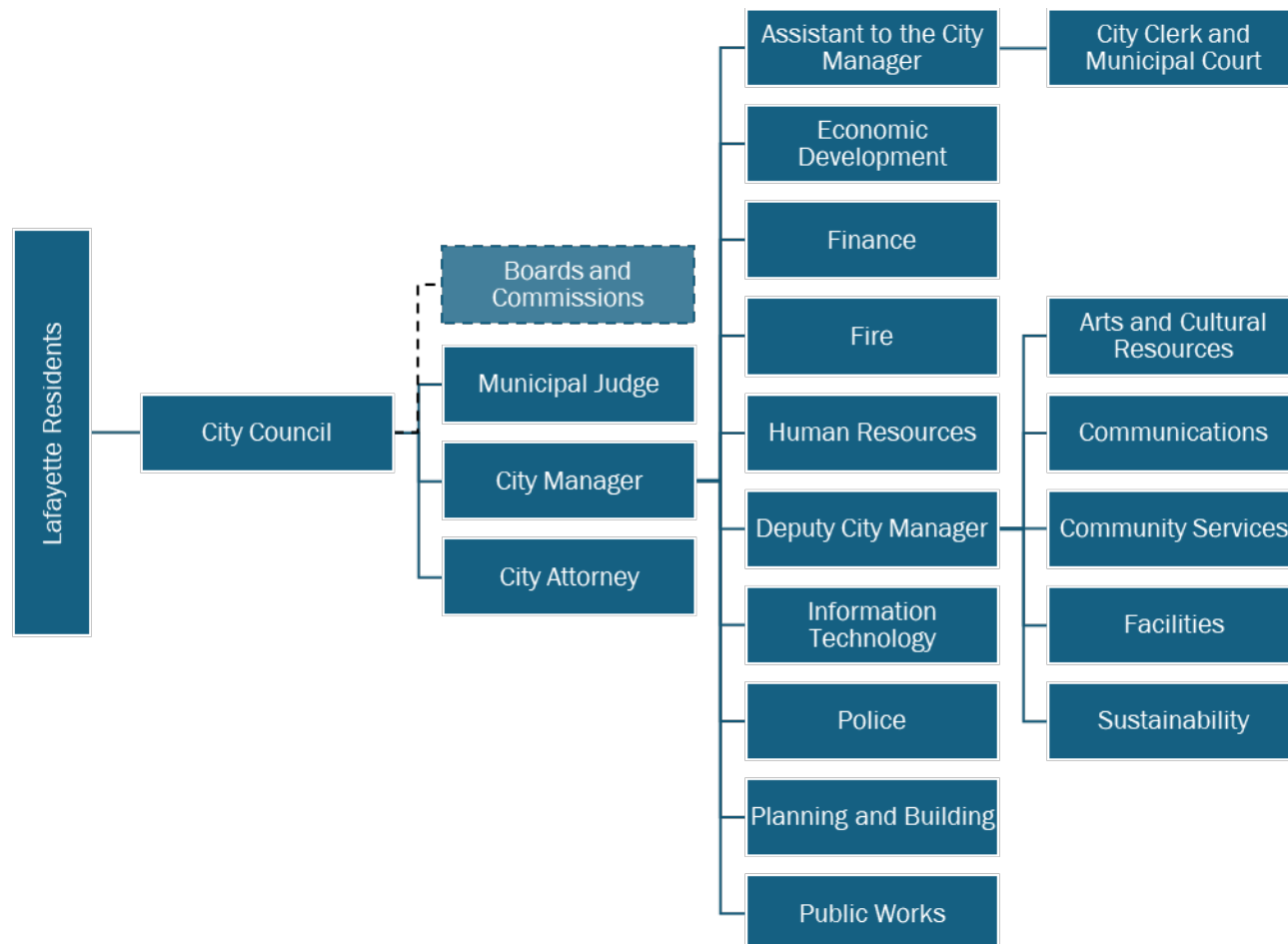
Christopher P. Morill

Executive Director/CEO

City of Lafayette, Colorado

Organizational Chart

December 31, 2024



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



(front row left to right): Mayor Pro Tem Brian Wong, Mayor JD Mangat, Tim Barnes
(back row) Crystal Gallegos, David Fridland, Saul Tapia Vega, Nicole Sampson

City Manager’s Office

Kady Doelling	City Manager
Megan Davis.....	Deputy City Manager
Alexander Nelson	Assistant to the City Manager

Department Directors

Rachel Hanson.....	Arts & Cultural Resources Director
Ernesto Chavez	Chief Technology Officer
Mary Lynn Macsalka	City Attorney
Lynnette Beck.....	City Clerk
Debbie Wilmot	Communications Director
Melissa Hisel	Community Services Director
Brigid Keating	Economic Development Director and Executive Director of the Lafayette Downtown Development Authority
Pete Bradshaw	Fire Chief
Morgan Walton	Interim Chief Financial Officer
Sarab Khalsa	Human Resources Director
Amanda Bailhache	Municipal Court Judge
Steven Williams.....	Planning & Building Director
Rick Bashor.....	Police Chief
Jeff Arthur	Public Works Director
Elizabeth Bocon	Sustainability Director

Financial Section
Year Ended December 31, 2024
City of Lafayette, Colorado

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Notes to the Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information



Independent Auditor's Report

To the Honorable Mayor and City Council
City of Lafayette

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Lafayette (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 aggregate discretely presented component units, 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.

Correction of Error

As discussed in Note 12 to the financial statements, certain errors resulting in an understatement of amounts previously reported for notes receivable and receivables in the Lafayette Urban Renewal Authority as of December 31, 2023, were discovered by management of the City during the current year. Accordingly, a restatement has been made to the discretely presented component unit's net position as of January 1, 2024, to correct the error. Our opinions are not modified with respect to that matter.

Adoption of New Accounting Standard

As discussed in Note 1 to the financial statements, the City has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences, for the year ended December 31, 2024. As a result of implementing the standard, there was no effect on the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund's beginning fund balance or net position as of January 1, 2024. 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, Budgetary Comparison Schedule – General Fund, Schedule of the Proportionate Share of the Net Pension Liability (Asset) and Contributions – FPPA Statewide Defined Benefit Plan, Schedule of the Proportionate Share of the Net Pension Liability (Asset) and Contributions – FPPA Statewide Hybrid Plan, and Schedule of the Proportionate Share of the Net Pension Liability (Asset) and Contributions – Volunteer Fire Department Pension Plan, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical section 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 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, 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.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Denver, Colorado
June 26, 2025

The City of Lafayette's ("the City") management offers readers this narrative overview and analysis of the City's financial activities for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, found earlier in this report, in addition to the financial statements and footnotes which follow this section. Amounts in this section are rounded for purposes of easier understanding.

FINANCIAL HIGHLIGHTS

- The City's total net position at the end of 2024 was \$482.2 million, an increase of \$20.2 million, or 4.4%, over the prior year. Of this amount, \$324.2 million is related to net investment in capital assets and another \$18.5 million is restricted in how it can be spent. The remaining \$139.5 million is unrestricted and may be used to meet the City's ongoing obligations in accordance with financial policies. Governmental net position increased by \$6.5 million, or 2.8%, and business-type net position increased by \$13.7 million, or 6.0%.
- As of December 31, 2024, the City's governmental funds reported combined ending fund balances of \$57.3 million, a decrease of \$12.2 million, or 17.6%, from 2023.
- The general fund, the City's primary operating fund, reported unassigned fund balance of \$22.7 million.
- The City's outstanding bonded debt, including premiums, totaled \$51.9 million, a decrease of \$3.5 million compared to the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Statements

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

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

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

Both of the government-wide financial statements distinguish City functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The City's governmental activities include general government (including the City's urban renewal authority activities), public safety, public works, and parks and recreation. Business-type activities include the Water Fund, Water Reclamation Fund, Storm Water Fund, Waste Management Fund, and a Golf Course Fund.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into two categories: governmental funds and proprietary funds.

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

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

During 2024 the City had fourteen individual governmental funds. The General Fund is considered a major fund, as is the Capital Projects Fund. Their fund information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances. The remaining individual governmental fund statements are provided in the form of combining statements in a later section of this report.

The City adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison statement for the General Fund is included in the required supplementary information to demonstrate compliance with the adopted budget.

The City maintains two types of proprietary funds - enterprise and internal service funds. The proprietary fund financial statements are prepared on the accrual basis of accounting. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, water reclamation, golf course, storm water, and waste management operations.

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Utility Fund, Water Reclamation Utility Fund, Golf Course Fund, Storm Water Fund, and Waste Management Fund. Since they are defined as proprietary funds, the internal service funds are combined into a single, aggregated memo presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

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

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

Other Information

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

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Statement of Net Position and Statement of Activities for 2024 are compared with the results of the prior year in order to review the City's progress towards maintaining financial stability.

Analysis of Net Position

As noted above, over time net position may serve as a useful indicator of a government's financial position. As of December 31, 2024, the City's net position (assets and deferred outflows of resources less liabilities and deferred inflows of resources) was \$482.2 million, an increase of \$20.2 million, or 4.4%, compared to the total at December 31, 2023. The City reported positive balances in net position for both governmental and business-type activities. Net position increased by \$6.5 million in its governmental activities and \$13.7 million in its business-type activities.

The following table summarizes the City's net position (in thousands) at December 31, 2024 and 2023.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and other assets	\$ 97,196	\$ 89,175	\$ 97,917	\$ 100,485	\$ 195,113	\$ 189,660
Capital assets	178,552	163,299	201,711	194,143	380,263	357,442
Total assets	275,748	252,474	299,628	294,628	575,376	547,102
Deferred Outflows of Resources	4,699	5,122	221	297	4,920	5,419
Liabilities						
Other liabilities	8,320	12,459	6,587	13,560	14,907	26,019
Long-term liabilities	8,810	11,048	48,689	50,763	57,499	61,811
Total liabilities	17,130	23,507	55,276	64,323	72,406	87,830
Deferred Inflows of Resources	24,821	2,108	825	572	25,646	2,680
Net position						
Net investment in capital assets	171,581	155,737	152,663	154,025	324,244	309,762
Restricted	18,490	9,714	-	-	18,490	9,714
Unrestricted	48,426	66,530	91,085	76,005	139,511	142,535
Total net position	\$ 238,497	\$ 231,981	\$ 243,748	\$ 230,030	\$ 482,245	\$ 462,011

Current and other assets increased by \$5.5 million, or 2.9%, compared to the prior year's balance. This increase is mainly due to the recording of property taxes as a receivable in 2024 compared to 2023 when these items were not recorded as a receivable due to changes to the mill levy certification deadline as a result of Senate Bill 23B-001 as well as a decrease in restricted cash and investments and internal balances due to the continued capital construction of the Water Reclamation Treatment Facility which is financed through the Water Reclamation Bonds issued in 2021. Capital assets increased by \$22.8 million or 6.4%; this increase is due an increased number of street improvement projects in the governmental funds as well as continued construction on the Water Reclamation Project throughout 2024.

Other liabilities decreased by \$11.1 million, or 42.7%. This decrease is mainly due to a decrease in unearned revenue due to the timing of grant awards being received and performance of the activity under the grant as well as a decrease in accounts payable related to the Water Reclamation Fund wastewater treatment plant project as of December 31, 2024 compared to December 31, 2023.

The increase of \$23.0 million or 856.9% in deferred inflows was due to the delay in certification of the mill levies by Boulder County in 2023. No deferred inflows were recognized for property taxes in the prior year as Boulder County certified the mill levies in 2024 leaving the City no legally enforceable claim to the property tax revenue in 2023.

The largest portion of the City's net position \$324.2 million, or 67.2%) reflects its investment in capital assets (e.g., land, buildings, equipment, and infrastructure) less any related debt used to acquire those assets that remains outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position accounts for \$18.5 million, or 3.8%, of total net position, representing resources that are subject to external restrictions on how they may be used. The remaining component of net position is unrestricted, representing \$139.5 million, or 28.9%, of the City's total net position and may be used to meet ongoing obligations to the City's residents and creditors.

Changes in Net Position

The following table summarizes the City's Changes in Net Position (in thousands) for the years ended December 31, 2024 and 2023.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues						
Charges for services	\$ 7,043	\$ 7,001	\$ 33,166	\$ 25,559	\$ 40,209	\$ 32,560
Operating grants and contributions	2,164	6,924	66	-	2,230	6,924
Capital grants and contributions	2,739	2,389	1,443	9,275	4,182	11,664
General revenues						
Property and specific ownership taxes	14,829	11,610	-	-	14,829	11,610
General sales and use taxes	27,440	27,277	-	-	27,440	27,277
Franchise taxes	1,380	1,396	-	-	1,380	1,396
Excise taxes	442	565	-	-	442	565
Unrestricted intergovernmental	155	227	-	-	155	227
Unrestricted investment earnings	3,032	3,111	3,922	4,779	6,954	7,890
Miscellaneous	603	414	178	377	781	791
Total revenues	59,827	60,914	38,775	39,990	98,602	100,904
Expenses						
General government	15,670	11,502	-	-	15,670	11,502
Judicial	674	726	-	-	674	726
Public safety	19,644	19,404	-	-	19,644	19,404
Public works	5,601	5,427	-	-	5,601	5,427
Culture and recreation	11,265	10,896	-	-	11,265	10,896
Interest	257	397	-	-	257	397
Water	-	-	9,485	9,350	9,485	9,350
Water reclamation	-	-	6,322	5,611	6,322	5,611
Golf course	-	-	4,297	3,483	4,297	3,483
Storm water	-	-	1,611	1,581	1,611	1,581
Waste management	-	-	3,542	2,632	3,542	2,632
Total expenses	53,111	48,352	25,257	22,657	78,368	71,009
Excess before transfers	6,716	12,562	13,518	17,333	20,234	29,895
Transfers	(200)	-	200	-	-	-
Change in net position	6,516	12,562	13,718	17,333	20,234	29,895
Beginning net position	231,981	219,419	230,030	212,697	462,011	432,116
Ending net position	\$ 238,497	\$ 231,981	\$ 243,748	\$ 230,030	\$ 482,245	\$ 462,011

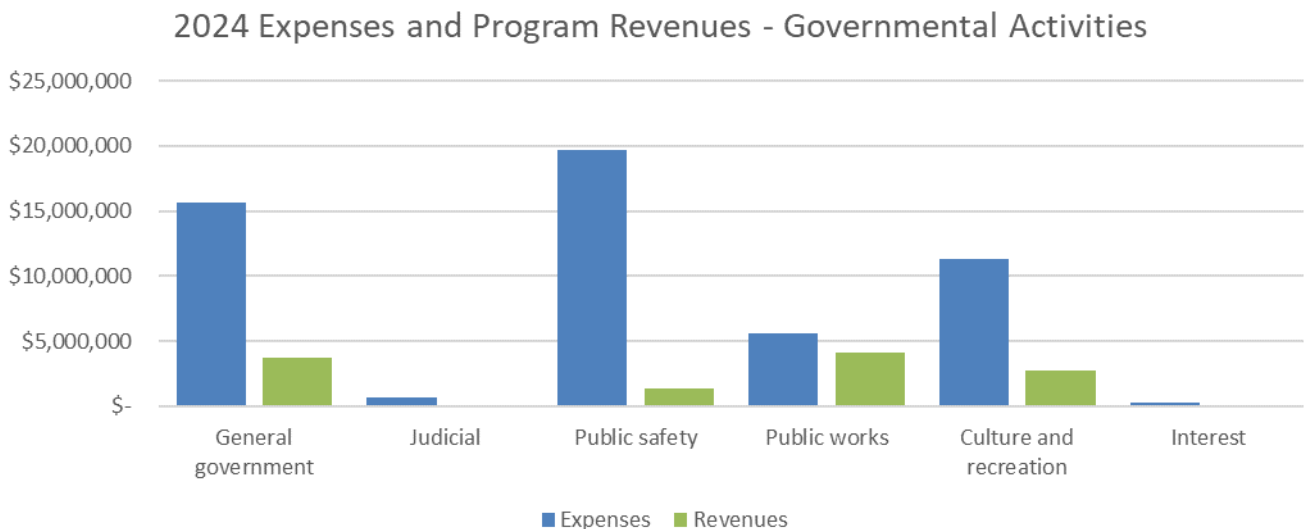
Governmental Activities

During 2024, the City's primary revenue sources for governmental operations included taxes, accounting for 73.7% of total governmental revenues. Charges for services represented 11.8% of revenues, while operating and capital grants and contributions represented 8.2% of total governmental revenues. Program revenues are directly associated with a specific activity, including charges for services, operating and capital grants, and therefore exclude tax revenues and certain other revenue sources. Program revenues account for 20.0% of total revenues related to governmental activities in 2024. Program revenues of \$11.9 million were \$41.2 million less than expenses. This is an ordinary occurrence for governments and indicates that taxes provide a primary source of revenues to support governmental operations.

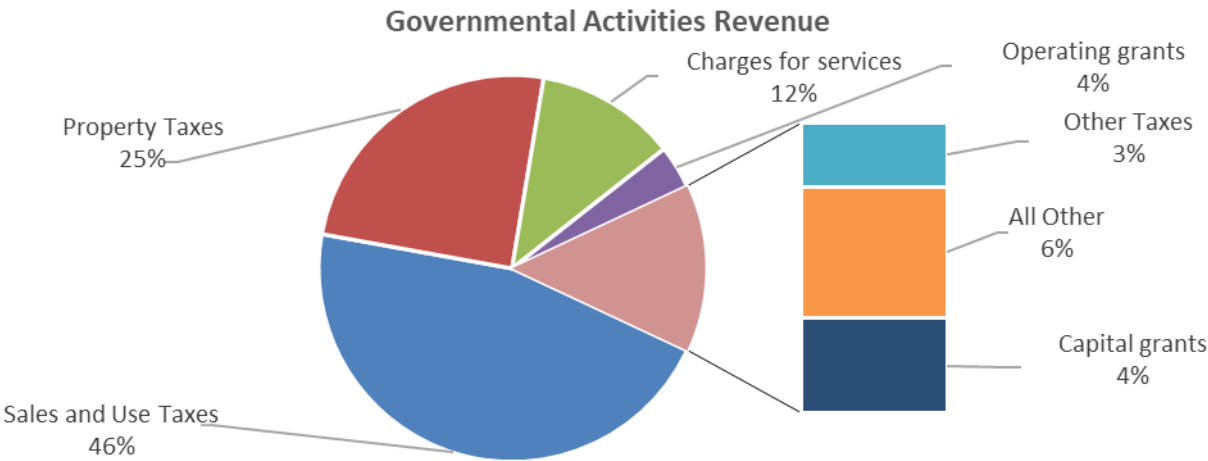
Revenues in total decreased \$1.1 million, or 1.8%, compared to the prior year. Capital grants and contributions increased \$0.4 million, or 14.7%, compared to the previous year mainly due to a decrease in developer dedicated infrastructure in 2024 as well as a decline in development activity in 2024 which impacted dedicated sources of revenue related to development activity. Operating grants and contributions decreased \$4.8 million or 68.7% mainly due the revenue recognition in 2023 of \$5.4 million of American Rescue Plan Act (ARPA) funding utilized in 2023 to assist an affordable housing project within the City. Property and specific ownership taxes increased \$3.2 million or 27.7% due to a large increase in assessed values seen in the prior assessment year.

Expenses of governmental activities increased \$4.8 million, or 9.8%, compared to the prior year. This increase was due to an increase of budgeted funds throughout the governmental funds for sizeable capital investment and modest investment in staffing and operations to maintain service levels throughout 2024.

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



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



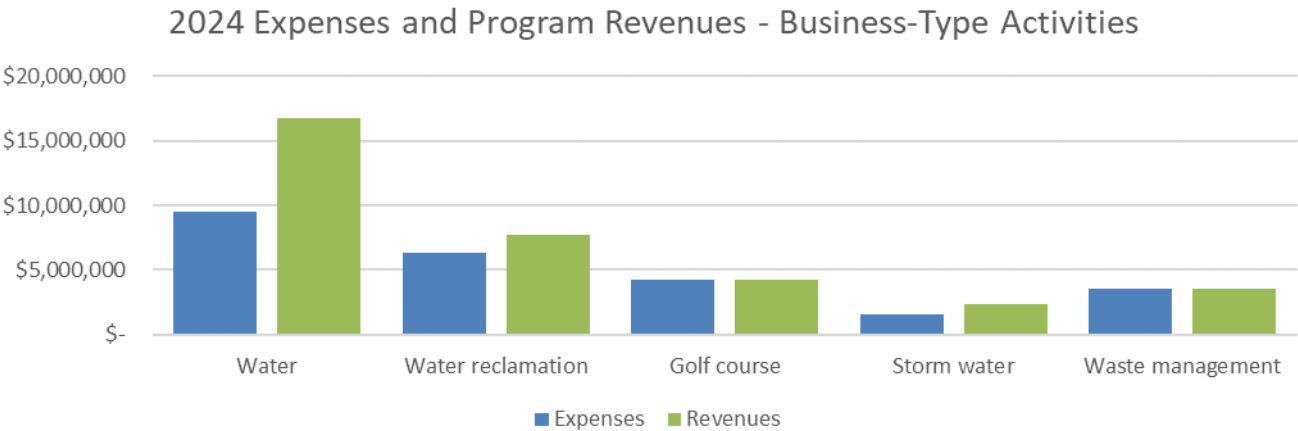
Business-type Activities

Business-type activities primarily rely on charges for services to support related expenses. Charges for services of \$33.2 million for business-type activities represented 85.5% of 2024 revenues.

The other primary source of revenue, representing 3.7% of revenues, comes primarily from capital contributions in the form of tap fees, developer-constructed donated capital and reimbursements, and grants. Capital grants and contributions decreased \$7.8 million in 2024 mainly due to decreased development activity seen throughout the City during 2024 as well as funding received in 2023 for the City's water dedication requirement for a large project that started construction in 2023 that was not applicable to the project in 2024.

Expenses increased by \$2.6 million, or 11.5%. This increase is mainly due to an increase in capital project funding across the proprietary funds.

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



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

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

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

These funds are accounted for using the modified accrual basis of accounting. At the end of 2024, the City reported a combined fund balance of \$57.3 million, a decrease of \$12.2 million, or 17.6%, compared to the prior year's fund balance. The fund balance of the General Fund, the primary operating fund of the City, decreased \$4.5 million, or 11.6%. At the end of 2024, the unassigned fund balance of the General Fund was \$22.7 million, a decrease of \$3.3 million, or 12.6%. Operating results for 2024 reflect \$5.2 million transfers out of the General Fund. Of these transfers out, \$5.0 million was to the Capital Projects Fund to be used for a variety of transportation and road maintenance projects and \$0.2 million was to the Waste Management Fund to support ongoing operations.

As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total fund expenditures. The unassigned fund balance of \$22.7 million represents 49.0% of General Fund 2024 actual expenditures and 44.4% of 2024 budgeted operating expenditures. The remainder of the fund balance for the General Fund is either non-spendable (\$2.0 million), restricted (\$1.2million) or committed (\$8.0 million).

The fund balance of the Capital Projects Fund decreased \$8.7 million. The fund balance in the Other Governmental Funds increased by \$1.0 million, or 6.1%. Fund balances for the non-major funds are restricted, committed or assigned to the specific purposes and agreements related to each fund.

Proprietary Funds

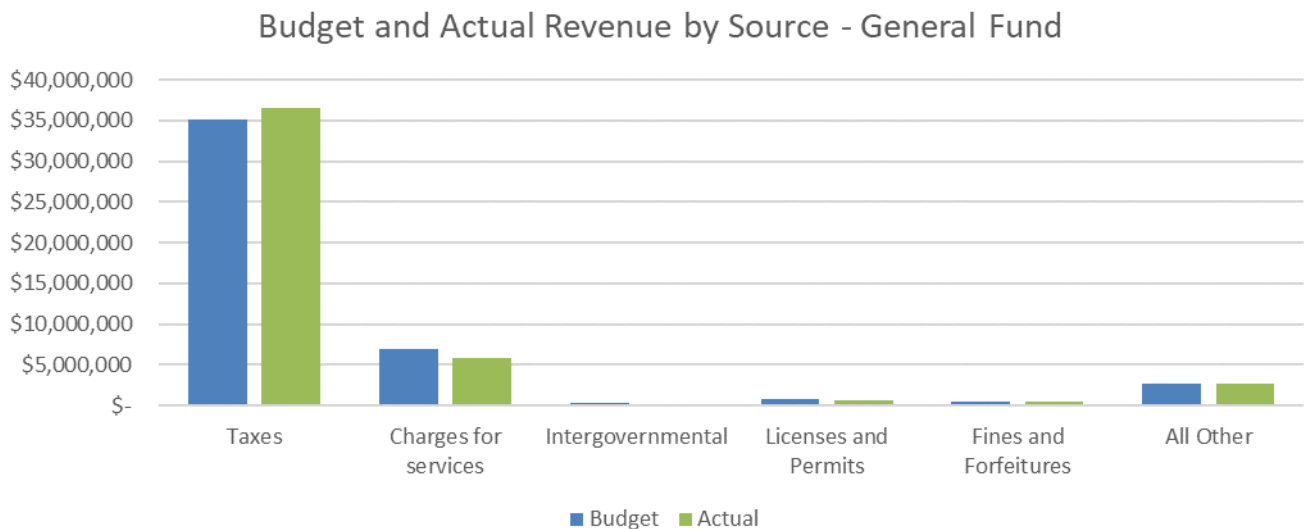
Information on the proprietary funds provides the same type of information found in the government-wide statements. Factors concerning the finances of these funds have been discussed above in the business-type activities section.

GENERAL FUND BUDGETARY HIGHLIGHTS

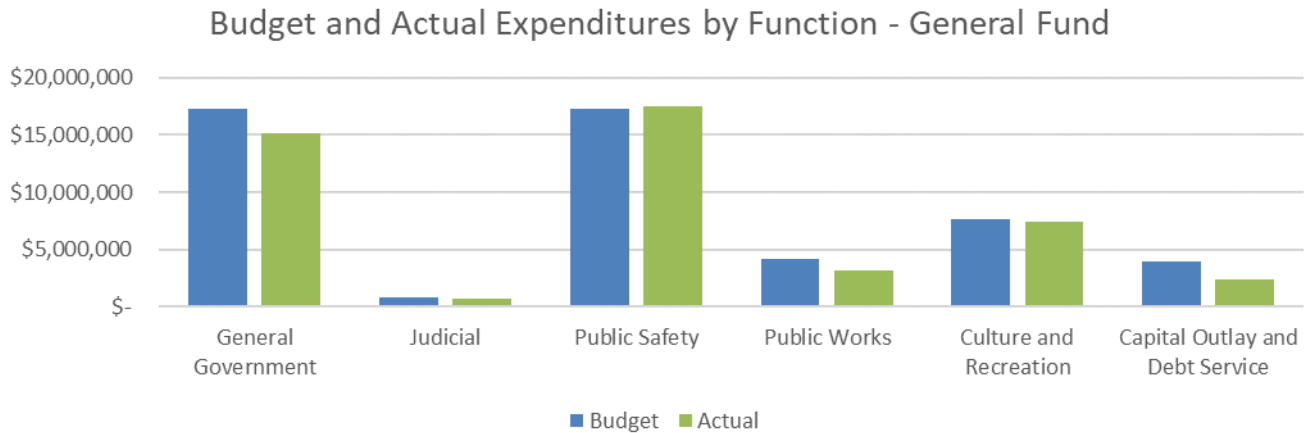
The City's final budget differs from the original budget in that it contains supplemental appropriations to carry forward unused prior year budget items for multi-year projects as well as for new or refined estimates of costs that were not anticipated in the originally adopted budget. The 2024 General Fund original budget provided for a deficit of \$3.7 million, reflecting revenues of \$46.1 million, expenditures of \$44.8 million and net transfers to other funds of \$5.0 million. The final budget provided for a deficit of \$9.9 million, reflecting revenues of \$46.3 million, expenditures of \$51.1 million and net transfers to other funds of \$5.2 million. Revenue sources increased \$0.3 million to \$46.3 million in the final budget. The expenditure and other financing uses budget increased \$6.5 million to \$56.3 million in the final budget. The primary expenditure changes to the original budget were carryovers of capital projects and the addition of various consulting studies and implementation of such studies as well as continuation of software implementations.

Actual results for 2024 in the General Fund was a deficit of \$4.5 million. This deficit is mainly explained by the transfer out of funding from the General Fund into the Capital Projects Fund to support the implementation and continuation of capital projects through 2024.

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



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



CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2024, amounts to \$380.3 million (net of accumulated depreciation/amortization), increased \$22.8 million or 6.0% compared to the prior year balance. The investment in capital assets includes land and land rights, water rights, public art, buildings, water and wastewater systems, improvements, machinery and equipment, park facilities, roads, storm drainage, other infrastructure, capitalized leases and subscription-based information technology arrangements (SBITAs).

The following table reflects amounts in thousands of dollars:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023 (as restated)	2024	2023 (as restated)	2024	2023 (as restated)
Capital assets (net of accumulated depreciation/amortization where applicable)						
Land and open space	\$ 84,105	\$ 84,105	\$ 9,912	\$ 9,912	\$ 94,017	\$ 94,017
Public art	576	514	-	-	576	514
Water rights	-	-	49,721	49,671	49,721	49,671
Construction in progress	28,039	14,353	36,177	65,574	64,216	79,927
Buildings	20,356	20,949	1,461	1,655	21,817	22,604
Improvements other than buildings	4,389	3,157	1,469	1,692	5,858	4,849
Infrastructure	34,153	33,216	100,258	63,434	134,411	96,650
Machinery and equipment	4,928	4,892	2,539	2,157	7,467	7,049
Right-of-use lease assets	1,300	1,524	21	27	1,321	1,551
Right-of-use subscription IT assets	706	589	153	21	859	610
Total capital assets	\$ 178,552	\$ 163,299	\$ 201,711	\$ 194,143	\$ 380,263	\$ 357,442

Major capital improvements during the fiscal year ended December 31, 2024, included the following:

Governmental Activities (total additions - \$23.3 million)

- Various street and sidewalk improvements (\$19.2 million)
- Purchase of vehicles and equipment (\$1.1 million)

Business-type Activities (total additions - \$52.3 million)

- Goose Haven reservoir project (\$3.9 million)
- Water Reclamation Treatment Facility project (\$40.5 million)
- Northern Integrated Supply Project (\$1.3 million)

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

Long-term Debt

At December 31, 2024, long-term debt of the City's governmental activities included general obligation bonds, revenue bonds, leases payable, subscription-based IT agreements, compensated absences, and net pension liability. Long-term debt of the City's business-type activities included revenue bonds, leases payable, subscription-based IT agreements, and compensated absences.

A summary of the City's long-term obligations is presented below (in thousands):

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds	\$ 1,530	\$ 2,435	\$ -	\$ -	1,530	2,435
Revenue bonds	2,325	2,535	45,540	47,650	47,865	50,185
Unamortized premiums	157	237	2,389	2,583	2,546	2,820
Leases payable	1,389	1,574	22	28	1,411	1,602
Subscription-based IT agreements	590	454	133	3	723	457
Compensated absences	2,062	2,243	605	499	2,667	2,742
Net pension liability	757	1,570	-	-	757	1,570
Total long-term liabilities	\$ 8,810	\$ 11,048	\$ 48,689	\$ 50,763	\$ 57,499	\$ 61,811

The City had total bonded debt outstanding of \$47.1 million (excluding \$2.3 million in special assessment debt for which the City has no obligation). Of this amount, \$1.5 million consists of general obligation debt backed by the full faith and credit of the City. The remaining \$45.5 million represents debt issued by the City's water and water reclamation funds, secured by designated revenue sources of the respective funds. Total bonded debt outstanding decreased \$3.2 million compared to the prior year-end.

Detailed information about the City's lease activity is presented in Note 4 to the financial statements. Subscription-based IT agreements increased due to the maturity of the SBITAs. Detailed information about the City's SBITA activity is presented in Note 5 to the financial statements. More detailed information about the City's long-term liabilities is presented in Note 6 to the financial statements. Detailed information about the City's net pension liability is presented in Note 7 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

In October 2024, the Lafayette City Council adopted the fiscal year 2025 budget totaling \$121.5 million across all funds. General Fund revenues in 2025, including transfers, are expected to total \$50.3 million which trail budgeted expenditures and transfers out of \$51.4 million. As a result, the General Fund is projected to draw \$1.1 million from fund balance to fund one-time capital maintenance and replacement projects at multiple city facilities as well as funding for conducting and implementing a variety of studies. The City has made significant investments in foundational elements of its operations during the past several years including ensuring that the City's compensation is competitive with surrounding agencies. Moving forward, the City must optimize existing resources to maintain the investments already made, while addressing significant capital infrastructure needs across the City. The year-end unrestricted General Fund balance is projected to total \$16.6 million, nearly 18% higher than the emergency reserve balance of 25% of annual General Fund expenditures. The 2024 budget above reflects the City's continued record of conservative and strong fiscal management that has proven especially important during times of economic uncertainty. The City maintains a well-resourced organization that is prepared to respond to the needs of residents even in the midst of uncertain economic pressures. The City does not currently anticipate any significant cash flow or liquidity issues that could affect service delivery.

Inflationary Pressure

The City continued to experience inflationary pressures across nearly all spending categories in 2024. To mitigate the impacts, the City continued to modify and implement its procurement program and more intentionally pursue industry best-practices including vendor consolidation, enhanced competitive bidding and more strategic contract negotiation. Additionally, as the City considers large future capital projects, it is monitoring the path of construction costs and interest rates with a goal of balancing design, construction and financing to achieve project delivery in the most fiscally prudent way.

Moderating Revenue Growth

The City's sales and use tax revenues performed strongly over the last few years leading into 2024. This strong performance was the result of a combination of an extended recovery from the Covid-19 pandemic as well as the adoption of economic nexus and marketplace facilitator code language that drove strong taxable internet sales activity. Revenue growth began to moderate in mid-2023 and this slowdown continued through the end of 2024. Early data from 2025 indicates this trend will continue with overall sales tax revenue either remaining flat or increasing slightly. In anticipation of the continued revenue softness and inflation into 2025 and beyond, the City will continue to look for ways to optimize existing resources and realign current funding to support the City's highest priorities.

Boulder County is currently in the process of reassessing property values and while assessment values are not yet finalized for 2026 and 2027, the City expects a small increase in property tax revenue for 2026. While this change is a positive increase, it is well below the assessment year average increase of 16.7% that the City has seen over the last five assessment years.

2026 Budget Priorities

The City's focus during the development of the 2026 budget remains on sustaining core services, maintaining previous operational investments while also strategically addressing the City's capital needs. The City will continue to give heightened attention to capital needs, ensuring that critical infrastructure and facility investments are prioritized to support long-term community resilience and service delivery.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

City of Lafayette, Colorado
Statement of Net Position
December 31, 2024

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Lafayette Urban Renewal Authority	Base Line Land and Reservoir Company
Assets					
Cash and investments	\$ 64,607,950	\$ 81,439,153	\$ 146,047,103	\$ 5,247,180	\$ 371,330
Restricted cash	427,099	11,402,741	11,829,840	-	98,014
Receivables	31,159,199	3,567,279	34,726,478	1,005,879	81,639
Due from primary government	-	-	-	56,075	-
Internal balances	152,397	(152,397)	-	-	-
Notes receivable	-	-	-	1,995,732	-
Inventories	35,764	71,834	107,598	-	-
Prepaid items	813,814	-	813,814	-	-
Equity interest in component unit	-	1,588,672	1,588,672	-	-
Capital assets, not being depreciated/amortized	112,720,178	95,810,122	208,530,300	534,511	76,000
Capital assets, net of accumulated depreciation/amortization	65,831,881	105,900,733	171,732,614	69,045	1,632,370
Total assets	275,748,282	299,628,137	575,376,419	8,908,422	2,259,353
Deferred Outflows of Resources					
Unamortized charges on debt refunding	43,777	221,249	265,026	-	-
Pension plans	4,655,286	-	4,655,286	-	-
Total deferred outflows of resources	4,699,063	221,249	4,920,312	-	-
Liabilities					
Accounts payable	3,908,867	4,927,757	8,836,624	855	-
Retainage payable	1,024,124	1,184,403	2,208,527	-	-
Claims payable	75,178	-	75,178	-	-
Accrued salaries payable	798,666	148,968	947,634	-	22
Accrued interest payable	46,690	108,526	155,216	-	-
Deposits payable	2,282,675	217,439	2,500,114	2,000	-
Due to component unit	83,094	-	83,094	-	-
Unearned revenue	100,000	-	100,000	-	-
Debt					
Due within one year	2,939,788	2,570,621	5,510,409	-	-
Due in more than one year, other than pension	5,113,158	46,118,536	51,231,694	-	-
Due in more than one year, net pension liability	757,362	-	757,362	-	-
Total liabilities	17,129,602	55,276,250	72,405,852	2,855	22
Deferred Inflows of Resources					
Unavailable revenue - property taxes	13,821,267	-	13,821,267	935,220	-
Unavailable revenue - other	9,039,515	-	9,039,515	-	-
Related to leases	1,668,766	824,636	2,493,402	-	-
Pension plans	291,287	-	291,287	-	-
Total deferred inflows of resources	24,820,835	824,636	25,645,471	935,220	-
Net Position					
Net investment in capital assets	171,580,949	152,663,329	324,244,278	603,556	1,708,370
Restricted for					
Specific projects and programs	12,623,671	-	12,623,671	-	-
Capital improvements	5,866,610	-	5,866,610	-	-
Unrestricted	48,425,678	91,085,171	139,510,849	7,366,791	550,961
Total net position	\$ 238,496,908	\$ 243,748,500	\$ 482,245,408	\$ 7,970,347	\$ 2,259,331

City of Lafayette, Colorado
Statement of Activities
Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Lafayette Urban Renewal Authority	Base Line Land and Reservoir Company
					Governmental Activities	Business-Type Activities	Total		
Primary government									
Governmental activities									
General government	\$ 15,669,844	\$ 2,855,386	\$ 821,594	\$ -	\$ (11,992,864)	\$ -	\$ (11,992,864)	\$ -	\$ -
Judicial	674,106	28,501	-	-	(645,605)	-	(645,605)	-	-
Public safety	19,644,141	1,365,620	7,250	-	(18,271,271)	-	(18,271,271)	-	-
Public works	5,600,778	455,921	1,299,662	2,343,396	(1,501,799)	-	(1,501,799)	-	-
Culture and recreation	11,264,637	2,337,917	35,324	395,713	(8,495,683)	-	(8,495,683)	-	-
Interest	257,297	-	-	-	(257,297)	-	(257,297)	-	-
Total governmental activities	53,110,803	7,043,345	2,163,830	2,739,109	(41,164,519)	-	(41,164,519)	-	-
Business-type activities									
Water	9,485,192	15,622,702	66,102	1,036,142	-	7,239,754	7,239,754	-	-
Water reclamation	6,321,661	7,566,971	-	180,251	-	1,425,561	1,425,561	-	-
Golf course	4,296,878	4,271,148	-	-	-	(25,730)	(25,730)	-	-
Storm water	1,611,418	2,188,277	-	226,944	-	803,803	803,803	-	-
Waste management	3,541,870	3,516,777	-	-	-	(25,093)	(25,093)	-	-
Total business-type activities	25,257,019	33,165,875	66,102	1,443,337	-	9,418,295	9,418,295	-	-
Total primary government	\$ 78,367,822	\$ 40,209,220	\$ 2,229,932	\$ 4,182,446	(41,164,519)	9,418,295	(31,746,224)	-	-
Component Units									
Lafayette Urban Renewal Authority	\$ 1,250,387	\$ -	\$ -	\$ -				(1,250,387)	-
Base Line Land and Reservoir Company	325,435	197,947	-	-				-	(127,488)
Total Component Units	\$ 1,575,822	\$ 197,947	\$ -	\$ -				(1,250,387)	(127,488)
General revenues									
Property and specific ownership taxes					14,829,314	-	14,829,314	910,281	-
General sales and use taxes					27,440,274	-	27,440,274	799,776	-
Franchise taxes					1,380,096	-	1,380,096	-	-
Excise taxes					442,029	-	442,029	-	-
Unrestricted intergovernmental					154,965	-	154,965	-	-
Unrestricted investment earnings					3,031,360	3,922,364	6,953,724	198,413	8,954
Miscellaneous					602,815	178,062	780,877	-	-
Transfers					(200,000)	200,000	-	-	-
Total general revenue and transfers					47,680,853	4,300,426	51,981,279	1,908,470	8,954
Change in net position					6,516,334	13,718,721	20,235,055	658,083	(118,534)
Net position - beginning, as previously reported					231,980,574	230,029,779	462,010,353	6,565,459	2,377,865
Adjustments (Note 12)					-	-	-	746,805	-
Net position - beginning, as restated					231,980,574	230,029,779	462,010,353	7,312,264	2,377,865
Net position - ending					\$ 238,496,908	\$ 243,748,500	\$ 482,245,408	\$ 7,970,347	\$ 2,259,331

The Notes to Financial Statements are an integral part of this statement

City of Lafayette, Colorado

Balance Sheet

Governmental Funds

December 31, 2024

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and investments	\$ 32,742,219	\$ 8,810,188	\$ 15,819,178	\$ 57,371,585
Receivables	17,836,920	6,545,267	6,745,035	31,127,222
Due from other funds	1,593,306	-	-	1,593,306
Inventories	35,764	-	-	35,764
Prepaid items	806,140	-	7,674	813,814
Restricted cash	427,099	-	-	427,099
Total assets	\$ 53,441,448	\$ 15,355,455	\$ 22,571,887	\$ 91,368,790
Liabilities, Deferred Inflows of Resources, and Fund Balance				
Liabilities				
Accounts payable	\$ 2,069,092	\$ 2,675,948	\$ 179,642	\$ 4,924,682
Due to other funds	-	-	1,440,909	1,440,909
Deposits payable	2,207,675	-	75,000	2,282,675
Accrued liabilities	747,589	-	48,045	795,634
Unearned revenues	100,000	-	-	100,000
Total liabilities	5,124,356	2,675,948	1,743,596	9,543,900
Deferred Inflows of Resources				
Unavailable revenue - property taxes	12,410,806	-	1,410,461	13,821,267
Unavailable revenue - other	370,272	6,412,897	2,256,346	9,039,515
Lease related	1,668,766	-	-	1,668,766
Total deferred inflows of resources	14,449,844	6,412,897	3,666,807	24,529,548
Fund Balance				
Nonspendable	2,007,146	-	55,926	2,063,072
Restricted	1,182,836	400,000	16,907,445	18,490,281
Committed	8,024,948	5,866,610	198,113	14,089,671
Unassigned	22,652,318	-	-	22,652,318
Total fund balance	33,867,248	6,266,610	17,161,484	57,295,342
Total liabilities, deferred inflows of resources, and fund balances	\$ 53,441,448	\$ 15,355,455	\$ 22,571,887	\$ 91,368,790

City of Lafayette, Colorado
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
December 31, 2024

Total Fund Balances - Governmental Funds	\$ 57,295,342
Amounts reported for governmental activities in the statement of net position are different different because:	
Capital assets net of depreciation and amortization used in governmental activities are not financial resources and, therefore, are not reported in the funds (excludes internal service fund capital assets of \$2,829,704).	175,722,355
Internal service funds are used by management to charge the costs of fleet management and insurance programs to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.	8,343,798
Deferred outflows and inflows of resources related to pensions and other postemployment benefits are applicable to future periods and, therefore, are not reported in the funds	4,363,999
Long-term liabilities and related items are not due and payable in the current period and, therefore, are current period and, therefore, are not reported in the funds. The details of this difference are as follows:	
Bonds payable	(3,855,000)
Unamortized premium	(156,631)
Unamortized deferred refunding loss	43,777
Leases payable	(1,389,173)
Subscription-based IT agreements payable	(589,959)
Compensated absences (excludes internal service fund compensated absences of \$1,584,635)	(477,548)
Net pension liability	(757,362)
Accrued interest payable	(46,690)
	(3,917,185)
Net Position of Governmental Activities	\$ 238,496,908

City of Lafayette, Colorado
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2024

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 36,526,779	\$ -	\$ 7,556,522	\$ 44,083,301
Special assessments	5,746	-	-	5,746
Licenses and permits	624,685	-	-	624,685
Intergovernmental	230,628	3,230,729	866,417	4,327,774
Contributions and grants	470,283	-	18,200	488,483
Charges for services	5,882,608	-	-	5,882,608
Fines and forfeits	515,252	-	-	515,252
Net investment income	1,612,116	454,762	720,194	2,787,072
Leases	248,283	-	-	248,283
Miscellaneous	278,625	-	44,996	323,621
Total revenues	46,395,005	3,685,491	9,206,329	59,286,825
Expenditures				
Current				
General government	15,167,523	15,353	1,528,623	16,711,499
Judicial	674,106	-	-	674,106
Public safety	17,479,627	-	1,855,038	19,334,665
Public works	3,140,668	-	-	3,140,668
Culture and recreation	7,444,417	-	2,240,628	9,685,045
Capital outlay	1,843,195	17,414,004	1,054,852	20,312,051
Debt service				
Principal	511,718	-	1,254,712	1,766,430
Interest on bonded debt	-	-	273,000	273,000
Interest on interfund loan	-	-	37,975	37,975
Bond trustee fees	-	-	400	400
Total expenditures	46,261,254	17,429,357	8,245,228	71,935,839
Excess (Deficiency) of Revenues over (under) Expenditures	133,751	(13,743,866)	961,101	(12,649,014)
Other Financing Sources (Uses)				
Transfers in	-	4,993,893	620,000	5,613,893
Transfers out	(5,193,893)	-	(620,000)	(5,813,893)
Issuance of long-term debt	607,675	-	26,360	634,035
Total other financing sources (uses)	(4,586,218)	4,993,893	26,360	434,035
Net Change in Fund Balance	(4,452,467)	(8,749,973)	987,461	(12,214,979)
Fund Balance, Beginning of Year	38,319,715	15,016,583	16,174,023	69,510,321
Fund Balance, End of Year	\$ 33,867,248	\$ 6,266,610	\$ 17,161,484	\$ 57,295,342

City of Lafayette, Colorado
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2024

Net Change in Fund Balances - Total Governmental Funds \$ (12,214,979)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. The details of the difference are as follows:

Capital outlay	20,360,732
Developer dedications	235,901
Depreciation/amortization (exluding \$713,424 of depreciation on internal service funds).	(5,705,290)

The net effect of the disposal of capital assets results in a decrease to net position. (40,234)

Internal service funds are used by management to charge the costs of fleet management and insurance programs to individual funds. The net revenue of the internal service funds is reported with the governmental activities. 2,140,590

In the statement of activities compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. 332,167

In the statement of activities the cost of pension benefits earned net of employee contributions is reported as pension expense. In the governmental funds, however, the contributions are reported as expense. 189,433

In the statement of activities interest expense is recognized as it accrues. In the governmental funds, however, the expenditure is measured by the amount of financial resources used. (12,311)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 1,230,325

Change in Net Position of Governmental Activities \$ 6,516,334

City of Lafayette, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2024

	Business-type Activities						Governmental
	Enterprise Funds						Activities
	Nonmajor Funds					Total	Internal Service Funds
	Water Utility	Water Reclamation Utility	Golf Course	Storm Water	Waste Management		
Assets							
Current Assets							
Cash and investments	\$ 43,728,345	\$ 27,606,513	\$ 1,592,969	\$ 8,511,326	\$ -	\$ 81,439,153	\$ 7,236,365
Receivables	1,981,089	936,238	7,106	265,926	376,920	3,567,279	31,977
Inventories	-	-	71,834	-	-	71,834	-
Restricted cash	1,362,000	10,040,741	-	-	-	11,402,741	-
Total current assets	47,071,434	38,583,492	1,671,909	8,777,252	376,920	96,481,007	7,268,342
Noncurrent Assets							
Equity interest in component unit	1,588,672	-	-	-	-	1,588,672	-
Capital assets							
Not being depreciated/amortized	91,410,403	2,263,687	1,300,000	836,032	-	95,810,122	-
Net of accumulated deprecation/amortization	37,485,710	58,527,909	3,469,691	6,417,423	-	105,900,733	2,829,704
Total noncurrent assets	130,484,785	60,791,596	4,769,691	7,253,455	-	203,299,527	2,829,704
Total assets	177,556,219	99,375,088	6,441,600	16,030,707	376,920	299,780,534	10,098,046
Deferred Outflows of Resources							
Unamortized charges on debt refunding	221,249	-	-	-	-	221,249	-

City of Lafayette, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2024

	Business-type Activities						Governmental Activities
	Enterprise Funds						
		Water	Nonmajor Funds				
	Water	Reclamation			Waste		Internal
	Utility	Utility	Golf Course	Storm Water	Management	Total	Service Funds
Liabilities							
Current Liabilities							
Accounts payable	4,030,157	432,583	59,213	120,958	284,846	4,927,757	91,403
Retainage payable	1,159,023	25,380	-	-	-	1,184,403	-
Claims incurred but not reported	-	-	-	-	-	-	75,178
Due to other funds	-	129,185	-	-	23,212	152,397	-
Accrued payroll	62,354	41,696	32,030	12,888	-	148,968	3,032
Accrued interest payable	15,414	93,105	-	7	-	108,526	-
Deposits payable	83,588	-	133,851	-	-	217,439	-
Compensated absences	133,656	102,109	48,298	48,210	358	332,631	848,618
Current portion of long-term debt	1,216,905	1,020,723	-	362	-	2,237,990	-
Total current liabilities	6,701,097	1,844,781	273,392	182,425	308,416	9,310,111	1,018,231
Noncurrent Liabilities							
Compensated absences	109,358	83,543	39,516	39,444	293	272,154	736,017
Long-term debt, net of current portion	2,997,147	42,849,235	-	-	-	45,846,382	-
Total noncurrent liabilities	3,106,505	42,932,778	39,516	39,444	293	46,118,536	736,017
Total liabilities	9,807,602	44,777,559	312,908	221,869	308,709	55,428,647	1,754,248
Deferred Inflows of Resources							
Lease related	824,636	-	-	-	-	824,636	-
Net Position							
Net investment in capital assets	123,744,287	16,896,258	4,769,691	7,253,093	-	152,663,329	2,829,704
Unrestricted	43,400,943	37,701,271	1,359,001	8,555,745	68,211	91,085,171	5,514,094
Total net position	\$ 167,145,230	\$ 54,597,529	\$ 6,128,692	\$ 15,808,838	\$ 68,211	\$ 243,748,500	\$ 8,343,798

City of Lafayette, Colorado
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
Year Ended December 31, 2024

	Business-type Activities Enterprise Funds					Governmental Activities	
	Water		Nonmajor Funds			Total	Internal Service Funds
	Utility	Reclamation Utility	Golf Course	Storm Water	Waste Management		
Operating Revenues							
Charges for services	\$ 15,622,702	\$ 7,566,971	\$ 4,271,148	\$ 2,202,277	\$ 3,516,777	\$ 33,179,875	\$ 8,530,776
Miscellaneous	67,544	2,142	12,744	154	-	82,584	114,275
Total operating revenues	15,690,246	7,569,113	4,283,892	2,202,431	3,516,777	33,262,459	8,645,051
Operating Expenses							
Personnel services	2,507,894	1,544,103	1,736,923	469,275	6,533	6,264,728	149,522
Operations	4,310,181	1,547,501	2,056,793	606,451	3,535,337	12,056,263	90,409
Premiums and claims paid	-	-	-	-	-	-	5,795,394
Depreciation/amortization	2,481,618	2,152,621	502,937	535,676	-	5,672,852	713,424
Total operating expenses	9,299,693	5,244,225	4,296,653	1,611,402	3,541,870	23,993,843	6,748,749
Operating Income (Loss)	6,390,553	2,324,888	(12,761)	591,029	(25,093)	9,268,616	1,896,302
Nonoperating Revenues (Expenses)							
Net investment income	1,753,715	1,760,071	66,007	342,571	-	3,922,364	244,288
Loss from equity interest in component unit	(83,987)	-	-	-	-	(83,987)	-
Lease revenue	71,142	-	-	-	-	71,142	-
Intergovernmental operating grants	66,102	-	-	-	-	66,102	-
Gain (loss) on disposal of assets	79,599	26,224	(225)	2,500	-	108,098	-
Interest expense and bond fees	(185,499)	(1,077,436)	-	(16)	-	(1,262,951)	-
Total nonoperating revenues (expenses)	1,701,072	708,859	65,782	345,055	-	2,820,768	244,288
Income (Loss) before Transfers and Capital Contributions	8,091,625	3,033,747	53,021	936,084	(25,093)	12,089,384	2,140,590
Transfers and Capital Contributions							
Transfers in	-	-	-	-	200,000	200,000	-
Tap and development fees	204,087	56,551	-	-	-	260,638	-
Payments in lieu of water	430,308	-	-	-	-	430,308	-
Developer dedications	401,747	123,700	-	212,944	-	738,391	-
Total transfers and capital contributions	1,036,142	180,251	-	212,944	200,000	1,629,337	-
Change in Net Position	9,127,767	3,213,998	53,021	1,149,028	174,907	13,718,721	2,140,590
Total Net Position, Beginning of Year	158,017,463	51,383,531	6,075,671	14,659,810	(106,696)	230,029,779	6,203,208
Total Net Position, End of Year	\$ 167,145,230	\$ 54,597,529	\$ 6,128,692	\$ 15,808,838	\$ 68,211	\$ 243,748,500	\$ 8,343,798

The Notes to Financial Statements are an integral part of this statement

City of Lafayette, Colorado
Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2024

	Business-type Activities Enterprise Funds					Governmental Activities	
	Nonmajor Funds					Internal Service Funds	
	Water Utility	Water Reclamation Utility	Golf Course	Storm Water	Waste Management	Total	
Operating Activities							
Receipts for services provided	\$ 15,419,253	\$ 7,481,034	\$ 4,290,329	\$ 2,189,914	\$ 3,483,211	\$ 32,863,741	\$ 8,534,996
Miscellaneous receipts	67,544	2,142	12,744	154	-	82,584	114,275
Payments to suppliers	(2,898,344)	(2,558,266)	(2,044,499)	(607,870)	(3,350,548)	(11,459,527)	(5,726,368)
Payments to and on behalf of employees	(2,447,405)	(1,494,550)	(1,739,732)	(404,474)	(5,882)	(6,092,043)	(147,652)
Net Cash from Operating Activities	10,141,048	3,430,360	518,842	1,177,724	126,781	15,394,755	2,775,251
Noncapital Financing Activities							
Transfers from other funds	-	-	-	-	200,000	200,000	-
Intergovernmental operating grants	66,102	-	-	-	-	66,102	-
Payments made for interfund borrowing	-	(5,737,707)	-	-	(326,781)	(6,064,488)	-
Net Cash from (Used for) Noncapital Financing Activities	66,102	(5,737,707)	-	-	(126,781)	(5,798,386)	-
Capital and Related Financing Activities							
Proceeds from sale of assets	79,599	26,224	-	2,500	-	108,323	-
Tap and development fees	204,087	56,551	-	-	-	260,638	-
Payments in lieu of water	430,308	-	-	-	-	430,308	-
Lease proceeds	155,771	-	-	-	-	155,771	-
Acquisition of capital assets	(9,146,538)	(3,932,503)	(287,759)	(364,835)	-	(13,731,635)	(1,115,296)
Debt service							
Principal	(1,164,624)	(980,503)	-	(250)	-	(2,145,377)	-
Interest	(231,784)	(1,156,645)	-	(14)	-	(1,388,443)	-
Net Cash Used for Capital and Related Financing Activities	(9,673,181)	(5,986,876)	(287,759)	(362,599)	-	(16,310,415)	(1,115,296)
Investing Activities							
Investment income received	1,723,693	1,738,235	64,165	335,046	-	3,861,139	233,829
Change in Cash and Cash Equivalents	2,257,662	(6,555,988)	295,248	1,150,171	-	(2,852,907)	1,893,784
Cash and Cash Equivalents, Beginning of Year	42,832,683	44,203,242	1,297,721	7,361,155	-	95,694,801	5,342,581
Cash and Cash Equivalents, End of Year	\$ 45,090,345	\$ 37,647,254	\$ 1,592,969	\$ 8,511,326	\$ -	\$ 92,841,894	\$ 7,236,365

The Notes to Financial Statements are an integral part of this statement

City of Lafayette, Colorado
Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2024

	Business-type Activities Enterprise Funds					Governmental Activities
	Nonmajor Funds					Internal Service Funds
	Water Utility	Water Reclamation Utility	Golf Course	Storm Water	Waste Management	Total
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position						
Cash and investments	\$ 43,728,345	\$ 27,606,513	\$ 1,592,969	\$ 8,511,326	\$ -	\$ 81,439,153
Restricted cash	1,362,000	10,040,741	-	-	-	11,402,741
Total cash and cash equivalents, end of year	<u>\$ 45,090,345</u>	<u>\$ 37,647,254</u>	<u>\$ 1,592,969</u>	<u>\$ 8,511,326</u>	<u>\$ -</u>	<u>\$ 92,841,894</u>
Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities						
Operating income (loss)	\$ 6,390,553	\$ 2,324,888	\$ (12,761)	\$ 591,029	\$ (25,093)	\$ 9,268,616
Adjustments to reconcile operating income (loss) to net cash from operating activities						
Depreciation/amortization	2,481,618	2,152,621	502,937	535,676	-	5,672,852
Changes in assets and liabilities						
Accounts receivable	(163,310) x	(85,937)	330	(12,363)	(33,566)	(294,846)
Inventories	-	-	866	-	-	866
Prepaid expenses	-	290	1,321	-	-	1,611
Accounts payable	1,411,837	(1,011,055)	10,107	(1,419)	184,789	594,259
Payroll payable	28,186	18,185	13,472	6,827	-	66,670
Compensated absences	32,303	31,368	(16,281)	57,974	651	106,015
Deposits payable	(40,139)	-	18,851	-	-	(21,288)
Claims incurred but not reported	-	-	-	-	-	(26,194)
Net Cash from Operating Activities	<u>\$ 10,141,048</u>	<u>\$ 3,430,360</u>	<u>\$ 518,842</u>	<u>\$ 1,177,724</u>	<u>\$ 126,781</u>	<u>\$ 15,394,755</u>
Supplemental Schedule of Noncash Investing and Financing Activities						
Acquisition of capital assets through capital contributions and donations	<u>\$ 401,747</u>	<u>\$ 123,700</u>	<u>\$ -</u>	<u>\$ 212,944</u>	<u>\$ -</u>	<u>\$ 738,391</u>
Acquisition of capital assets through debt	<u>\$ 159,934</u>	<u>\$ 209</u>	<u>\$ -</u>	<u>\$ 104</u>	<u>\$ -</u>	<u>\$ -</u>

The Notes to Financial Statements are an integral part of this statement

City of Lafayette, Colorado
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2024

	Custodial Fund
	<u> </u>
Assets	
Cash and investments	\$ 15,667
	<u> </u>
Liabilities	
Taxes due to other governments	15,667
	<u> </u>
Net Position	
Restricted for	
Funds held for others	-
	<u> </u>
Total net position	\$ -
	<u> </u>

City of Lafayette, Colorado
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
Year Ended December 31, 2024

	Custodial Fund
	<u> </u>
Additions	
Taxes collected for other governments	\$ 384,460
Deductions	
Taxes disbursed to other governments	<u> 384,460</u>
Change in Net Position	-
Net Position, Beginning	<u> -</u>
Net Position, Ending	<u><u> \$ -</u></u>

Note 1 - Summary of Significant Accounting Policies

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

A summary of the City's significant accounting policies applied in the preparation of these financial statements follows:

Basis of Presentation

The financial statements of the City have been prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The GASB is the standard-setting body for governmental accounting and financial reporting. The City follows and implements all applicable GASB standards.

Reporting Entity

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

Blended Component Units

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

Discretely Presented Component Units

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

Lafayette Urban Renewal Authority (LURA) was separated from the City in 2012 and was established as a legally separate entity with a separate board appointed by the Mayor. The purpose of LURA is to revitalize the downtown area of Lafayette. Funding for LURA comes from tax-increment financing in addition to a portion of sales taxes collected from the business members within the urban renewal district. LURA does not issue separate financial statements. As there would be no difference between full and modified accrual statements for LURA, based on the entity's activities, additional financial statements are not presented in this report.

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

Government-Wide and Fund Financial Statements

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Taxes, licenses, intergovernmental revenues, and investment earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

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

The City reports the following major governmental funds:

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water Fund, Water Reclamation Fund, Golf Course Fund, Storm Water Fund, and Waste Management Fund are charges to customers for sales and services. Operating expenses reported in enterprise funds and internal service funds include the cost of sales and services provided, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major proprietary funds:

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

Additionally, the City reports the following fund types:

Internal service funds account for operations that provide services to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. These include group insurance and unemployment insurance and our fleet services.

Fiduciary funds account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Fiduciary funds are presented on an economic resources measurement focus and accrual basis of accounting. The City has one fiduciary fund, which is a custodial Fund. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

The *Custodial Fund* accounts for assets, liabilities, and net position that the City holds for others in a fiduciary capacity (e.g. taxes collected for the benefit of other governments).

Permanent funds are used to account for permanent endowments that must remain intact. The City's *Cemetery Endowment Fund* accounts for an endowment that supports the operations of the City's cemeteries.

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

Cash Equivalents and Investments

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

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

Interfund Receivables and Payables

Activities between funds that represent lending/borrowing arrangements at the end of the fiscal year are referred to as either "due (to)/from other funds" (i.e., the current portion of interfund loans) or "advances to/(from) other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due (to)/from other funds." Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Lease Receivables

Lease receivables are recorded by the City as the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received are discounted based on the interest rate the City charges the lessee.

Property Taxes Receivable

By December 15 of each year, property taxes for the City are levied by the City Council and certified to Boulder County for collection in the subsequent year. These taxes attach as an enforceable lien on property as of January 1 of the succeeding year and are payable in full by April 30 or in two installments by June 15 in the year of collection. The taxes are collected by the Boulder County Treasurer on behalf of the City. A 1% collection fee is retained by the County as compensation for collecting the taxes.

Historically, the City property taxes which are due to be paid in the next period and representing an enforceable lien on January 1st of the next year, have been recorded as a receivable and deferred inflow of resources in the appropriate funds.

Prepaid Items

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

Inventories

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

Capital Assets

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historic cost is not available. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would have been paid to acquire an asset with equivalent service potential on the date of the donation. The City maintains the following threshold levels for capitalizing capital assets:

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

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are recorded in the government-wide and proprietary fund financial statements, but are not reported in the governmental fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the City, no salvage value is taken into consideration for depreciation purposes. Useful lives are as follows:

Buildings	50 years
Improvements other than buildings	10-25 years
Equipment	5-10 years
Water and water reclamation systems	50 years
Infrastructure	30-50 years

Land and open space, water rights, public art, and construction in progress are not depreciated.

Right-of-use leased assets are recognized at the lease commencement date and represent the City's right to use an underlying asset for the lease term. Right-of-use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right-of-use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 5 years.

Right to use subscription IT assets are recognized at the subscription commencement date and represent the City's right to use the underlying IT asset for the subscription term. Right to use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right to use subscription IT assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method. The amortization period varies from 2 to 5 years.

Long-Term Obligations

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

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

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

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

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

Lease liabilities represent the City's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments is discounted based on a borrowing rate determined by the City.

Subscription liabilities represent the City's obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of subscription payments is discounted based on a borrowing rate determined by the City.

Compensated Absences

The City recognizes a liability for compensated absences 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 (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences 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 employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation

All regular full-time and regular part-time employees of the City are eligible to accumulate earned but unused vacation benefits. The accrual for regular part-time employees is prorated based on hours worked. Employees may accrue a maximum 400 vacation hours for full-time positions, 560 vacation hours for Fire positions with a 2,922 annual hour schedule, and 200 vacation hours for regular part-time positions. Once the maximum accrual limit is reached, no additional vacation leave will be earned until the employee's total accrued vacation falls below the maximum limit.

Effective with the transition to EPIC in September 2024, any employee with more than 280 hours of accrued vacation leave will have the excess hours placed into an individual legacy vacation bank. Employees may use these hours, or they will be paid out upon separation from employment.

Once per year in January, full-time employees with at least 240 hours of accrued vacation leave between their regular and legacy vacation bank may sell back up to 80 vacation hours from their regular vacation bank, provided they have used at least 80 vacation hours in the previous year. Fire employees on a 2,922 schedule with at least 336 hours of accrued vacation leave between their regular and legacy vacation bank may cash out up to 112 hours, provided they used at least 112 vacation hours in the previous year. The previous year is determined by a look-back period following the first pay period in January. Regular part-time employees are not eligible for the annual cashout of vacation hours.

Upon separation from City employment, employees will receive payment for all accrued vacation leave in their final paycheck, at their current base rate of pay. The official separation date is the last day of actual work and is not extended by the payment of unused vacation leave. In the event of an employee's death, payment for unused accrued vacation leave will be made to the employee's estate.

If an employee transfers into a position that is not eligible for vacation leave accrual (temporary/substitute or seasonal designations), their vacation balance will be paid out on the effective date of the transition.

Sick Leave

All regular full-time, regular part-time, and temporary/substitute or seasonal employees of the City are eligible to accumulate earned but unused vacation benefits. The accrual for regular part-time and temporary/substitute or seasonal employees is prorated based on hours worked. Employees may accrue a maximum 480 vacation hours for full-time positions, 672 vacation hours for Fire positions with a 2,922 annual hour schedule, 240 vacation hours for regular part-time positions, and 48 hours for temporary/substitute or seasonal positions. Once the maximum accrual limit is reached, no additional sick leave will be earned until the employee's total accrued sick leave balance falls below the maximum limit.

Effective with the transition to EPIC in September 2024, employees with more than 350 hours of accrued sick leave will have the excess hours placed into an individual legacy sick leave bank. Employees may use these hours, or they will be paid out upon separation of employment at the rate of one (1) hour of pay for every two (2) hours of sick leave accrued, at their regular rate of pay.

Upon separation, employees with five (5) or more years of service will receive payment for their accrued sick leave at a rate of one hour of pay for every two hours of sick leave accrued upon separation of employment.

Regular full-time employees with five (5) or more years of service may sell back up to 96 hours of accrued sick leave per year (134.4 hours for Firefighter 48-hour shift employees), at a rate of one hour of pay for every two hours of sick leave accrued; provided they have 480 hours of accrued sick leave between their regular and legacy bank (672 hours for Firefighter 48-hour shift employees).

Sick leave hours are not paid out to regular part-time, temporary/substitute, or seasonal employees upon separation of employment.

No other monetary obligation exists beyond those described above. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

Pensions

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

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

Postemployment Benefits Other Than Pensions (OPEB)

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

Deferred Outflows and Inflows of Resources

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

In addition to liabilities, the statement of net position and balance sheet have a separate section for deferred inflows of resources. Deferred inflows represent an acquisition of net assets that applies to a future period(s) and so are not recognized as revenue in the current year, but will be in a future year. The City has four items that qualify for reporting in this category.

Deferred inflows of resources for property taxes relates to property taxes that are received or reported as a receivable before the period for which the taxes are levied, and is reported as a deferred inflow of resources in both the government-wide statement of net position and the governmental funds balance sheet. These taxes levied for subsequent years are deferred and recognized as an inflow of resources in the government-wide financial statements in the year for which they are levied and in the governmental fund financial statements during the year for which they are levied, if available.

Deferred inflows of resources for other unavailable revenues arise primarily from grant funding sources that are not received in time to satisfy the availability criteria to be recognized as revenue. These amounts are reported in the government-wide and fund financial statements.

Deferred inflows related to leases where the City is the lessor and is reported in the governmental funds balance sheet and statement of net position. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue on the straight-line basis over the term of the lease).

Deferred inflows related to pension plans arise as a result of various estimate differences that will be recognized as expenses in future years, reported in the government-wide and proprietary fund statements of net position.

Net Position

Net position represents the difference between assets and deferred outflows, and liabilities and deferred inflows. The net position component, "net investment in capital assets", consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. The net position is reported as restricted when there are limitations imposed on their use, either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The remaining balance of the net position is reported as unrestricted.

Net Position Flow Assumptions

In order to report net position as restricted and unrestricted in the government-wide and proprietary fund financial statements, the City has established a flow of assumption policy. It is the City's policy to use restricted net position first before using unrestricted net position.

Net Investment in Capital Assets Calculation

	Governmental Activities	Business-type Activities
Capital Assets Not Depreciated/Amortized	\$ 112,720,178	\$ 95,810,122
Capital Assets, net of accumulated depreciation/amortization	65,831,881	105,900,733
Unamortized charges on debt refunding	43,777	221,249
Retainage payable	(1,024,124)	(1,184,403)
Non-current liabilities due in one year	(2,939,788)	(2,570,621)
Non-current liabilities due in more than one year	(5,113,158)	(46,118,536)
Less:		
Accrued compensated absences	2,062,183	604,785
	<u>\$ 171,580,949</u>	<u>\$ 152,663,329</u>

Fund Balance

The City reflects fund balances by clearly defined categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

In the fund financial statements, the following classifications describe the relative strength of the spending constraints.

- *Nonspendable fund balance* – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form, or legally or contractually required to be maintained intact. Inventories and prepaid amounts are examples of this classification.
- *Restricted fund balance* – Spending constraints that are placed on the use of fund balance amounts by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation, are classified as restricted.
- *Committed fund balance* – Committed fund balances are created by the City Council by ordinance. These amounts can only be used for specific purposes pursuant to the formal action by the Council. The purposes can change only by Council authority by the appropriate action as mentioned above.
- *Assigned fund balance* – Assigned fund balances occur on the intention, as opposed to formal action, of a specific use. The authority to assign fund balances has been delegated by City Council to the City Administrator up to an amount of \$100,000. A report is made to Council as to the actions taken. Assignment of fund balances in excess of \$100,000 shall be approved by Council as a resolution before the end of the year the assignment is to be effective. The assigned fund balance classification also represents residual fund balances in governmental funds that, by residing in the funds are assigned to the purpose of those funds.
- *Unassigned fund balance* – Unassigned fund balance is the remaining fund balance in the General Fund after amounts that are set aside for the higher classifications. This designation is only applicable to the General Fund or negative balances in other governmental funds.

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

For 2024, the General Fund reserve requirement of 25% of budgeted expenditures requires a minimum reserve of \$14,066,979. As of December 31, 2023, the amount restricted for the TABOR reserve was \$718,798 and the unassigned fund balance reported in the General Fund was \$22,652,318, exceeding the minimum reserve required.

Fund Balance Flow Assumptions

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

The City does not have an accounting policy regarding which resources (restricted, committed, assigned, or unassigned) are considered to be spent first for which more than one resource classification is available and by default has determined restricted amounts to be reduced first, followed by committed amounts, then assigned amounts, and then unassigned amounts.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Implementation of GASB Statement No. 101

As of January 1, 2024, the City adopted GASB Statement No. 101, *Compensated Absences*. The provisions of this standard modernize the types of leave that are considered a compensated absence and provides guidance for a consistent recognition and measurement of the compensated absence liability. There was not a significant effect on the City's financial statements as a result of the implementation of this standard.

Note 2 - Deposits and Investments

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

Deposits and investments at December 31, 2024, are summarized below.

Cash and cash equivalents	
Statement of net position	\$ 146,047,103
Restricted cash	
Statement of net position	<u>11,829,840</u>
	<u>\$ 157,876,943</u>
Deposits	\$ 7,721,499
Investments	150,153,547
Cash on hand	<u>1,897</u>
	<u>\$ 157,876,943</u>

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

The City's deposits are considered to be entirely insured or collateralized with securities held by the City or its agent in the City's name as follows: At year-end, the City's cash deposits had a carrying amount of \$7,721,499 and a corresponding bank balance of \$8,837,014.

Of the bank balances, \$281,989 was covered by federal deposit insurance and \$8,555,025 was uninsured but collateralized in accordance with provisions of the PDPA.

Investments

The City's investments are subject to interest rate risk, custodial credit risk, and concentration of credit risk.

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

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

The City's investments by maturity are summarized as follows:

Investment Type	Rating (Moody's/S&P)	Total	Maturities (in Years)	
			< 1	1 - 5
Investments Measured at Fair Value				
U.S. T-Bills and Notes	Aaa/AA+	\$ 43,553,992	\$ 11,595,418	\$ 31,958,574
Federal Farm Credit Bank	Aaa/AA+	10,982,502	1,070,234	9,912,268
Federal Home Loan Bank	Aaa/AA+	11,171,356	1,474,520	9,696,836
Federal Home Loan Mortgage Corp.	Aaa/AA+	5,346,047	2,408,249	2,937,798
Federal National Mortgage Association	Aaa/AA+	4,827,760	3,375,844	1,451,916
U.S. Corporate Notes	AA3/AA-1	5,115,005	1,219,831	3,895,174
Mutual funds	n/a	61,561	61,561	
Total investments measured at fair value		81,058,223	21,205,657	59,852,566
Investments Measured at Net Asset Value				
COLOTRUST PLUS+	n/a	19,150,899	19,150,899	-
Money Market	Aaa-mf/AAAm	40,001	40,001	-
Total investments measured at net asset value		19,190,900	19,190,900	-
Investments Measured at Amortized Cost				
CSAFE - Cash Fund	AAAmf*	1,813,778	1,813,778	-
CSAFE - Core Fund	AAAf/S1*	45,769,226	45,769,226	-
CSIP Liquid Portfolio	n/a/AAAm	2,321,420	2,321,420	-
Total investments measured at amortized cost		49,904,424	49,904,424	-
		\$ 150,153,547	\$ 90,300,981	\$ 59,852,566

*Ratings for CSAFE - Cash Fund and CSAFE - Core Fund are provided by Fitch

Fair Value

Investments are measured at fair value in accordance with GASB Statement No. 72. Fair value is defined as the amount for which an investment could be sold in an orderly transaction between market participants at the measurement date in the principal or most advantageous market of the investment. This Statement established a three-tier, hierarchical disclosure framework which prioritizes and ranks the level of market price observability used in measuring fair value. The hierarchy is based on the valuation of inputs used to measure the fair value of the investment and gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Inputs include, but are not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

The three-tier framework is summarized as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full-term of the assets or liabilities.
- Level 3 - Unobservable inputs for an asset or liability.

The following table presents the assets measured at fair value on a recurring basis, except those measured at net asset value and amortized cost, at December 31, 2024:

	Total	Level 1	Level 2	Level 3
Primary Government				
Pooled Investments				
U.S. T-Bills and Notes	\$ 43,553,992	\$ 43,553,992	\$ -	\$ -
Federal Farm Credit Bank	10,982,502	-	10,982,502	-
Federal Home Loan Bank	11,171,356	-	11,171,356	-
Federal Home Loan Mortgage Corp.	5,346,047	-	5,346,047	-
Federal National Mortgage Association	4,827,760	-	4,827,760	-
U.S. Corporate Notes	5,115,005	-	5,115,005	-
Mutual funds	61,561	-	61,561	-
	<u>\$ 81,058,223</u>	<u>\$ 43,553,992</u>	<u>\$ 37,504,231</u>	<u>\$ -</u>

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

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

Custodial Credit Risk – The City’s custodial credit risk policy also follows State statutes. On December 31, 2024, the City had investments held by Principal Custody Solutions in a custodial safekeeping account in the amount of \$80,996,661. All investments are specifically separate from the investments of the custodian and are identified as being investments of the City.

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

Local Government Investment Pools - At December 31, 2024, the City had invested \$69,055,323 in the Colorado Local Government Liquid Asset Trust (COLOTRUST), the Colorado Surplus Asset Fund Trust (CSAFE), and the Colorado Statewide Investment Program (CSIP). The Trusts are investment vehicles established by State statutes for local government entities in Colorado to pool surplus funds for investment purposes. The Colorado Division of Securities administers and enforces the requirements of creating and operating the Trusts. The Trusts operate in conformity with the Securities and Exchange Commission’s Rule 2a-7, with each share valued at \$1. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian’s internal records identify investments owned by the participating governments.

Restricted Cash

During July 2001, the City received \$1,000,000 from the Northwest Parkway Public Highway Authority for capital projects and conservation easement acquisitions related to the Northwest Parkway Project. In 2003 utility lines and sleeves were installed during construction of the Parkway at a cost of \$177,196. During 2004, \$650,000 was committed for construction of White Tail Park in South Pointe, although only \$450,124 was spent on the park. An additional \$7,142 was spent in 2017 on fencing improvements. At December 31, 2023, the balance is \$365,538.

When the City acquired cemetery property in February 2002, trust accounts were included as part of the transaction. The trust accounts were established in prior years for prepaid services of the cemetery. The responsibility for the endowment care trust was assumed by the City in 2010. The corpus of the trust account is held in a bank deposit account and is nonexpendable. Interest earned on the trust account may be used for current operating costs, and is transferred to the General Fund annually. At December 31, 2023, the balance of the endowment care trust of \$47,079 was reported as nonspendable fund balance in the Cemetery Endowment Fund.

In July 2022, the City received the second half of its total \$7.7 million American Rescue Plan Act of 2021 (ARPA) allocation. ARPA was part of a \$1.9 trillion economic stimulus bill signed into law by the President on March 11, 2021, which included \$350 billion designated for state, local, territorial and tribal governments to respond to the effects of the COVID-19 pandemic. Spending is restricted to four categories including: 1) replacing lost public sector revenue to fund general government services; 2) responding to public health and economic impacts of COVID-19; 3) premium pay for front line personnel; and 4) investments in water, sewer and broadband infrastructure. The City is required to report its spending activity to the U.S. Department of the Treasury on an annual basis to ensure compliance with spending criteria. The remaining encumbered balance at December 31, 2023 is \$2,256,346.

Business-Type Activities

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

In November 2021, the City issued Water Reclamation Revenue Bonds with net proceeds of \$46,500,000. Proceeds will be used for the design and construction of new processes and facilities at the Water Reclamation Facility to meet various regulatory requirements. At December 31, 2024, the City reports \$10,040,741 as restricted for this project.

Note 3 - Capital Assets

Governmental activities capital asset activity for the year ended December 31, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, not being depreciated/amortized				
Land and open space	\$ 84,105,249	\$ -	\$ -	\$ 84,105,249
Public art	514,380	61,648	-	576,028
Construction in progress	14,353,470	15,281,898	1,596,467	28,038,901
Total capital assets, not being depreciated/amortized	98,973,099	15,343,546	1,596,467	112,720,178
Capital assets, being depreciated				
Buildings	37,882,289	557,452	20,710	38,419,031
Improvements other than buildings	8,005,308	1,675,425	32,552	9,648,181
Infrastructure	91,367,876	3,421,665	-	94,789,541
Equipment	17,591,284	1,676,273	971,768	18,295,789
Total capital assets, being depreciated	154,846,757	7,330,815	1,025,030	161,152,542
Less accumulated depreciation for				
Buildings and improvements	16,932,894	1,150,851	20,710	18,063,035
Improvements other than buildings	4,847,858	443,648	32,552	5,258,954
Infrastructure	58,153,206	2,484,186	-	60,637,392
Equipment	12,699,353	1,622,134	954,128	13,367,359
Total accumulated depreciation	92,633,311	5,700,819	1,007,390	97,326,740
Total capital assets, being depreciated, net	62,213,446	1,629,996	17,640	63,825,802
Right-of-use leased assets, being amortized				
Buildings	896,916	-	-	896,916
Equipment	754,854	-	-	754,854
Land	161,585	-	-	161,585
Total right-of-use leased assets, being amortized	1,813,355	-	-	1,813,355
Less accumulated amortization for				
Buildings	90,826	45,413	-	136,239
Equipment	172,181	124,049	-	296,230
Land	27,055	53,812	-	80,867
Total accumulated amortization	290,062	223,274	-	513,336
Total right-of-use leased assets, being amortized, net	1,523,293	(223,274)	-	1,300,019
Subscription-based IT assets, being amortized	1,031,450	634,035	457,040	1,208,445
Less accumulated amortization	442,209	494,621	434,445	502,385
Total subscription-based IT assets, being amortized, net	589,241	139,414	22,595	706,060
Governmental Activities Capital Assets, Net	\$ 163,299,079	\$ 16,889,682	\$ 1,636,702	\$ 178,552,059

Depreciation/amortization expense was charged to functions/programs of the government as follows:

Governmental activities	
General government	\$ 1,636,136
Public safety	716,884
Public works	1,754,573
Culture and recreation	1,597,697
Internal service funds (allocated to multiple functions)	713,424
	<u>713,424</u>
Total depreciation/amortization expense - governmental activities	<u>\$ 6,418,714</u>

Business-type activities capital asset activity for the year ended December 31, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital assets, not being depreciated/amortized				
Land	\$ 9,911,943	\$ -	\$ -	\$ 9,911,943
Water rights	49,671,239	50,000	-	49,721,239
Construction in progress	65,573,647	9,678,087	39,074,794	36,176,940
Total capital assets, not being depreciated/amortized	<u>125,156,829</u>	<u>9,728,087</u>	<u>39,074,794</u>	<u>95,810,122</u>
Capital assets, being depreciated				
Buildings	4,528,815	25,482	-	4,554,297
Improvements other than buildings	3,336,440	29,048	-	3,365,488
Infrastructure	125,754,008	41,377,234	-	167,131,242
Equipment	11,412,333	995,438	344,003	12,063,768
Total capital assets, being depreciated	<u>145,031,596</u>	<u>42,427,202</u>	<u>344,003</u>	<u>187,114,795</u>
Less accumulated depreciation for				
Buildings	2,872,427	221,218	-	3,093,645
Improvements other than buildings	1,644,124	252,485	-	1,896,609
Infrastructure	62,320,402	4,552,582	-	66,872,984
Equipment	9,255,413	613,169	343,778	9,524,804
Total accumulated depreciation	<u>76,092,366</u>	<u>5,639,454</u>	<u>343,778</u>	<u>81,388,042</u>
Total capital assets, being depreciated, net	<u>68,939,230</u>	<u>36,787,748</u>	<u>225</u>	<u>105,726,753</u>
Right-of-use leased equipment, being amortized	28,992	-	-	28,992
Less accumulated amortization	2,480	5,799	-	8,279
Total right-of-use leased equipment, being amortized, net	<u>26,512</u>	<u>(5,799)</u>	<u>-</u>	<u>20,713</u>
Subscription-based IT assets, being amortized	52,315	160,248	48,359	164,204
Less accumulated amortization	31,697	27,599	48,359	10,937
Total subscription-based IT assets, being amortized, net	<u>20,618</u>	<u>132,649</u>	<u>-</u>	<u>153,267</u>
Business-Type Activities Capital Assets, Net	<u>\$ 194,143,189</u>	<u>\$ 46,642,685</u>	<u>\$ 39,075,019</u>	<u>\$ 201,710,855</u>

Depreciation expense was charged to functions/programs of the government as follows:

Business-type activities	
Water utility	\$ 2,481,618
Water reclamation utility	2,152,621
Golf course	502,937
Storm water	<u>535,676</u>
 Total depreciation/amortization expense - business-type activities	 <u><u>\$ 5,672,852</u></u>

Note 4 - Leases

Lessor Activities

The City has accrued receivables for the use of various buildings, equipment, and land. The remaining receivable for these leases was \$2,526,756 for the year ended December 31, 2024. Deferred inflows related to these leases was \$2,493,402 as of December 31, 2024. Interest revenue from leases was \$42,957 for the year ended December 31, 2024. Principal receipts of \$240,395 were recognized during the fiscal year. The interest rates on the leases range from 0.24% - 2.47%.

The future principal and interest lease receipts as of December 31, 2024, are as follows:

Years Ending December 31,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 98,030	\$ 14,070	\$ 39,255	\$ 12,561
2026	86,657	13,139	40,563	11,959
2027	86,009	12,276	41,919	11,337
2028	89,496	11,392	43,325	10,694
2029	84,384	10,500	44,783	10,029
2030-2034	344,518	40,868	247,766	39,357
2035-2039	372,965	24,388	293,318	18,985
2040-2044	273,021	9,096	82,336	1,594
2045-2049	<u>258,411</u>	<u>3,309</u>	<u>-</u>	<u>-</u>
	<u><u>\$ 1,693,491</u></u>	<u><u>\$ 139,038</u></u>	<u><u>\$ 833,265</u></u>	<u><u>\$ 116,516</u></u>

Lessee Activities

The City has entered into lease agreements for the use of various building spaces and office equipment. The City is required to make principal and interest payments through 2041. The lease liability was valued using discount rates of 0.55% - 3.31%. For leases with no interest rate stated, the City utilized its incremental borrowing rate for valuing the lease.

The future principal and interest lease payments as of December 31, 2024, are as follows:

Years Ending December 31,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 192,192	\$ 25,338	\$ 6,006	\$ 534
2026	189,329	21,222	6,172	368
2027	142,580	17,019	6,342	197
2028	114,008	14,215	3,236	33
2029	114,233	11,933	-	-
2030-2034	227,737	41,119	-	-
2035-2039	290,564	21,114	-	-
2040-2041	118,530	1,706	-	-
	<u>\$ 1,389,173</u>	<u>\$ 153,666</u>	<u>\$ 21,756</u>	<u>\$ 1,132</u>

Note 5 - Subscription-Based Information Technology Arrangements (SBITAs)

The City has entered into SBITA contracts for various operational software. The City is required to make principal and interest payments through 2028. The City utilized its incremental borrowing rate of 2.321% - 3.804% for valuing the SBITA liability.

Remaining principal and interest payments on subscriptions are as follows:

Years Ending December 31,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 386,529	\$ 12,581	\$ 26,984	\$ 3,481
2026	199,682	4,985	25,416	3,189
2027	3,748	101	26,178	2,427
2028	-	-	26,963	1,642
2029	-	-	27,773	833
	<u>\$ 589,959</u>	<u>\$ 17,667</u>	<u>\$ 133,314</u>	<u>\$ 11,572</u>

Note 6 - Long-Term Debt

The following is a summary of changes in long-term debt of the City for the year ended December 31, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable					
General obligation bonds	\$ 2,435,000	\$ -	\$ 905,000	\$ 1,530,000	\$ 945,000
Revenue bonds	2,535,000	-	210,000	2,325,000	220,000
Total bonds payable	<u>4,970,000</u>	<u>-</u>	<u>1,115,000</u>	<u>3,855,000</u>	<u>1,165,000</u>
Unamortized premium	236,615	-	79,984	156,631	-
Leases payable	1,574,486	-	185,313	1,389,173	192,192
Subscription-based IT arrangements	453,579	634,035	497,655	589,959	386,529
Compensated absences	2,242,536	193,044	373,397	2,062,183	1,196,067
	<u>\$ 9,477,216</u>	<u>\$ 827,079</u>	<u>\$ 2,251,349</u>	<u>\$ 8,052,946</u>	<u>\$ 2,939,788</u>
Business-Type Activities					
Bonds payable					
Revenue bonds	\$ 47,650,000	\$ -	\$ 2,110,000	\$ 45,540,000	\$ 2,205,000
Unamortized premium	2,583,558	-	194,256	2,389,302	-
Leases payable	27,661	-	5,905	21,756	6,006
Subscription-based IT arrangements	2,539	160,247	29,472	133,314	26,984
Compensated absences	498,770	136,064	30,049	604,785	332,631
	<u>\$ 50,762,528</u>	<u>\$ 296,311</u>	<u>\$ 2,369,682</u>	<u>\$ 48,689,157</u>	<u>\$ 2,570,621</u>

Bonds Payable

At December 31, 2024, the City had the following bond issuances outstanding:

	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Principal Outstanding</u>
Governmental Activities:				
General Obligation Bonds				
General Obligation and Refunding & Improvement Bonds, Series 2016	12/15/2026	2.00-4.00%	\$ 8,265,000	\$ 1,530,000
Revenue Bonds				
General Obligation Refunding Bond, Series 2002 - Lafayette Corporate Campus GID	12/1/2031	8.00%	2,745,000	1,040,000
General Obligation Refunding Bond, Series 2006 - Lafayette Tech Center GID	12/1/2036	6.00%	2,040,000	1,285,000
Total revenue bonds			<u>4,785,000</u>	<u>2,325,000</u>
Total governmental activities			<u>\$ 13,050,000</u>	<u>\$ 3,855,000</u>
Business-type Activities				
Revenue Bonds				
Water Revenue Refunding Bonds, Series 2012	12/1/2027	3.00-5.00%	\$ 15,400,000	\$ 3,715,000
Water Reclamation Revenue Bonds, Series 2021	12/1/2051	1.875-4.00%	44,655,000	41,825,000
Total business-type activities			<u>\$ 60,055,000</u>	<u>\$ 45,540,000</u>

General Obligation Bonds

These bonds were issued for the purposes of developing a water park and refinancing older General Obligation bonds. As these are General Obligation Bonds, the full faith and credit of the City are pledged for the punctual payment of principal and interest. The bonds were issued through a public sale and carry no provisions for events of default or acceleration clauses.

Revenue Bonds

2002 Lafayette Corporate Campus GID Bonds - These bonds were issued to finance public improvements in the District. For the year ending December 31, 2024, net revenues of \$274,960 were available to pay debt service, including fiscal charges, of \$229,400.

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

Events of default are defined in the bond agreement as failure to pay interest or principal when due, failure in the performance of other covenants, or filing of bankruptcy. Upon default of these provisions, the bond owner may protect or enforce their rights through legal remedies. Failure in performance of other covenants that is not resolved within 60 days also results in 25% of the outstanding principal amount becoming immediately due.

2006 Lafayette Tech Center GID Bonds - These bonds were issued refinance bonds originally issued to finance the acquisition, construction, installation and completion of public improvements within the District. For the year ending December 31, 2024, net revenues of \$160,647 were available to pay debt service, including fiscal charges, of \$156,600.

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

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

2012 Water Revenue Refunding Bonds - These bonds were issued refinance bonds originally issued to finance the construction of a raw water transmission system, the purchase and construction of a raw water storage facility, the payment of costs associated with purchasing shares in water supply districts, and the development of a reclaimed water transmission system for irrigation purposes. Payments are funded from net revenues of the City's municipal water system. During the year ended December 31, 2024, net revenues of \$11,662,028 were available to pay annual debt service, including fiscal charges, of a maximum of \$1,360,500.

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

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

2021 Water Reclamation Revenue Bonds – These bonds were issued to finance the design and construction of new processes and facilities at the wastewater treatment plant as a result of new State of Colorado environmental regulations. Payments are funded from net revenues of the City's municipal water reclamation system. During the year ended December 31, 2024, net revenues of \$6,417,831 were available to pay annual debt service, including fiscal charges, of a maximum of \$2,138,806.

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

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

Net Revenue Coverage Calculation - The net revenues coverage calculation showing compliance with the 110% requirement is shown below:

	Water	Water Reclamation
Gross Revenues		
Operating revenue	\$ 15,622,702	\$ 7,566,971
Investment revenue	1,753,715	1,760,071
Developer revenues	1,036,142	180,251
Other revenues	67,544	2,142
Gross revenues	18,480,103	9,509,435
Operating Expenses		
Personnel services	2,507,894	1,544,103
Operations	4,310,181	1,547,501
Total operating expenses	6,818,075	3,091,604
Net Revenues	\$ 11,662,028	\$ 6,417,831
Maximum Annual Debt Service	\$ 1,361,500	\$ 2,138,806
Coverage Ratio - Current Year	857%	300%
Minimum Required Coverage Ratio	110%	110%

Future Debt Service

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

Years Ending December 31,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 1,165,000	\$ 221,500	\$ 2,205,000	\$ 1,290,988
2026	820,000	167,600	2,295,000	1,202,788
2027	250,000	127,000	2,395,000	1,098,638
2028	270,000	108,700	1,145,000	989,888
2029	290,000	88,900	1,190,000	944,088
2030-2034	780,000	208,000	6,700,000	3,980,190
2035-2039	280,000	25,500	7,615,000	3,066,208
2040-2044	-	-	8,430,000	2,260,288
2045-2049	-	-	9,445,000	1,235,250
2050-2051	-	-	4,120,000	155,125
	<u>\$ 3,855,000</u>	<u>\$ 947,200</u>	<u>\$ 45,540,000</u>	<u>\$ 16,223,451</u>

Leases Payable

Leases payable consists of long-term leases as described in Note 4. Governmental activities leases payable are liquidated by the general fund. Business-type activities leases payable are liquidated by the water fund.

Subscription-Based IT Arrangements

Subscription-based IT arrangements (SBITAs) consists of long-term software agreements as described in Note 5. Governmental activities SBITAs payable are liquidated by the general fund and public safety fund. Business-type activities SBITAs payable are liquidated by the storm water, water, water reclamation, and golf course funds.

Compensated Absences

Compensated absences consists of earned but unused vacation and sick time as described in Note 1.

Note 7 - Defined Benefit Pension Plans

The City contributes to two separate defined benefit pension plans which cover substantially all full-time public safety employees and former volunteer firefighters. They are the Colorado Statewide Retirement Plan and the Lafayette Volunteer Fire Department Pension Fund. Both plans are defined benefit pension systems.

For the year ended December 31, 2024, the City reported its proportionate share of net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the plans as follows:

	Deferred Outflows of Resources	Net Pension Liability	Deferred Inflows of Resources	Pension Expense
Statewide Plan	\$ 4,589,811	\$ -	\$ 291,287	\$ 741,885
Volunteer Fire Department Plan	65,475	757,362	-	17,788
Total all plans	<u>\$ 4,655,286</u>	<u>\$ 757,362</u>	<u>\$ 291,287</u>	<u>\$ 759,673</u>

Statewide Retirement Plan

Plan Description

The Statewide Retirement Plan ("the Plan") is a cost-sharing multiple-employer defined benefit pension plan. The Plan consists of four components: Defined Benefit Component, Hybrid Defined Benefit Component, Social Security Component and Money Purchase Component. The Plan currently has 230 participating employer fire and police departments.

The Defined Benefit Component and Social Security Component cover substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. Employers once had the option to withdraw from the Plan, but a change in state statutes eliminated this option effective January 1, 1988, unless the employer elects and is determined to be eligible to participate in the Statewide Money Purchase Plan.

In 2003, legislation was enacted that allows departments who cover their firefighters and police officers in money purchase plans to elect coverage under the Plan. As of August 5, 2003, clerical and other personnel from fire districts whose services are auxiliary to fire protection may also participate in the Plan. As of January 1, 2020, Colorado police and sheriff departments who participate in Social Security have the option of affiliating for coverage under the Plan.

The Plan assets are in the Fire & Police Members' Benefit Investment Fund Long-Term Pool and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan (DROP) assets and Money Purchase Component assets). The Long-Term Pool is designed primarily for open plans with a longer time horizon, appropriate risk tolerance, and lower liquidity needs. The investment return assumption is 7.00 percent.

Members participating in DROP or in the Money Purchase Component choose among various investment options offered by an outside investment manager.

The Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available annual comprehensive financial report that can be obtained on FPPA's website at <http://www.FPPAco.org>.

Benefits Provided

The FPPA Board of Directors may change the retirement age on an annual basis, depending upon the results of the actuarial valuation and other circumstances. The Normal Retirement Age should not be less than age 55 or more than age 60. Any member with at least 25 years of service may retire at any time after age 55 and shall be eligible for a normal retirement pension. Members with combined age and years of service totaling 80 or more, with a minimum age of 50 also qualify for a normal retirement pension.

A member is eligible for retirement after attainment of age 55 with at least five years of credited service.

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis.

The annual retirement benefit for the Defined Benefit Component is 2.0 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent of the average of the member's highest three years' base salary for each year of service thereafter.

Beginning January 1, 2007, the annual normal retirement benefit for the Social Security Component is 1.0 percent of the average of the member's highest three years base salary for each year of credited service up to then years plus 1.25 percent of the average of the member's highest three years' base salary for each year thereafter. Prior to 2007, the benefit for members of the Social Security Component will be reduced by the amount of social security income the member receives annually, calculated as if the social security benefit started as of age 62.

The annual retirement benefit of the Hybrid Defined Benefit Component is 1.9 percent of the average of the member's highest three years' base salary for each year of credited service through December 31, 2022 and 1.5 percent of the average of the member's highest three years' base salary for each year of credited service after January 1, 2023.

Benefits paid to retired members and beneficiaries may be increased annually on October 1 via cost of living adjustment (COLA). COLAs may be compounding or non-compounding. The increase in benefits, if any, is based on the FPPA Board of Director's discretion. Compounding COLAs can range from 0 percent to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers. Non-compounding COLAs take into consideration the investment returns, compounding COLAs and other economic factors. COLAs may begin once the retired member has been receiving retirement benefits for at least 12 calendar months prior to October 1. Upon termination, the vested account balance within the Money Purchase Component becomes available to the member. Upon termination, a member may elect to have their member contributions, along with 5.0 percent as interest, returned as a lump sum distribution in lieu of a retirement benefit.

Contributions

Contribution rates for the Plan are set by state statute. The FPPA Board of Directors may further increase the required contributions, equally between employer and member, upon approval through an election of both employers and members.

Members of the Defined Benefit Component contribute 12.0 percent of base salary. In 2020, legislation was enacted to increase the employer contributions rate to the Plan beginning in 2021. Employer contribution rates will increase 0.5 percent annually through 2030 to a total of 13.0 percent of base salary. These increases result in a combined contribution rate of 25.0 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 22.0 percent.

Contributions from Defined Benefit Component members and employers of plans reentering the Defined Benefit Component are established by resolution and approved by the FPPA Board of Directors. The continuing rate of contribution for reentry groups is determined for each reentry group. The additional contribution amount is determined locally and may be paid by the member, the employer or split 50/50. Per the 2020 legislation, the required employer contribution rate for reentry departments also increases 0.5 percent annually. These increases result in a minimum combined contribution rate of 25.2 percent in 2030. In 2024, the total minimum required member and employer contribution rate was 21.7 percent.

Members of the Social Security Component contribute 6.0 percent of base salary. Per the 2020 legislation, employer contribution rates will increase 0.25 percent annually through 2030 to a total of 6.5 percent of base salary. These increases result in a combined contribution rate of 12.5 percent of base salary in 2030. In 2023, the total combined member and employer contribution rate was 10.75 percent.

The Hybrid Defined Benefit Component and Money Purchase Component members and their employers are currently each contributing at the rate determined by the individual employer. Effective January 1, 2023, the employer and member minimum contribution rates will increase by 0.125 percent annually until they reach a minimum rate of 9 percent each and at least a combined rate of 18 percent in 2030. In 2024, the total minimum combined member and employer contribution rate was 16.375 percent.

The Hybrid Defined Benefit Component sets contribution rates at a level that enables the defined benefits to be fully funded at the member's retirement date. The amount allocated to the Hybrid Defined Benefit Component is set annually by the FPPA Board of Directors. The Hybrid Defined Benefit Component contribution rate from July 1, 2023 through June 30, 2024 is 14.24 percent. The Hybrid Defined Benefit Component contribution rate from January 1, 2023 through June 30, 2023 was 13.90 percent. Contributions in excess of those necessary to fund the defined benefit are allocated to the member's self-directed account in the Money Purchase Component.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan. Additional voluntary contributions from the employer are made on a pre-tax basis.

Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20 percent per year after the first year of service and to be 100 percent vested after five years of service or the attainment of age 55. Employer and member contributions are invested in funds at the discretion of members.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan. Additional voluntary contributions from the employer are made on a pre-tax basis.

Employer contributions are recognized by the in the period in which the compensation becomes payable to the member and the City is statutorily committed to pay the contributions to the Plan. Employer contributions recognized by the Plan from the City were \$868,872 for the year ended December 31, 2024.

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

At December 31, 2024 , the City reported a net pension liability of \$0 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating departments, actuarially determined. At December 31, 2023, the City's proportion was 0.8502450 percent.

For the fiscal year ended December 31, 2024, the City recognized pension expense of \$741,885. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,619,244	\$ 77,800
Changes of assumptions	939,226	-
Net difference between projected and actual investment earnings on pension plan investments	1,162,469	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	213,487
District contributions subsequent to the measurement date	868,872	-
	<u>\$ 4,589,811</u>	<u>\$ 291,287</u>

The \$868,872 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an adjustment against the net pension liability in the year ended December 31, 2025.

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

Year Ended December 31,	(Reduction of) Pension Expense
2025	\$ 601,608
2026	901,606
2027	1,300,687
2028	153,306
2029	195,496
Thereafter	276,949

Actuarial Assumptions

The actuarial valuations for the Statewide Defined Benefit Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ended December 31, 2023. The valuation used the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2024	January 1, 2023
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return, Net*	7.00%	7.00%
Projected Salary Increases*	4.25% - 11.25%	4.25% - 11.25%
Cost of Living Adjustment (COLA)	0.00%	0.00%
*Includes Inflation at	2.50%	2.50%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, and then projected using the ultimate values of the MP-2020 projection scale for all years. The pre-retirement mortality assumption uses Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, and then projected with the MP-2020 Ultimate projection scale. The pre-retirement non-duty mortality tables are adjusted to 60% multiplier. The on-duty mortality rate is 0.00015.

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Company, based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	35.00%	8.33%
Equity Long/Short	6.00%	7.27%
Private Markets	34.00%	10.31%
Fixed Income - Rates	10.00%	5.35%
Fixed Income - Credit	5.00%	5.89%
Absolute Return	9.00%	6.39%
Cash	1.00%	4.32%
Total	100.00%	

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the Statewide Retirement Plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

As of the measurement period ending December 31, 2023, the COLA assumption, which was previously 0.00%, was revised to reflect the true nature of Board's Benefits Policy which includes a variable COLA and supplemental payments. Consistent with Board's policy, the new COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption which results in no Net Pension Asset. If current assets do not support Total Pension Liabilities using a COLA assumption of greater than 0.00%, then a COLA assumption of 0.00% will be used and a Net Pension Liability will be reported.

Discount Rate

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 3.77 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00 percent.

Pension Liability Sensitivity

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the Plan's net pension liability, calculated using a single discount rate of 7.00 percent, as well as what the SWDB Plan's net pension liability/(asset) would be if it were calculated using a single discount rate that is one percent lower or one percent higher:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability (asset)	\$ 4,767,657	\$ -	\$ -

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

Defined Benefit Plan for Volunteer Firefighters

Plan Description

The City gradually terminated the volunteer firefighter program as the emphasis changed to an all-career firefighter staff. The City provides an agent multiple-employer defined benefit pension plan for former volunteer firefighters as established by Title 31, Article 30, Section 1101 of the Colorado Revised Statutes. The City Council serves as the plan's Board of Trustees. The Board of Trustees establishes and is authorized to amend the plan provisions, and determines the contributions made by the City. The plan is administered by the Fire & Police Pension Association of Colorado (FPPA). The annual financial report of FPPA may be obtained at www.fppaco.org.

Plan Membership

Plan membership consists of inactive volunteer firefighters and their beneficiaries. At the valuation date of January 1, 2023, plan membership consisted of the following:

Retirees and beneficiaries	36
Inactive, nonretired members	2
Total	<u>38</u>

Benefits Provided

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

Contributions

The plan receives contributions from the City in an amount not to exceed one-half mill of property tax revenue. As established by the legislature, the State of Colorado contributes ninety percent of the City's contribution up to the \$300 monthly normal retirement benefit level. For monthly benefits beyond \$300, the State contribution is limited to the City's contribution before the increase in benefits. The on-behalf payments received from the State of Colorado are recorded as both revenues and expenditures during the year. Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2021 determines the contribution amounts for 2022 and 2023. For the year ended December 31, 2024, the City and State contributions of \$119,164 and \$42,222, respectively, exceeded the actuarially determined contribution.

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

At December 31, 2024, the City reported a net pension liability of \$885,072, measured as of December 31, 2023. The total pension liability used to calculate the net pension asset (liability) was determined based on the January 1, 2023, actuarial valuation. For the year ended December 31, 2023, changes in the net pension asset (liability) of the City were as follows.

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at January 1, 2023	\$ 2,415,739	\$ 1,530,667	\$ 885,072
Interest on total pension liability	161,370	-	161,370
Contributions - employer	-	119,164	(119,164)
State of Colorado supplemental discretionary payment	-	42,222	(42,222)
Net investment income	-	141,993	(141,993)
Benefit payments	(224,700)	(224,700)	-
Administrative expense	-	(14,299)	14,299
Net Changes	(63,330)	64,380	(127,710)
Balances at December 31, 2023	\$ 2,352,409	\$ 1,595,047	\$ 757,362

For the year ended December 31, 2024, the City recognized pension expense for this plan of \$17,788. At December 31, 2024, the City reported deferred outflows of resources related to the plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	<u>\$ 65,475</u>	<u>\$ -</u>

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

<u>Year Ended December 31,</u>	<u>Pension Expense</u>
2025	\$ 7,046
2026	21,485
2027	44,449
2028	(7,505)

Actuarial Assumptions

The significant actuarial assumptions used to measure the total pension liability were determined by an actuarial valuation as of January 1, 2023 and are as follows:

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

The following mortality rates were adopted:

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023, are summarized in the following table:

Asset Class	Allocation at Measurement Date	Long-Term Expected Real Rate of Return
Global Equity	35.00%	8.94%
Equity Long/Short	6.00%	7.47%
Private Markets	34.00%	10.31%
Fixed Income - Rates	10.00%	5.45%
Fixed Income - Credit	5.00%	6.90%
Absolute Return	9.00%	6.49%
Cash	1.00%	3.92%
Totals	100.00%	

Discount Rate

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.77% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00%.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.00%)	Current Discount Rate 7.00%	1% Increase (8.00%)
City's proportionate share of the net pension liability	\$ 1,095,169	\$ 757,362	\$ 704,630

Pension Plan Fiduciary Net Position

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

Note 8 - Other Postemployment Benefits

Statewide Death & Disability Plan

Plan Description

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

FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the plan. That report may be obtained at www.fppaco.org.

Benefits Provided

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

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

The plan provides disability benefits as follows:

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

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

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

Contributions

Prior to 1997, the Plan was primarily funded by the State of Colorado, whose contributions were established by Colorado statute. In 1997 the State made a one-time contribution of \$39 million to fund past and future service costs for all firefighters and police officers hired prior to January 1, 1997. During 2022, Colorado Revised Statutes (CRS) 31-31-811 was amended to provide additional payments from the State to the Plan on July 1, 2022 and July 1, 2023 of \$6.7 million each.

Members hired on or after January 1, 1997, began contributing 2.4% of base salary to the Plan as of January 1, 1997. Effective January 1, 2022, the contribution rate increased to 3.2% of base salary and may be increased 0.2% annually by the FPPA Board. This percentage can vary depending on actuarial experience. All contributions are made by members or on behalf of members. The contribution may be paid entirely by the employer or member, or may be split between the employer and the member as determined at the local level. Contributions to the plan for the year ended December 31, 2024, were \$264,032, equal to the required contributions.

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

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

OPEB Plan Fiduciary Net Position

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

Note 9 - Fund Balances

The City classified fund balances within the governmental funds as follows at December 31, 2024:

	General Fund	Capital Projects	Other Governmental Funds	Total
Fund Balances				
Nonspendable				
Inventory	\$ 35,764	\$ -	\$ -	\$ 35,764
Prepaid items	806,140	-	7,674	813,814
Long-term receivables	1,165,242	-	-	1,165,242
Cemetery trust endowment	-	-	48,252	48,252
Total nonspendable	2,007,146	-	55,926	2,063,072
Restricted				
Emergencies (TABOR)	718,798	-	-	718,798
Capital projects	365,538	400,000	-	765,538
GID Obligations	-	-	2,281,094	2,281,094
Donations	98,500	-	-	98,500
Grants	-	-	5,085,384	5,085,384
Parks, recreation, and open space	-	-	7,444,128	7,444,128
Public safety/health and human services	-	-	2,096,839	2,096,839
Total restricted	1,182,836	400,000	16,907,445	18,490,281
Committed				
Capital projects	6,856,891	5,866,610	-	12,723,501
Affordable housing	903,482	-	-	903,482
Art and historic projects	264,575	-	-	264,575
Debt service	-	-	198,113	198,113
Total committed	8,024,948	5,866,610	198,113	14,089,671
Unassigned	22,652,318	-	-	22,652,318
Total Fund Balances	\$ 33,867,248	\$ 6,266,610	\$ 17,161,484	\$ 57,295,342

Amounts restricted for emergencies in the General Fund are provided for as required by Article X, Section 20 of the Constitution of the State of Colorado.

Note 10 - Interfund Activity

Interfund Balances

In 2019, the General Fund loaned the Legacy Open Space Fund \$2,732,000. This loan bears interest at a rate of 2.22% annually and is to be repaid over 10 years in annual installments of \$307,655, which includes principal and interest. The 2024 payment was made as scheduled and the loan balance as of December 31, 2024, was \$1,440,909.

Additionally, \$23,212 was due from the Waste Management Fund to the General Fund as the Waste Management Fund had a deficit cash balance as of December 31, 2024, and \$129,185 was due from the Water Reclamation Fund to the General fund for unfunded project costs.

Interfund Transfers

The following interfund transfers occurred during the year ended December 31, 2024.

	Transfer in			Total
	Capital Projects Fund	Nonmajor Governmental Funds	Waste Management Fund	
Transfer out				
General Fund	\$ 4,993,893	\$ -	\$ 200,000	\$ 5,193,893
Nonmajor Governmental Funds	-	620,000	-	620,000
Total	<u>\$ 4,993,893</u>	<u>\$ 620,000</u>	<u>\$ 200,000</u>	<u>\$ 5,813,893</u>

The General Fund routinely transfers resources to the Capital Projects Fund for various projects and to the Waste Management Fund to assist in establishing the new fund which was created in 2022. The Legacy Open Space Fund transferred funds to the Parks, Open Space & Trails Fund for annual maintenance of open space areas.

Note 11 - Discretely Presented Component Units

Lafayette Urban Renewal Authority (LURA)

Cash Deposits and Investments

At December 31, 2024, LURA had a cash balance totaling \$1,747,413. The uninsured portion of the bank deposits of \$1,893,883 was collateralized by the financial institution's agent but not in LURA's name. In addition, LURA had \$3,499,767 invested in COLOTRUST.

Of the bank balances, \$250,000 was covered by federal deposit insurance and \$1,497,442 was uninsured but collateralized in accordance with provisions of the PDPA.

Notes Receivable

LURA has approved loans to developers to purchase or develop blighted properties. During the year ended December 31, 2024, three new loans were issued. The outstanding loans do not accrue interest and no installment payments are required. Due dates may be extended at the discretion of LURA. Loans are partially forgivable each year as long as warranties specified under each respective loan agreement have been met. The City retains the right of first refusal if the developers choose to sell the properties. The outstanding balance of the loans at December 31, 2024, was \$1,995,732.

Capital Assets

Capital asset activity for LURA for the year ended December 31, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Lafayette Urban Renewal Authority				
Capital assets, not being depreciated/amortized				
Land	\$ 534,511	\$ -	\$ -	\$ 534,511
Total capital assets, not being depreciated/amortized	534,511	-	-	534,511
Capital assets, being depreciated				
Buildings	90,552	-	-	90,552
Less accumulated depreciation for Buildings	16,979	4,528	-	21,507
Total capital assets, being depreciated, net	73,573	(4,528)	-	69,045
Business-Type Activities Capital Assets, Net	\$ 608,084	\$ (4,528)	\$ -	\$ 603,556

Baseline Land & Reservoir Company

Cash Deposits and Investments

At December 31, 2024, Base Line Land & Reservoir Company had a cash balance of \$469,344 comprised of \$371,330 in unrestricted cash and \$98,014 in restricted cash. The restriction is based upon donor-imposed restrictions.

Capital Assets

Capital asset activity for Base Line Land & Reservoir Company for the year ended December 31, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Base Line Land and Reservoir Company				
Capital assets, not being depreciated/amortized				
Land	\$ 76,000	\$ -	\$ -	\$ 76,000
Capital assets, being depreciated				
Buildings	342,203	-	-	342,203
Infrastructure	1,677,614	-	-	1,677,614
Total capital assets, being depreciated	2,019,817	-	-	2,019,817
Less accumulated depreciation for				
Buildings	72,061	14,897	-	86,958
Infrastructure	291,736	8,753	-	300,489
Total accumulated depreciation	363,797	23,650	-	387,447
Total capital assets, being depreciated, net	1,656,020	(23,650)	-	1,632,370
Business-Type Activities Capital Assets, Net	\$ 1,732,020	\$ (23,650)	\$ -	\$ 1,708,370

Note 12 - Correction of Error

During fiscal year 2024, the City determined that there were errors in amounts previously reported in the 2023 financial statements due to unrecorded notes receivable and accrued interest receivable on those notes within LURA, a discretely presented component unit, resulting in a restatement of the amounts reported in the previously issued financial statements. Accordingly, notes receivable as of December 31, 2023, were understated by \$717,162. In addition, interest revenue and a related receivable as of December 31, 2023, were understated by \$29,643. The City restated its previously issued financial statements to appropriately reflect the December 31, 2023, receivables, notes receivable, and interest revenue.

The following is a summary of the effects of the restatement in the City's December 31, 2023, Statement of Net Position and Statement of Activities:

	As Previously Reported	Adjustment	As Restated
Discretely Presented Component Unit			
Lafayette Urban Renewal Authority			
Notes receivable	\$ 557,079	\$ 717,162	\$ 1,274,241
Receivables	-	29,643	29,643
Unrestricted investment earnings	1,032,412	29,643	1,062,055
Change in net position	1,017,206	29,643	1,046,849
Net Position			
Restricted	6,001,018	746,805	6,747,823
Total	6,565,459	746,805	7,312,264

Note 13 - Abatements

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

All incentives are performance-based. Performance-based means that before any monies are disbursed, the business/developer shall meet or exceed the performance measures as identified by the EDA. Specific performance measures can include: (a) applying for, receiving, and paying for a building permit in compliance with the EDA (in regards to square footage of the building and/or valuation); (b) relocating a business from another community/State to the City; (c) removal of blight by demolition and rebuilding subject to (a) above; (d) investment in a building subject to (a) above; or (e) increase in the sales tax collections of the property, subject to the EDA. Incentive packages vary and may include rebates of permit fees, use tax, or sales tax. Rebates of sales tax are only considered for new tax-generating businesses or existing businesses making substantial investments (e.g., in building improvements which would have a correlation with increased sales tax collections). Building permit fee and use tax rebates are only considered for substantial investments in building improvements and/or equipment. All EDAs are subject to annual appropriation by City Council as required in the Colorado Constitution and the City Charter. As of December 31, 2024, the City had two active incentive agreements in place. During 2024, the City incurred \$232,758 in tax abatements.

Note 14 - Risk Management

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

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

The City continues to carry commercial insurance coverage for other risks of loss including workers compensation and employee health and accident insurance. The amount of settlements has not exceeded insurance coverage in any of the past three fiscal years. The Insurance Fund, an internal service fund, was established to account for claims and insurance premiums related to property and liability risks. The City is responsible for the first \$25,000 of each liability claim and the first \$100,000 for each property claim. Changes in the balances of claims liabilities during the past two years are as follows:

	2024	2023
Claims liability, beginning of year	\$ 101,372	\$ 45,276
Incurred claims (including IBNR)	47,818	171,228
Claim payments	(74,012)	(115,132)
Claim liability, end of year	<u>\$ 75,178</u>	<u>\$ 101,372</u>

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

Note 15 - Commitments and Contingencies

Grants

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

Legal Contingencies

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

Water Capacity Agreements

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

Goose Haven Reservoir Expansion

On September 12, 2012, the City entered into a contract for the construction of raw water reservoirs with Rock Products of Colorado, LLC, at the Goose Haven property. This project was expected to last between five and eight years with variability due to soil/gravel demand. Subsequent change orders have brought the total contract price to \$24,676,789 as of December 31, 2024, of which a total of \$21,102,062 has been completed and paid, less retainage withheld of \$1,066,773. The City may terminate the contract at any time upon ten days written notice to Rock Products. After each phase has been completed, the City's approval must be obtained before proceeding to the next phase. The project is currently anticipated to be complete by 2025.

Gross Reservoir Environmental Pool

The City of Lafayette and City of Boulder own 5,000 AF of storage in the Gross Reservoir Environmental Pool which is being constructed as part of Denver Water's Gross Reservoir Expansion Project. The project is scheduled to be complete in 2027. The City's financial commitment to the project under the current project agreement amounts to approximately \$2,260,000 (principal of \$2,000,000 plus interest), payable in 2022 and 2024 installments under the current project agreement. As of December 31, 2024, the City had met its financial commitment.

Windy Gap FIRMING Project

The City is a participant in the Windy Gap FIRMING Project, a project led by the Northern Colorado Water Conservancy District. The project consists of 90,000 acre-foot Chimney Hollow Reservoir, Windy Gap dam embankment modification and diversion structure, and Colorado River Connectivity Channel construction. The project is being funded through a collaboration of local water providers with each participant funding their share of the costs in exchange for a share of the water rights once the project is completed.

Total project costs are currently estimated to be \$600 million and construction, which began in 2021, is scheduled for completion in 2025. The City's participation in the project amounts to 1% of the project total, which equates to \$6,000,000 payable in annual installments for 30 years until approximately 2052. In addition to project costs, the City will also be responsible for a portion of operations and maintenance costs after construction is completed. As of December 31, 2024, the City had contributed \$1,671,678 to the project since it began.

Northern Integrated Supply Project

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

The total project costs are currently estimated to be \$2.2 billion. The project will proceed in two phases with the first phase to include the construction of the 170,000 AF Glade Reservoir, Highway 287 relocation, and delivery pipelines and infrastructure. The second phase which includes the construction of Galetton Reservoir does not yet have an identified start date. Phase 1 construction will be complete in 2030. The City's participation in this project amounts to 4.5% of the project total, which equates to roughly \$90.0 million payable in annual installments through 2058. In addition to project costs, the City will also be responsible for a portion of operations and maintenance costs after construction is completed. Due to the early stage of the project and the uncertainty of construction costs over extended periods of time, the costs and construction timeline disclosed here are preliminary estimates based on information available at the time this report was issued. As of December 31, 2024, the City had contributed \$6,659,930 since the project began in 2004.

Water Reclamation Treatment Facility Project

Due to additional regulations set forth by the Colorado Department of Public Health and Environment (CDPHE), the City must upgrade its Water Reclamation Facility to reduce discharges of total inorganic nitrogen and phosphorous to Coal Creek. The project will be constructed in two phases, with a total cost estimate of \$46.4 million, expected to be completed by mid-2025. To finance the project, the City issued \$46.5 million in revenue bonds in November 2021. As of December 31, 2024, Phase I of the project was approximately 95% complete, with \$39,942,964 paid.

Commitments and Encumbrances

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

	Governmental	Proprietary	Total
General Fund	\$ 4,739,543	\$ -	\$ 4,739,543
Public Safety Fund	141,972	-	141,972
Parks, Open Space, and Trails Fund	137,904	-	137,904
Conservation Trust Fund	88,145	-	88,145
Capital Project Fund	3,511,227	-	3,511,227
Fleet Fund	1,596,344	-	1,596,344
Golf Course Fund	-	48,848	48,848
Water Utility Fund	-	625,080	625,080
Water Reclamation Utility Fund	-	3,994,774	3,994,774
Storm Water Fund	-	252,201	252,201
Total	<u>\$ 10,215,135</u>	<u>\$ 4,920,903</u>	<u>\$ 15,136,038</u>

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

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

Required Supplementary Information
December 31, 2024

City of Lafayette, Colorado

City of Lafayette, Colorado
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget and Actual - General Fund
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget
Revenues				
Taxes				
Property taxes	\$ 7,577,751	\$ 7,577,751	\$ 9,111,507	\$ 1,533,756
Fire and ambulance property taxes	3,270,528	3,270,528	3,745,733	475,205
Specific ownership taxes	513,471	513,471	560,744	47,273
General sales and use taxes	18,083,330	18,083,330	18,175,552	92,222
Building use taxes	1,280,292	1,280,292	739,997	(540,295)
Motor vehicle use taxes	2,423,344	2,423,344	2,371,121	(52,223)
Franchise taxes	1,448,051	1,448,051	1,380,096	(67,955)
Excise taxes	535,117	535,117	442,029	(93,088)
Total taxes	35,131,884	35,131,884	36,526,779	1,394,895
Special assessments	\$ 11,491	\$ 11,491	\$ 5,746	\$ (5,745)
Licenses and permits				
Business licenses	7,147	7,147	11,725	4,578
Contractor licenses	101,414	101,414	131,525	30,111
Liquor licenses	18,981	18,981	15,433	(3,548)
Marijuana licenses	99,884	99,884	64,500	(35,384)
Construction permits	516,810	516,810	389,016	(127,794)
Mobile home permits	7,898	7,898	7,530	(368)
Miscellaneous licenses	907	907	4,956	4,049
Total licenses and permits	753,041	753,041	624,685	(128,356)
Intergovernmental				
Federal, state, and county grants	249,280	249,280	189,701	(59,579)
Cigarette tax	45,663	45,663	40,927	(4,736)
Total intergovernmental	294,943	294,943	230,628	(64,315)
Contributions and grants				
Public art fees	20,040	20,040	1,800	(18,240)
Miscellaneous	684,232	887,992	468,483	(419,509)
Total contributions and grants	704,272	908,032	470,283	(437,749)
Charges for services				
Building fees	1,342,230	1,342,230	179,721	(1,162,509)
Culture and recreation fees	2,097,601	2,111,601	2,337,917	226,316
Cemetery fees	35,247	35,247	26,065	(9,182)
Administrative fees	2,104,531	2,104,531	1,981,172	(123,359)
Pawn shop fees	5,605	5,605	2,669	(2,936)
Police service fees	57,981	57,981	44,355	(13,626)
Ambulance fees	738,335	738,335	834,514	96,179
Solid waste, recycling, and compost fees	-	40,000	30,988	(9,012)
Sidewalk maintenance fees	456,330	456,330	424,933	(31,397)
Miscellaneous services	30,945	30,945	20,274	(10,671)
Total charges for services	6,868,805	6,922,805	5,882,608	(1,040,197)
Fines and forfeitures				
Fines	478,996	478,996	486,751	7,755
Court costs	25,966	25,966	28,501	2,535
Total fines and forfeitures	504,962	504,962	515,252	10,290
Net investment income	553,283	553,283	1,612,116	1,058,833
Lease revenue	-	-	248,283	248,283
Miscellaneous	1,243,327	1,243,327	278,625	(964,702)
Total revenues	46,066,008	46,323,768	46,395,005	71,237

City of Lafayette, Colorado
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget and Actual - General Fund
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
Expenditures				
Current				
General government				
City council	265,562	265,562	203,558	62,004
Non-departmental	1,362,267	1,576,574	1,500,251	76,323
Community boards	430,590	430,590	203,116	227,474
City administration	884,485	994,485	710,662	283,823
City clerk	348,276	348,276	377,612	(29,336)
Arts and cultural resources	897,367	990,246	987,724	2,522
Communications	648,551	688,551	573,480	115,071
Sustainability	444,225	569,665	539,622	30,043
Economic development	1,124,941	1,167,441	870,772	296,669
Human resources	1,302,220	1,474,220	1,484,429	(10,209)
Financial services	2,139,490	2,139,490	2,259,599	(120,109)
Information systems	2,826,609	3,372,124	2,878,742	493,382
Facility maintenance	1,414,721	1,118,794	899,846	218,948
Planning	1,932,169	2,132,198	1,678,110	454,088
Total general government	<u>16,021,473</u>	<u>17,268,216</u>	<u>15,167,523</u>	<u>2,100,693</u>
Judicial				
City Attorney	494,100	494,100	377,853	116,247
Municipal Court	295,101	295,101	296,253	(1,152)
Total judicial	<u>789,201</u>	<u>789,201</u>	<u>674,106</u>	<u>115,095</u>
Public safety				
Police	9,496,360	9,598,800	8,880,976	717,824
Fire and ambulance	7,518,045	7,706,045	8,598,651	(892,606)
Total public safety	<u>17,014,405</u>	<u>17,304,845</u>	<u>17,479,627</u>	<u>(174,782)</u>
Public Works				
Administration, engineering, streets, fleet	3,283,945	4,135,903	3,140,668	995,235
Solid waste and recycling	2,500	2,500	-	2,500
Total public works	<u>3,286,445</u>	<u>4,138,403</u>	<u>3,140,668</u>	<u>997,735</u>
Culture and recreation				
Administration - parks, open space, and golf	386,703	404,730	239,142	165,588
Cemeteries	193,612	193,612	183,404	10,208
Streetscapes	251,740	251,740	246,032	5,708
Administration - recreation	748,801	748,801	618,925	129,876
Water park	616,747	642,965	775,047	(132,082)
Recreation center	57,865	54,865	-	54,865
Aquatics	787,737	787,737	728,716	59,021
General programs	1,194,914	1,197,914	1,269,684	(71,770)
Guest services	530,520	636,529	738,251	(101,722)
Library	2,075,839	2,086,975	2,083,909	3,066
Senior services	613,135	625,623	561,307	64,316
Total culture and recreation	<u>7,457,613</u>	<u>7,631,491</u>	<u>7,444,417</u>	<u>187,074</u>
Capital outlay	229,146	3,941,866	1,843,195	2,098,671
Debt service				
Principal	-	-	511,718	(511,718)
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>44,798,283</u>	<u>51,074,022</u>	<u>46,261,254</u>	<u>4,812,768</u>

City of Lafayette, Colorado
Schedule of Revenues, Expenditures, and Changes in Fund
Balance - Budget and Actual - General Fund
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
Excess (Deficiency) of Revenues under Expenditures	1,267,725	(4,750,254)	133,751	(4,741,531)
Other Financing Sources (Uses)				
Transfers out	(4,993,893)	(5,193,893)	(5,193,893)	-
Issuance of long-term debt	<u>-</u>	<u>-</u>	<u>607,675</u>	<u>607,675</u>
Total other financing sources (uses)	<u>(4,993,893)</u>	<u>(5,193,893)</u>	<u>(4,586,218)</u>	<u>607,675</u>
Net Change in Fund Balances	<u>\$ (3,726,168)</u>	<u>\$ (9,944,147)</u>	(4,452,467)	<u>\$ (4,133,856)</u>
Fund Balance, Beginning of Year			<u>38,319,715</u>	
Fund Balance, End of Year			<u>\$ 33,867,248</u>	

Note 1 Budgetary Information

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

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

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

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

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

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

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

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

City of Lafayette, Colorado
Schedule of Employer's Proportionate Share of the Net Pension Liability (Asset) -
Statewide Retirement Plan
Year Ended December 31, 2024

Measurement Date	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	Employer's Covered-Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/2023	0.8502%	\$ -	\$ 8,454,397	0.00%	100.00%
12/31/2022	0.7725%	\$ 685,682	\$ 6,775,462	10.12%	97.60%
12/31/2021	0.7612%	\$ (4,157,279)	\$ 6,167,777	67.40%	116.20%
12/31/2020	0.7568%	\$ (1,643,007)	\$ 5,798,032	28.34%	106.10%
12/31/2019	0.7838%	\$ (443,283)	\$ 5,477,229	8.09%	101.90%
12/31/2018	0.7858%	\$ 993,422	\$ 4,984,563	19.93%	95.20%
12/31/2017	0.8168%	\$ (1,175,039)	\$ 4,443,217	26.45%	106.30%
12/31/2016	0.8557%	\$ 309,183	\$ 4,007,283	7.72%	98.20%
12/31/2015	0.8055%	\$ (14,197)	\$ 3,536,132	0.40%	100.10%

Data prior to the December 31, 2023, measurement date relates to the FPPA Statewide Defined Benefit Plan

City of Lafayette, Colorado
Schedule of Pension Contributions - Statewide Retirement Plan
Year Ended December 31, 2024

Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered- Payroll (c)	Contributions as a Percentage of Covered- Payroll (b/c)
12/31/2024	\$ 868,872	\$ 868,872	\$ -	\$ 8,688,720	10.00%
12/31/2023	\$ 793,551	\$ 793,551	\$ -	\$ 8,454,397	9.40%
12/31/2022	\$ 578,726	\$ 578,726	\$ -	\$ 6,775,462	8.50%
12/31/2021	\$ 563,023	\$ 563,023	\$ -	\$ 6,167,777	9.10%
12/31/2020	\$ 486,291	\$ 486,291	\$ -	\$ 5,798,032	8.40%
12/31/2019	\$ 462,143	\$ 462,143	\$ -	\$ 5,477,229	8.40%
12/31/2018	\$ 421,080	\$ 421,080	\$ -	\$ 4,984,563	8.40%
12/31/2017	\$ 382,198	\$ 382,198	\$ -	\$ 4,443,217	8.60%
12/31/2016	\$ 350,326	\$ 350,326	\$ -	\$ 4,007,283	8.70%

City of Lafayette, Colorado
Schedule of Changes in Net Pension Liability and Related Ratios -
Volunteer Fire Department Pension Plan
Year Ended December 31, 2024

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Interest	\$ 161,370	\$ 143,943	\$ 148,830	\$ 153,192	\$ 157,331	\$ 162,805	\$ 166,718	\$ 167,949	\$ 170,993	\$ 178,910
Benefit changes	-	371,902	-	-	-	-	-	-	-	-
Difference between expected and actual experience	-	(49,025)	-	(6,322)	-	56,490	-	(45,180)	-	(74,942)
Changes of assumption	-	10,451	-	-	-	79,350	-	76,440	-	-
Benefit payments	<u>(224,700)</u>	<u>(231,790)</u>	<u>(205,940)</u>	<u>(212,340)</u>	<u>(220,440)</u>	<u>(222,840)</u>	<u>(215,069)</u>	<u>(216,163)</u>	<u>(207,166)</u>	<u>(211,810)</u>
Net change in total pension liability	(63,330)	245,481	(57,110)	(65,470)	(63,109)	75,805	(48,351)	(16,954)	(36,173)	(107,842)
Beginning of year	<u>2,415,739</u>	<u>2,170,258</u>	<u>2,227,368</u>	<u>2,292,838</u>	<u>2,355,947</u>	<u>2,280,142</u>	<u>2,328,493</u>	<u>2,345,447</u>	<u>2,381,620</u>	<u>2,489,462</u>
End of year	<u>\$ 2,352,409</u>	<u>\$ 2,415,739</u>	<u>\$ 2,170,258</u>	<u>\$ 2,227,368</u>	<u>\$ 2,292,838</u>	<u>\$ 2,355,947</u>	<u>\$ 2,280,142</u>	<u>\$ 2,328,493</u>	<u>\$ 2,345,447</u>	<u>\$ 2,381,620</u>
Plan Fiduciary Net Position										
Employer contributions	\$ 119,164	\$ 119,164	\$ 119,164	\$ 119,164	\$ 119,164	\$ 119,164	\$ 119,164	\$ 119,164	\$ 119,164	\$ 119,164
State of Colorado contributions	42,222	42,222	84,444	42,222	-	42,222	42,222	42,222	42,222	42,222
Net investment income	141,993	(139,937)	222,390	170,424	182,674	1,564	179,646	63,877	23,339	81,117
Benefit payments	(224,700)	(231,790)	(205,940)	(212,340)	(220,440)	(222,840)	(215,069)	(216,163)	(207,166)	(211,810)
Administrative expense	<u>(14,299)</u>	<u>(10,760)</u>	<u>(11,716)</u>	<u>(8,841)</u>	<u>(11,543)</u>	<u>(9,680)</u>	<u>(9,182)</u>	<u>(2,202)</u>	<u>(3,034)</u>	<u>(2,279)</u>
Net change in plan fiduciary net position	64,380	(221,101)	208,342	110,629	69,855	(69,570)	116,781	6,898	(25,475)	28,414
Beginning of year	<u>1,530,667</u>	<u>1,751,768</u>	<u>1,543,426</u>	<u>1,432,797</u>	<u>1,362,942</u>	<u>1,432,512</u>	<u>1,315,731</u>	<u>1,308,833</u>	<u>1,334,308</u>	<u>1,305,894</u>
End of year	<u>\$ 1,595,047</u>	<u>\$ 1,530,667</u>	<u>\$ 1,751,768</u>	<u>\$ 1,543,426</u>	<u>\$ 1,432,797</u>	<u>\$ 1,362,942</u>	<u>\$ 1,432,512</u>	<u>\$ 1,315,731</u>	<u>\$ 1,308,833</u>	<u>\$ 1,334,308</u>
Net Pension Liability	<u>\$ 757,362</u>	<u>\$ 885,072</u>	<u>\$ 418,490</u>	<u>\$ 683,942</u>	<u>\$ 860,041</u>	<u>\$ 993,005</u>	<u>\$ 847,630</u>	<u>\$ 1,012,762</u>	<u>\$ 1,036,614</u>	<u>\$ 1,047,312</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.80%	63.36%	80.72%	69.29%	62.49%	57.85%	62.83%	64.57%	55.80%	56.03%

City of Lafayette, Colorado
Schedule of Contributions -
Volunteer Fire Department Pension Plan
Year Ended December 31, 2024

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution (ADC)	\$ 107,532	\$ 107,532	\$ 86,293	\$ 86,293	\$ 84,663	\$ 84,663	\$ 84,663	\$ 93,525	\$ 93,525	\$ 119,164
Contributions in relation to the ADC	<u>(161,386)</u>	<u>(161,386)</u>	<u>(203,608)</u>	<u>(161,386)</u>	<u>(119,164)</u>	<u>(161,386)</u>	<u>(161,386)</u>	<u>(161,386)</u>	<u>(161,386)</u>	<u>(161,386)</u>
Contribution deficiency (excess)	<u>\$ (53,854)</u>	<u>\$ (53,854)</u>	<u>\$ (117,315)</u>	<u>\$ (75,093)</u>	<u>\$ (34,501)</u>	<u>\$ (76,723)</u>	<u>\$ (76,723)</u>	<u>\$ (67,861)</u>	<u>\$ (67,861)</u>	<u>\$ (42,222)</u>

City of Lafayette, Colorado
Notes to the Schedule of Changes in Net Pension Liability and
Related Ratios and Schedule of Contributions -
Volunteer Fire Department Pension Plan
Year Ended December 31, 2024

The Volunteer Fire Department Pension Plan's net pension liability and associated amounts are measured at December 31, 2023, based on the actuarial valuation as of January 1, 2024, which is a one-year lag compared to the City's fiscal year ended December 31, 2024. Covered payroll is not applicable for volunteers. Therefore, no covered payroll information is presented in the accompanying schedule.

Contributions

Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2023, determines the contribution amounts for 2024 and 2025.

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

Actuarial Method	Entry Age Normal
Amortization Method	Level dollar, Open *
Amortization Period	20 Years *
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Long-term Investment Rate of Return*	7.0%
Projected Salary Increases	N/A
Cost of Living Adjustments	None
Retirement Age	50% per year of eligibility until 100% at age 65.
Mortality:	
Pre-retirement:	2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality.
Post-retirement:	2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.
Disabled:	2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

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

Other Supplementary Information
December 31, 2024

City of Lafayette, Colorado

Special Revenue Funds

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

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

Capital Project Funds

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

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

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

Debt Service Fund

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

Permanent Fund

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

City of Lafayette, Colorado
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2024

	Special Revenue Funds						
	Lafayette City Center GID	Exempla GID	Lafayette Corporate Campus GID	Lafayette Tech Center GID	Public Safety	Health & Human Services	Grants
Assets							
Cash and investments	\$ 207,330	\$ 1,072,957	\$ 703,290	\$ 218,681	\$ 390,833	\$ 1,476,164	\$ 2,844,118
Receivables	6,596	156,253	240,133	157,042	197,593	79,280	4,497,612
Prepaid items	-	-	-	-	2,377	883	-
Total assets	<u>\$ 213,926</u>	<u>\$ 1,229,210</u>	<u>\$ 943,423</u>	<u>\$ 375,723</u>	<u>\$ 590,803</u>	<u>\$ 1,556,327</u>	<u>\$ 7,341,730</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ 661	\$ 23,697	\$ 2,770	\$ -
Due to other funds	-	-	-	-	-	-	-
Deposits payable	75,000	-	-	-	-	-	-
Accrued liabilities	-	-	-	-	20,564	-	-
Total liabilities	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>661</u>	<u>44,261</u>	<u>2,770</u>	<u>-</u>
Deferred Inflows of Resources							
Unavailable revenue - property taxes	5,632	7,753	236,096	156,046	-	-	-
Unavailable revenue - other	-	-	-	-	-	-	2,256,346
Total deferred inflows of resources	<u>5,632</u>	<u>7,753</u>	<u>236,096</u>	<u>156,046</u>	<u>-</u>	<u>-</u>	<u>2,256,346</u>
Fund Balance							
Nonspendable	-	-	-	-	2,377	883	-
Restricted	133,294	1,221,457	707,327	219,016	544,165	1,552,674	5,085,384
Committed	-	-	-	-	-	-	-
Total fund balance	<u>133,294</u>	<u>1,221,457</u>	<u>707,327</u>	<u>219,016</u>	<u>546,542</u>	<u>1,553,557</u>	<u>5,085,384</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 213,926</u>	<u>\$ 1,229,210</u>	<u>\$ 943,423</u>	<u>\$ 375,723</u>	<u>\$ 590,803</u>	<u>\$ 1,556,327</u>	<u>\$ 7,341,730</u>

City of Lafayette, Colorado
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2024

	Debt Service Fund	Capital Projects Funds			Permanent Fund	Total Nonmajor Funds
	Debt Service	Legacy Open Space	Parks, Open Space and Trails	Conservation Trust	Cemetery Endowment	
Assets						
Equity in pooled cash and investments	\$ 194,407	\$ 6,778,548	\$ 872,135	\$ 1,011,853	\$ 48,862	\$ 15,819,178
Receivables (net of allowance for uncollectibles)	1,008,640	212,254	185,240	4,169	223	6,745,035
Prepaid items	-	2,207	2,207	-	-	7,674
Total assets	<u>\$ 1,203,047</u>	<u>\$ 6,993,009</u>	<u>\$ 1,059,582</u>	<u>\$ 1,016,022</u>	<u>\$ 49,085</u>	<u>\$ 22,571,887</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance						
Liabilities						
Accounts payable	\$ -	\$ 6,925	\$ 144,181	\$ 575	\$ 833	\$ 179,642
	-	1,440,909	-	-	-	1,440,909
Claims payable	-	-	-	-	-	75,000
Due to other funds	-	-	27,481	-	-	48,045
Total liabilities	<u>-</u>	<u>1,447,834</u>	<u>171,662</u>	<u>575</u>	<u>833</u>	<u>1,743,596</u>
Deferred Inflows of Resources						
	1,004,934	-	-	-	-	1,410,461
Unavailable revenue - property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,256,346</u>
Total deferred inflows of resources	<u>1,004,934</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,666,807</u>
Fund Balance						
Nonspendable	-	2,207	2,207	-	48,252	55,926
Restricted	-	5,542,968	885,713	1,015,447	-	16,907,445
Committed	198,113	-	-	-	-	198,113
Total fund balance	<u>198,113</u>	<u>5,545,175</u>	<u>887,920</u>	<u>1,015,447</u>	<u>48,252</u>	<u>17,161,484</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,203,047</u>	<u>\$ 6,993,009</u>	<u>\$ 1,059,582</u>	<u>\$ 1,016,022</u>	<u>\$ 49,085</u>	<u>\$ 22,571,887</u>

City of Lafayette, Colorado
Nonmajor Governmental Funds
Combining Statements of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2024

	Special Revenue Funds						
	Lafayette City Center GID	Exempla GID	Lafayette Corporate Campus GID	Lafayette Tech Center GID	Health & Human Services	Public Safety	Grants
Revenues							
Taxes							
Property taxes	\$ 5,719	\$ 9,309	\$ 236,892	\$ 145,214	\$ -	\$ -	\$ -
Specific ownership taxes	235	382	9,937	6,688	-	-	-
General sales and use taxes	-	-	-	-	698,899	1,909,739	-
Total taxes	5,954	9,691	246,829	151,902	698,899	1,909,739	-
Intergovernmental	-	-	-	-	-	-	118,823
Contributions and grants	-	-	-	-	-	-	-
Net investment income	8,516	44,509	32,212	11,218	59,946	24,135	147,087
Miscellaneous	-	-	-	-	8,412	-	-
Total revenues	14,470	54,200	279,041	163,120	767,257	1,933,874	265,910
Expenditures							
Current							
General government	214	638	4,081	2,473	646,240	15,299	840,770
Public safety	-	-	-	-	-	1,855,038	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	26,360	-
Debt service							
Principal	-	-	135,000	75,000	-	139,712	-
Interest on bonded debt	-	-	94,000	81,600	-	-	-
Interest on interfund loan	-	-	-	-	-	-	-
Bond trustee fees	-	-	400	-	-	-	-
Total expenditures	214	638	233,481	159,073	646,240	2,036,409	840,770
Excess (Deficiency) of Revenues over (under) Expenditures	14,256	53,562	45,560	4,047	121,017	(102,535)	(574,860)
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	-	26,360	-
Total other financing sources (uses)	-	-	-	-	-	26,360	-
Net Change in Fund Balances	14,256	53,562	45,560	4,047	121,017	(76,175)	(574,860)
Fund Balance, Beginning of Year	119,038	1,167,895	661,767	214,969	1,432,540	622,717	5,660,244
Fund Balances, End of Year	\$ 133,294	\$ 1,221,457	\$ 707,327	\$ 219,016	\$ 1,553,557	\$ 546,542	\$ 5,085,384

City of Lafayette, Colorado
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2024

	Debt Service Fund	Capital Projects Funds			Permanent Fund	
		Legacy	Parks, Open Space	Conservation	Cemetery	Total Nonmajor
	Debt Service	Open Space	and Trails	Trust	Endowment	Funds
Revenues						
Taxes						
Property taxes	\$ 996,954	\$ -	\$ -	\$ -	\$ -	\$ 1,394,088
Specific ownership taxes	-	-	-	-	-	17,242
General sales and use taxes	-	1,768,277	1,768,277	-	-	6,145,192
Total taxes	996,954	1,768,277	1,768,277	-	-	7,556,522
Intergovernmental	-	-	368,081	379,513	-	866,417
Contributions and grants	-	-	18,200	-	-	18,200
Net investment income	28,200	287,860	35,506	38,977	2,028	720,194
Miscellaneous	-	1,838	34,746	-	-	44,996
Total revenues	1,025,154	2,057,975	2,224,810	418,490	2,028	9,206,329
Expenditures						
Current						
General government	10,357	7,268	-	428	855	1,528,623
Public safety	-	-	-	-	-	1,855,038
Culture and recreation	-	9,880	2,192,566	38,182	-	2,240,628
Capital outlay	-	-	787,762	240,730	-	1,054,852
Debt service						
Principal	905,000	-	-	-	-	1,254,712
Interest on bonded debt	97,400	-	-	-	-	273,000
Interest on interfund loan	-	37,975	-	-	-	37,975
Bond trustee fees	-	-	-	-	-	400
Total expenditures	1,012,757	55,123	2,980,328	279,340	855	8,245,228
Excess (Deficiency) of Revenues over (under) Expenditures	12,397	2,002,852	(755,518)	139,150	1,173	961,101
Other Financing Sources (Uses)						
Transfers in	-	-	620,000	-	-	620,000
Transfers out	-	(620,000)	-	-	-	(620,000)
Issuance of long-term debt	-	-	-	-	-	26,360
Total other financing sources (uses)	-	(620,000)	620,000	-	-	26,360
Net Change in Fund Balances	12,397	1,382,852	(135,518)	139,150	1,173	987,461
Fund Balance, Beginning of Year	185,716	4,162,323	1,023,438	876,297	47,079	16,174,023
Fund Balances, End of Year	\$ 198,113	\$ 5,545,175	\$ 887,920	\$ 1,015,447	\$ 48,252	\$ 17,161,484

City of Lafayette, Colorado

Nonmajor Governmental Funds

Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Year Ended December 31, 2024

	Special Revenue Funds							
	Lafayette City Center GID				Exempla GID			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
Taxes								
Property taxes	\$ 4,008	\$ 4,008	\$ 5,719	\$ 1,711	\$ 7,122	\$ 7,122	\$ 9,309	\$ 2,187
Specific ownership taxes	174	174	235	61	310	310	382	72
Total taxes	4,182	4,182	5,954	1,772	7,432	7,432	9,691	2,259
Net investment income	2,093	2,093	8,516	6,423	12,514	12,514	44,509	31,995
Total revenues	6,275	6,275	14,470	8,195	19,946	19,946	54,200	34,254
Expenditures								
Current								
General government	5,072	5,072	214	4,858	7,618	7,618	638	6,980
Net Change in Fund Balances	\$ 1,203	\$ 1,203	14,256	\$ 13,053	\$ 12,328	\$ 12,328	53,562	\$ 41,234
Fund Balance, Beginning of Year			119,038				1,167,895	
Fund Balances, End of Year			\$ 133,294				\$ 1,221,457	

City of Lafayette, Colorado
Nonmajor Governmental Funds
Schedules of Revenues, Expenditures, and Changes in Fund Balances– Budget and Actual
Year Ended December 31, 2024

	Special Revenue Funds							
	Lafayette Corporate Campus GID				Lafayette Tech Center GID			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
Taxes								
Property taxes	\$ 229,803	\$ 229,803	\$ 236,892	\$ 7,089	\$ 156,853	\$ 156,853	\$ 145,214	\$ (11,639)
Specific ownership taxes	12,149	12,149	9,937	(2,212)	7,555	7,555	6,688	(867)
Total taxes	241,952	241,952	246,829	4,877	164,408	164,408	151,902	(12,506)
Net investment income	8,728	8,728	32,212	23,484	3,281	3,281	11,218	7,937
Total revenues	250,680	250,680	279,041	28,361	167,689	167,689	163,120	(4,569)
Expenditures								
Current								
General government	6,791	6,791	4,081	2,710	2,521	2,521	2,473	48
Debt service								
Principal	135,000	135,000	135,000	-	75,000	75,000	75,000	-
Interest on bonded debt	94,000	94,000	94,000	-	81,600	81,600	81,600	-
Bond trustee fees	500	500	400	100	500	500	-	500
Total expenditures	236,291	236,291	233,481	2,810	159,621	159,621	159,073	548
Net Change in Fund Balances	\$ 14,389	\$ 14,389	45,560	\$ 31,171	\$ 8,068	\$ 8,068	4,047	\$ (4,021)
Fund Balance, Beginning of Year			661,767				214,969	
Fund Balances, End of Year			\$ 707,327				\$ 219,016	

City of Lafayette, Colorado

Nonmajor Governmental Funds

Schedules of Revenues, Expenditures, and Changes in Fund Balances– Budget and Actual

Year Ended December 31, 2024

	Special Revenue Funds							
	Health & Human Services				Public Safety			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
General sales and use taxes	\$ 718,685	\$ 718,685	\$ 698,899	\$ (19,786)	\$ 1,954,303	\$ 1,954,303	\$ 1,909,739	\$ (44,564)
Net investment income	6,228	6,228	59,946	53,718	5,728	5,728	24,135	18,407
Miscellaneous	5,168	5,168	8,412	3,244	-	-	-	-
Total revenues	730,081	730,081	767,257	37,176	1,960,031	1,960,031	1,933,874	(26,157)
Expenditures								
Current								
General government	660,800	660,800	646,240	14,560	18,301	18,301	15,299	3,002
Public safety	-	-	-	-	1,918,342	1,918,342	1,855,038	63,304
Capital outlay	-	-	-	-	-	-	26,360	(26,360)
Debt service								
Principal	-	-	-	-	-	-	139,712	(139,712)
Total expenditures	660,800	660,800	646,240	14,560	1,936,643	1,936,643	2,036,409	(99,766)
Excess (Deficiency) of Revenues over (under) Expenditures	69,281	69,281	121,017	51,736	23,388	23,388	(102,535)	(125,923)
Other Financing Sources (Uses)								
Issuance of long-term debt	-	-	-	-	-	-	26,360	26,360
Net Change in Fund Balances	\$ 69,281	\$ 69,281	121,017	\$ 51,736	\$ 23,388	\$ 23,388	(76,175)	\$ (99,563)
Fund Balance, Beginning of Year			1,432,540				622,717	
Fund Balances, End of Year			\$ 1,553,557				\$ 546,542	

City of Lafayette, Colorado

Nonmajor Governmental Funds

Schedules of Revenues, Expenditures, and Changes in Fund Balances– Budget and Actual

Year Ended December 31, 2024

	Special Revenue Fund				Debt Service Fund			
	Grants				Debt Service			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,012,723	\$ 1,012,723	\$ 996,954	\$ (15,769)
Intergovernmental	-	-	118,823	118,823	-	-	-	-
Net investment income	15,000	15,000	147,087	132,087	12,821	12,821	28,200	15,379
Total revenues	15,000	15,000	265,910	250,910	1,025,544	1,025,544	1,025,154	(390)
Expenditures								
Current								
General government	500	2,700,500	840,770	1,859,730	10,043	10,043	10,357	(314)
Debt service								
Principal	-	-	-	-	905,000	905,000	905,000	-
Interest on bonded debt	-	-	-	-	97,400	97,400	97,400	-
Bond trustee fees	-	-	-	-	500	500	-	500
Total expenditures	500	2,700,500	840,770	1,859,730	1,012,943	1,012,943	1,012,757	186
Net Change in Fund Balances	\$ 14,500	\$ (2,685,500)	(574,860)	\$ 2,110,640	\$ 12,601	\$ 12,601	12,397	\$ (204)
Fund Balance, Beginning of Year			5,660,244				185,716	
Fund Balances, End of Year			\$ 5,085,384				\$ 198,113	

City of Lafayette, Colorado

Nonmajor Governmental Funds

Schedules of Revenues, Expenditures, and Changes in Fund Balances– Budget and Actual

Year Ended December 31, 2024

	Capital Projects Funds							
	Legacy Open Space				Parks, Open Space, and Trails			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
General sales and use taxes	\$ 1,734,787	\$ 1,734,787	\$ 1,768,277	\$ 33,490	\$ 1,883,477	\$ 1,883,477	\$ 1,768,277	\$ (115,200)
Intergovernmental	-	-	-	-	-	-	368,081	368,081
Contributions and grants	-	-	-	-	376,541	376,541	18,200	(358,341)
Net investment income	62,069	62,069	287,860	225,791	22,983	22,983	35,506	12,523
Miscellaneous	260	260	1,838	1,578	13,439	13,439	34,746	21,307
Total revenues	1,797,116	1,797,116	2,057,975	260,859	2,296,440	2,296,440	2,224,810	(71,630)
Expenditures								
Current								
General government	4,300	4,300	7,268	(2,968)	-	-	-	-
Culture and recreation	10,050	10,050	9,880	170	2,361,343	2,527,777	2,192,566	335,211
Capital outlay	49,000	49,000	-	49,000	791,500	938,988	787,762	151,226
Debt service								
Principal	258,094	258,094	-	258,094	-	-	-	-
Interest on bonded debt	49,561	49,561	-	49,561	-	-	-	-
Interest on interfund loan	-	-	37,975	(37,975)	-	-	-	-
Total expenditures	371,005	371,005	55,123	315,882	3,152,843	3,466,765	2,980,328	486,437
Excess (Deficiency) of Revenues over (under) Expenditures	1,426,111	1,426,111	2,002,852	576,741	(856,403)	(1,170,325)	(755,518)	414,807
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	620,000	620,000	620,000	-
Transfers out	(620,000)	(620,000)	(620,000)	-	-	-	-	-
Total other financing sources (uses)	(620,000)	(620,000)	(620,000)	-	620,000	620,000	620,000	-
Net Change in Fund Balances	\$ 806,111	\$ 806,111	1,382,852	\$ 576,741	\$ (236,403)	\$ (550,325)	(135,518)	\$ 414,807
Fund Balance, Beginning of Year			4,162,323				1,023,438	
Fund Balances, End of Year			\$ 5,545,175				\$ 887,920	

City of Lafayette, Colorado

Nonmajor Governmental Funds

Schedules of Revenues, Expenditures, and Changes in Fund Balances– Budget and Actual

Year Ended December 31, 2024

	Capital Projects Fund Conservation Trust				Permanent Fund Cemetery Endowment			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
Intergovernmental	\$ 376,000	\$ 376,000	\$ 379,513	\$ 3,513	\$ -	\$ -	\$ -	\$ -
Net investment income	11,340	11,340	38,977	27,637	591	591	2,028	1,437
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	387,340	387,340	418,490	31,150	591	591	2,028	1,437
Expenditures								
Current								
General government	-	-	428	(428)	60	60	855	(795)
Culture and recreation	19,053	44,053	38,182	5,871	-	-	-	-
Capital outlay	305,000	446,514	240,730	205,784	-	-	-	-
Total expenditures	324,053	490,567	279,340	211,227	60	60	855	(795)
Net Change in Fund Balances	\$ 63,287	\$ (103,227)	139,150	\$ 242,377	\$ 531	\$ 531	1,173	\$ 642
Fund Balance, Beginning of Year			876,297				47,079	
Fund Balances, End of Year			\$ 1,015,447				\$ 48,252	

City of Lafayette, Colorado

Capital Projects Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balances— Budget and Actual
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Intergovernmental	\$ 2,564,864	\$ 2,564,864	\$ 3,230,729	\$ 665,865
Net investment income	200,856	200,856	454,762	253,906
Total revenues	<u>2,765,720</u>	<u>2,765,720</u>	<u>3,685,491</u>	<u>919,771</u>
Expenditures				
Current				
General government	-	-	15,353	(15,353)
Capital outlay	7,301,395	23,627,839	17,414,004	6,213,835
Total expenditures	<u>7,301,395</u>	<u>23,627,839</u>	<u>17,429,357</u>	<u>6,198,482</u>
Deficiency of Revenues under of Expenditures	(4,535,675)	(20,862,119)	(13,743,866)	7,118,253
Other Financing Sources				
Transfers in	4,993,893	4,993,893	4,993,893	-
Net Change in Fund Balances	<u>\$ 458,218</u>	<u>\$ (15,868,226)</u>	(8,749,973)	<u>\$ 7,118,253</u>
Fund Balance, Beginning of Year			<u>15,016,583</u>	
Fund Balances, End of Year			<u>\$ 6,266,610</u>	

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

- Golf Course Fund is used to account for the operation of the City's golf course.
- Storm Water Fund is used to account for revenues and expenses related to providing storm water services to city residents.
- Waste Management Fund is used to account for all revenues and expenses related to the operations of the City's Waste Management utility.

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

City of Lafayette, Colorado

Enterprise Funds

Schedule of Revenues, Expenses, and Changes in Fund Net Position

– Budget and Actual (Non-GAAP Budgetary Basis)

Year Ended December 31, 2024

	Water Utility				Water Reclamation Utility			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
Charges for services	\$ 15,249,641	\$ 15,249,641	\$ 15,622,702	\$ 373,061	\$ 8,352,923	\$ 8,352,923	\$ 7,566,971	\$ (785,952)
Payments in lieu of water	-	-	430,308	430,308	-	-	-	-
Tap fees	1,180,423	1,180,423	204,087	(976,336)	-	-	56,551	56,551
Operating grants	-	-	66,102	66,102	-	-	-	-
Investment earnings	806,865	806,865	1,753,715	946,850	1,182,938	1,182,938	1,760,071	577,133
Miscellaneous	41,819	75,069	67,544	(7,525)	-	-	2,142	2,142
Total revenues	17,278,748	17,311,998	18,144,458	832,460	9,535,861	9,535,861	9,385,735	(150,126)
Expenditures								
Operating expenditures								
Personnel services	2,589,828	2,589,828	2,507,894	81,934	1,846,219	1,846,219	1,544,103	302,116
Operations	5,439,870	5,573,214	4,310,181	1,263,033	3,340,667	3,742,253	1,547,501	2,194,752
Capital outlay	33,086,582	51,196,938	9,146,538	42,050,400	1,838,572	5,112,754	3,932,503	1,180,251
Debt service								
Principal	1,130,000	1,130,000	1,164,624	(34,624)	940,000	940,000	980,503	(40,503)
Interest	230,400	230,400	231,448	(1,048)	1,193,888	1,193,888	1,156,315	37,573
Bond trustee fees and issuance costs	550,303	550,303	334	549,969	-	-	330	(330)
Total expenditures	43,026,983	61,270,683	17,361,019	43,909,664	9,159,346	12,835,114	9,161,255	3,673,859
Other Financing Sources								
Proceeds from debt issuance	39,600,000	39,600,000	159,934	39,440,066	-	-	209	(209)
Proceeds from sale of assets	-	-	79,599	(79,599)	-	-	26,224	(26,224)
Total other financing sources	39,600,000	39,600,000	239,533	39,360,467	-	-	26,433	(26,433)
Excess (Deficiency) of Revenues Over Expenses - Budgetary Basis	<u>\$ 13,851,765</u>	<u>\$ (4,358,685)</u>	1,022,972	<u>\$ 5,381,657</u>	<u>\$ 376,515</u>	<u>\$ (3,299,253)</u>	250,913	<u>\$ 3,550,166</u>
Reconciliation to GAAP Basis:								
Debt service - Principal			1,164,624				980,503	
Issuance of debt			(159,934)				(209)	
Change in accrued interest			3,830				3,262	
Capital outlay			9,146,538				3,932,503	
Developer dedications			401,747				123,700	
Depreciation and amortization			(2,481,618)				(2,152,621)	
Amortization of bond-related deferrals			42,453				75,947	
Equity loss from component unit			(83,987)				-	
Lease activity			71,142				-	
Change in Net Position - GAAP Basis			<u>\$ 9,127,767</u>				<u>\$ 3,213,998</u>	

City of Lafayette, Colorado
Enterprise Funds
Schedule of Revenues, Expenses, and Changes in Fund Net Position
– Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2024

	Golf Course				Storm Water			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
Charges for services	\$ 3,471,254	\$ 3,471,254	\$ 4,271,148	\$ 799,894	\$ 2,288,908	\$ 2,288,908	\$ 2,202,277	\$ (86,631)
Investment earnings	26,386	26,386	66,007	39,621	73,555	73,555	342,571	269,016
Miscellaneous	97,317	97,317	12,744	(84,573)	-	-	154	154
Total revenues	3,594,957	3,594,957	4,349,899	754,942	2,362,463	2,362,463	2,545,002	182,539
Expenditures								
Operating expenditures								
Personnel services	1,565,750	1,565,750	1,736,923	(171,173)	466,442	466,442	469,275	(2,833)
Operations	2,010,049	2,444,423	2,056,793	387,630	657,334	684,589	606,451	78,138
Capital outlay	415,850	415,850	287,759	128,091	100,000	569,969	364,835	205,134
Debt service								
Principal	-	-	-	-	-	-	250	(250)
Interest	-	-	-	-	-	-	14	(14)
Total expenditures	3,991,649	4,426,023	4,081,475	344,548	1,223,776	1,721,000	1,440,825	280,175
Other Financing Sources								
Proceeds from debt issuance	-	-	-	-	-	-	104	(104)
Proceeds from sale of assets	-	-	-	-	-	-	2,500	(2,500)
Total other financing sources	-	-	-	-	-	-	2,604	(2,604)
Excess (Deficiency) of Revenues Over Expenses - Budgetary Basis	<u>\$ (396,692)</u>	<u>\$ (831,066)</u>	268,424	<u>\$ 1,099,490</u>	<u>\$ 1,138,687</u>	<u>\$ 641,463</u>	1,106,781	<u>\$ 465,318</u>
Reconciliation to GAAP Basis:								
Debt service - Principal			-				250	
Issuance of debt			-				(104)	
Change in accrued interest			-				(2)	
Capital outlay			287,759				364,835	
Disposal of capital assets			(225)				-	
Developer dedications			-				212,944	
Depreciation and amortization			(502,937)				(535,676)	
Change in Net Position - GAAP Basis			<u>\$ 53,021</u>				<u>\$ 1,149,028</u>	

City of Lafayette, Colorado

Enterprise Funds

Schedule of Revenues, Expenses, and Changes in Fund Net Position

– Budget and Actual (Non-GAAP Budgetary Basis)

Year Ended December 31, 2024

	Waste Management			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Charges for services	\$ 2,758,738	\$ 4,010,006	\$ 3,516,777	\$ (493,229)
Investment earnings	1,931	1,931	-	(1,931)
Total revenues	2,760,669	4,011,937	3,516,777	(495,160)
Expenditures				
Operating expenditures				
Personnel services	-	-	6,533	(6,533)
Operations	2,626,809	3,549,446	3,535,337	14,109
Total expenditures	2,626,809	3,549,446	3,541,870	7,576
Other Financing Sources				
Transfers in	-	200,000	200,000	-
Excess (Deficiency) of Revenues Over Expenses - Budgetary Basis	\$ 133,860	\$ 662,491	\$ 174,907	\$ -
Change in Net Position - GAAP Basis			\$ 174,907	

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

- The Employee Benefit Fund is used to account for the allocation of costs associated with employee insurance plans.
- The Fleet Management Fund is used to account for the cyclical replacement of the City's fleet of vehicles.
- The Insurance Fund is used to account for the allocation of costs associated with the City's insurance plans.

City of Lafayette, Colorado
Internal Service Funds
Combining Balance Sheet
December 31, 2024

	Employee Benefit Plan	Fleet Management	Insurance	Total
Assets				
Current Assets				
Cash and investments	\$ 2,452,098	\$ 3,945,896	\$ 838,371	\$ 7,236,365
Receivables	10,346	17,955	3,676	31,977
Total current assets	<u>2,462,444</u>	<u>3,963,851</u>	<u>842,047</u>	<u>7,268,342</u>
Noncurrent Assets				
Capital assets, net of accumulated depreciation/amortization	-	2,829,704	-	2,829,704
Total assets	<u>2,462,444</u>	<u>6,793,555</u>	<u>842,047</u>	<u>10,098,046</u>
Liabilities				
Current Liabilities				
Accounts payable	1,335	72,253	17,815	91,403
Claims incurred but not reported	25,178	-	50,000	75,178
Accrued payroll	-	3,032	-	3,032
Compensated absences	819,236	29,382	-	848,618
Total current liabilities	<u>845,749</u>	<u>104,667</u>	<u>67,815</u>	<u>1,018,231</u>
Noncurrent Liabilities				
Compensated absences	736,017	-	-	736,017
Total liabilities	<u>1,581,766</u>	<u>104,667</u>	<u>67,815</u>	<u>1,754,248</u>
Net Position				
Net investment in capital assets	-	2,829,704	-	2,829,704
Unrestricted	880,678	3,859,184	774,232	5,514,094
Total net position	<u>\$ 880,678</u>	<u>\$ 6,688,888</u>	<u>\$ 774,232</u>	<u>\$ 8,343,798</u>

City of Lafayette, Colorado
Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Year Ended December 31, 2024

	Employee Benefit Plan	Fleet Management	Insurance	Total
Operating Revenues				
City contributions	\$ 4,847,461	\$ 2,424,820	\$ 1,136,662	\$ 8,408,943
Employee contributions	121,833	-	-	121,833
Miscellaneous	29,704	54,152	30,419	114,275
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total operating revenues	\$ 4,998,998	\$ 2,478,972	\$ 1,167,081	\$ 8,645,051
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Operating Expenses				
Personnel services	-	149,522	-	149,522
Operations	10,999	4,709	74,701	90,409
Premiums and claims paid	4,740,942	-	1,054,452	5,795,394
Depreciation/amortization	-	713,424	-	713,424
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total operating expenses	4,751,941	867,655	1,129,153	6,748,749
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Operating Income	247,057	1,611,317	37,928	1,896,302
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Nonoperating Revenues				
Net investment income	73,048	141,126	30,114	244,288
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Change in net position	320,105	1,752,443	68,042	2,140,590
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Net Position, Beginning of Year	560,573	4,936,445	706,190	6,203,208
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Net Position, End of Year	\$ 880,678	\$ 6,688,888	\$ 774,232	\$ 8,343,798
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

City of Lafayette, Colorado
Internal Service Funds
Combining Statement of Cash Flows
Year Ended December 31, 2024

	Employee Benefit Plan	Fleet Management	Insurance	Total
Operating Activities				
Receipts from internal charges	\$ 4,851,681	\$ 2,424,820	\$ 1,136,662	\$ 8,413,163
Receipts from employees	121,833	-	-	121,833
Miscellaneous receipts	29,704	54,152	30,419	114,275
Payments to suppliers	(4,593,045)	16,409	(1,149,732)	(5,726,368)
Payments to and on behalf of employees	-	(147,652)	-	(147,652)
Net Cash from Operating Activities	410,173	2,347,729	17,349	2,775,251
Capital and Related Financing Activities				
Acquisition of capital assets	-	(1,115,296)	-	(1,115,296)
Investing Activities				
Interest and dividends from investments	69,601	134,574	29,654	233,829
Net Cash from Investing Activities	69,601	134,574	29,654	233,829
Change in Cash and Cash Equivalents	479,774	1,367,007	47,003	1,893,784
Cash and Cash Equivalents, Beginning of Year	1,972,324	2,578,889	791,368	5,342,581
Cash and Cash Equivalents, End of Year	\$ 2,452,098	\$ 3,945,896	\$ 838,371	\$ 7,236,365
Reconciliation of Operating Income to Net Cash from Operating Activities				
Operating income	\$ 247,057	\$ 1,611,317	\$ 37,928	\$ 1,896,302
Adjustments to reconcile operating income to net cash from operating activities				
Depreciation/amortization	-	713,424	-	713,424
Changes in assets and liabilities				
Accounts receivable	4,220	-	-	4,220
Accounts payable	811	21,118	13,567	35,496
Payroll payable	-	181	-	181
Compensated absences	150,133	1,689	-	151,822
Claims incurred but not reported	7,952	-	(34,146)	(26,194)
Net cash from operating activities	\$ 410,173	\$ 2,347,729	\$ 17,349	\$ 2,775,251

City of Lafayette, Colorado
Internal Service Funds
Schedules of Revenues, Expenses, and Changes in Fund Net Position
– Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2024

	Employee Benefit Plan				Fleet Management			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
City contributions	\$ 5,167,350	\$ 5,167,350	\$ 4,847,461	\$ (319,889)	\$ 2,424,821	\$ 2,424,821	\$ 2,424,820	\$ (1)
Employee contributions	84,290	84,290	121,833	37,543	-	-	-	-
Investment earnings	8,039	8,039	73,048	65,009	11,342	11,342	141,126	129,784
Miscellaneous	37,286	37,286	29,704	(7,582)	-	-	54,152	54,152
Total revenues	5,296,965	5,296,965	5,072,046	(224,919)	2,436,163	2,436,163	2,620,098	183,935
Expenditures								
Operating expenditures								
Personnel services	-	-	-	-	176,313	176,313	149,522	26,791
Operations	104,391	104,391	10,999	93,392	2,513,817	4,442,090	4,709	4,437,381
Premiums and claims	4,971,756	4,971,756	4,740,942	230,814	-	-	-	-
Capital outlay	-	-	-	-	-	-	1,115,296	(1,115,296)
Total expenditures	5,076,147	5,076,147	4,751,941	324,206	2,690,130	4,618,403	1,269,527	3,348,876
Excess (Deficiency) of Revenues Over Expenses - Budgetary Basis	<u>\$ 220,818</u>	<u>\$ 220,818</u>	320,105	<u>\$ 99,287</u>	<u>\$ (253,967)</u>	<u>\$ (2,182,240)</u>	1,350,571	<u>\$ 3,532,811</u>
Reconciliation to GAAP Basis:								
Capital outlay			-				1,115,296	
Depreciation and amortization			-				(713,424)	
Change in Net Position - GAAP Basis			<u>\$ 320,105</u>				<u>\$ 1,752,443</u>	

City of Lafayette, Colorado
Internal Service Funds
Schedules of Revenues, Expenses, and Changes in Fund Net Position
– Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2024

	Insurance			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
City contributions	\$ 1,142,397	\$ 1,142,397	\$ 1,136,662	\$ (5,735)
Investment earnings	9,091	9,091	30,114	21,023
Miscellaneous	23,898	43,301	30,419	(12,882)
Total revenues	<u>1,175,386</u>	<u>1,194,789</u>	<u>1,197,195</u>	<u>2,406</u>
Expenditures				
Operating expenditures				
Operations	115,000	134,403	74,701	59,702
Premiums and claims	<u>1,050,000</u>	<u>1,050,000</u>	<u>1,054,452</u>	<u>(4,452)</u>
Total expenditures	<u>1,165,000</u>	<u>1,184,403</u>	<u>1,129,153</u>	<u>55,250</u>
Excess of Revenues Over Expenses - Budgetary Basis	<u>\$ 10,386</u>	<u>\$ 10,386</u>	<u>\$ 68,042</u>	<u>\$ -</u>
Change in Net Position - GAAP Basis			<u>\$ 68,042</u>	

Statistical Section
Year Ended December 31, 2024
City of Lafayette, Colorado

STATISTICAL SECTION

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

Financial Trends

Schedules 1-4

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

Schedules 5-7

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity

Schedules 8-11

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

Schedules 12-13

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

Schedules 14-16

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources:

Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Lafayette, Colorado
Components of Net Position – Accrual Basis of Accounting
Last Ten Fiscal Years
Schedule 1

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net investment in capital assets	\$ 116,503,967	\$ 115,675,547	\$ 122,568,073	\$ 129,041,362	\$ 139,645,432	\$ 142,464,808	\$ 140,364,345	\$ 146,729,467	\$ 155,736,304	\$ 171,580,949
Restricted	8,917,272	10,519,487	10,396,066	12,249,044	8,917,533	4,245,493	7,795,522	8,970,337	9,714,437	18,490,281
Unrestricted	29,093,640	34,646,358	38,027,329	42,884,343	45,402,656	55,480,775	60,828,208	63,718,769	66,529,833	48,425,678
Total Governmental Activities Net Position	154,514,879	160,841,392	170,991,468	184,174,749	193,965,621	202,191,076	208,988,075	219,418,573	231,980,574	238,496,908
Business-Type Activities										
Net investment in capital assets	85,694,242	91,252,731	99,364,335	106,120,369	114,556,005	126,787,732	130,852,365	147,145,150	154,024,670	152,663,329
Restricted	566,315	566,315	-	-	-	-	-	-	-	-
Unrestricted	41,540,521	43,695,273	45,525,566	49,565,131	53,687,768	61,335,621	70,546,790	65,552,341	76,005,109	91,085,171
Total Business-Type Activities Net Position	127,801,078	135,514,319	144,889,901	155,685,500	168,243,773	188,123,353	201,399,155	212,697,491	230,029,779	243,748,500
Primary Government										
Net investment in capital assets	202,198,209	206,928,278	221,932,408	235,161,731	254,201,437	269,252,540	271,216,710	293,874,617	309,760,974	324,244,278
Restricted	9,483,587	11,085,802	10,396,066	12,249,044	8,917,533	4,245,493	7,795,522	8,970,337	9,714,437	18,490,281
Unrestricted	70,634,161	78,341,631	83,552,895	92,449,474	99,090,424	116,816,396	131,374,998	129,271,110	142,534,942	139,510,849
Total Primary Government Net Position	\$ 282,315,957	\$ 296,355,711	\$ 315,881,369	\$ 339,860,249	\$ 362,209,394	\$ 390,314,429	\$ 410,387,230	\$ 432,116,064	\$ 462,010,353	\$ 482,245,408

City of Lafayette, Colorado
Changes in Net Position – Accrual Basis of Accounting
Last Ten Fiscal Years
Schedule 2

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities										
General Government	\$ 6,158,688	\$ 6,502,498	\$ 6,723,312	\$ 7,151,022	\$ 10,857,506	\$ 11,808,272	\$ 13,031,557	\$ 10,712,187	\$ 11,502,514	\$ 15,669,844
Judicial	406,578	522,216	599,522	670,461	646,084	674,308	646,977	594,238	725,810	674,106
Public safety	8,402,027	9,831,186	10,707,135	11,047,434	13,054,675	12,865,275	13,755,192	14,995,855	19,404,131	19,644,141
Public Works	6,405,900	6,999,101	6,882,121	7,395,459	6,229,133	7,362,746	6,160,913	4,499,090	5,426,644	5,600,778
Culture and recreation	7,043,976	6,903,106	7,659,774	8,646,648	10,321,126	9,871,651	8,311,174	9,968,290	10,896,127	11,264,637
Interest on long-term debt	1,154,003	1,238,737	1,103,901	1,018,000	513,808	583,817	406,237	412,254	396,953	257,297
Total governmental activities expenses	<u>29,571,172</u>	<u>31,996,844</u>	<u>33,675,765</u>	<u>35,929,024</u>	<u>41,622,332</u>	<u>43,166,069</u>	<u>42,312,050</u>	<u>41,181,914</u>	<u>48,352,179</u>	<u>53,110,803</u>
Business-Type Activities										
Water	5,519,561	5,586,019	6,720,281	8,045,332	7,516,930	8,666,922	8,086,464	7,672,483	9,349,830	9,485,192
Water reclamation	2,798,608	2,834,235	2,949,268	3,948,819	3,942,419	3,934,458	4,403,948	4,672,239	5,610,722	6,321,661
Golf course	2,090,819	2,219,448	2,522,940	2,816,838	2,588,749	2,838,295	3,115,510	3,043,387	3,483,383	4,296,878
Storm water	944,296	1,212,323	738,324	850,754	1,072,171	1,079,200	1,524,928	1,025,864	1,581,540	1,611,418
Waste Management	-	-	-	-	-	-	-	2,423,229	2,632,025	3,541,870
Total business-type activities expenses	<u>11,353,284</u>	<u>11,852,025</u>	<u>12,930,813</u>	<u>15,661,743</u>	<u>15,120,269</u>	<u>16,518,875</u>	<u>17,130,850</u>	<u>18,837,202</u>	<u>22,657,500</u>	<u>25,257,019</u>
Total Primary Government Expenses	<u>\$ 40,924,456</u>	<u>\$ 43,848,869</u>	<u>\$ 46,606,578</u>	<u>\$ 51,590,767</u>	<u>\$ 56,742,601</u>	<u>\$ 59,684,944</u>	<u>\$ 59,442,900</u>	<u>\$ 60,019,116</u>	<u>\$ 71,009,679</u>	<u>\$ 78,367,822</u>

City of Lafayette, Colorado
Changes in Net Position – Accrual Basis of Accounting
Last Ten Fiscal Years
Schedule 2

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Program Revenues										
Governmental Activities										
Charges for services										
General Government	\$ 2,886,488	\$ 1,605,901	\$ 2,179,555	\$ 7,040,872	\$ 5,055,582	\$ 8,664,208	\$ 5,208,240	\$ 3,434,561	\$ 3,051,494	\$ 2,855,386
Judicial	606,976	528,248	683,610	40,543	56,524	15,345	16,941	25,210	43,374	28,501
Public safety	394,345	583,071	510,737	816,621	924,782	638,377	668,997	978,108	1,278,599	1,365,620
Public Works	10,582	1,624,090	1,693,094	2,043,810	2,266,949	2,453,665	2,592,238	417,885	459,394	455,921
Culture and recreation	1,979,019	2,022,257	2,079,420	2,327,660	2,309,753	514,892	1,384,447	1,805,666	2,167,777	2,337,917
Operating grants and contributions	1,275,835	1,561,461	1,893,068	1,703,572	1,533,961	2,853,744	2,390,809	2,015,410	6,924,294	2,163,830
Capital grants and contributions	2,825,043	3,004,817	4,705,396	4,204,821	5,007,198	569,682	3,124,611	1,280,209	2,388,918	2,739,109
Total governmental activities program revenues	9,978,288	10,929,845	13,744,880	18,177,899	17,154,749	15,709,913	15,386,283	9,957,049	16,313,850	11,946,284
Business-Type Activities										
Charges for services										
Water	6,550,201	7,574,216	8,103,541	8,593,015	8,329,244	10,043,302	9,659,867	11,611,141	10,331,899	15,622,702
Water reclamation	3,336,595	4,520,574	5,010,334	5,351,810	5,730,381	5,780,462	6,186,342	6,614,766	6,910,244	7,566,971
Golf course	669,625	682,188	742,156	992,136	1,686,419	3,010,262	3,657,234	3,690,095	3,849,888	4,271,148
Storm water	2,602,784	2,493,470	2,662,369	2,643,366	2,544,709	1,820,957	1,936,114	1,958,274	2,069,461	2,188,277
Waste Management	-	-	-	-	-	-	-	2,283,577	2,397,596	3,516,777
Operating grants and contributions	-	-	-	-	-	3,663	-	-	-	66,102
Capital grants and contributions	3,484,379	6,180,956	7,815,507	8,096,157	4,869,851	14,513,251	4,711,175	3,555,016	9,275,172	1,443,337
Total business-type activities program revenues	16,643,584	21,451,404	24,333,907	25,676,484	23,160,604	35,171,897	26,150,732	29,712,869	34,834,260	34,675,314
Total Primary Government Program Revenues	\$ 26,621,872	\$ 32,381,249	\$ 38,078,787	\$ 43,854,383	\$ 40,315,353	\$ 50,881,810	\$ 41,537,015	\$ 39,669,918	\$ 51,148,110	\$ 46,621,598

City of Lafayette, Colorado
Changes in Net Position – Accrual Basis of Accounting (continued)
Last Ten Fiscal Years
Schedule 2

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net Revenue (Expense)										
Governmental Activities	\$ (19,592,884)	\$ (21,066,999)	\$ (19,930,885)	\$ (17,751,125)	\$ (24,467,583)	\$ (27,456,156)	\$ (26,925,767)	\$ (31,224,865)	\$ (32,038,329)	\$ (41,164,519)
Business-Type Activities	5,290,300	9,599,379	11,403,094	10,014,741	8,040,335	18,653,022	9,019,882	10,875,667	12,176,760	9,418,295
Total Primary Government Net Revenue (Expense)	<u>\$ (14,302,584)</u>	<u>\$ (11,467,620)</u>	<u>\$ (8,527,791)</u>	<u>\$ (7,736,384)</u>	<u>\$ (16,427,248)</u>	<u>\$ (8,803,134)</u>	<u>\$ (17,905,885)</u>	<u>\$ (20,349,198)</u>	<u>\$ (19,861,569)</u>	<u>\$ (31,746,224)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property Taxes	\$ 8,963,672	\$ 8,090,573	\$ 9,025,797	\$ 10,050,460	\$ 10,108,623	\$ 10,999,124	\$ 10,866,128	\$ 11,659,988	\$ 11,610,332	\$ 14,829,314
Sales Taxes	12,964,800	15,347,393	16,641,430	18,105,109	19,709,451	20,709,008	23,887,554	27,163,677	27,276,560	27,440,274
Franchise Taxes	1,113,899	1,107,958	1,132,143	1,141,404	1,147,437	1,128,766	1,242,389	1,338,805	1,396,112	1,380,096
Other Taxes	184,287	459,674	487,125	539,644	648,815	811,317	775,956	657,650	565,481	442,029
Unrestricted grants and contributions	54,371	55,656	48,530	112,986	46,891	-	206,091	201,705	226,978	154,965
Investment earnings	249,474	288,540	380,639	791,498	1,389,129	1,263,231	(143,262)	(673,495)	3,111,043	3,031,360
Miscellaneous	-	6,897	-	193,305	396,057	323,490	892,573	1,307,033	513,824	602,815
Gain on sale of capital assets	90,349	35,690	11,780	-	-	-	-	-	-	-
Transfers	1,668,352	2,001,131	2,353,517	-	-	-	-	-	(100,000)	(200,000)
Total governmental activities	<u>25,289,204</u>	<u>27,393,512</u>	<u>30,080,961</u>	<u>30,934,406</u>	<u>33,446,403</u>	<u>35,234,936</u>	<u>37,727,429</u>	<u>41,655,363</u>	<u>44,600,330</u>	<u>47,680,853</u>
Business-Type Activities										
Investment earnings	257,340	281,716	336,344	780,858	1,427,832	1,223,701	(189,661)	254,875	4,778,758	3,922,364
Gain (Loss) on sale of capital assets	53,870	12,420	(10,339)	-	144,719	2,857	-	-	32,445	-
Miscellaneous	-	(10,143)	-	-	-	-	161,460	167,794	244,325	178,062
Transfers	(1,668,352)	(2,001,131)	(2,353,517)	-	-	-	-	-	100,000	200,000
Total business-type activities	<u>(1,357,142)</u>	<u>(1,717,138)</u>	<u>(2,027,512)</u>	<u>780,858</u>	<u>1,572,551</u>	<u>1,226,558</u>	<u>(28,201)</u>	<u>422,669</u>	<u>5,155,528</u>	<u>4,300,426</u>
Total Primary Government	<u>\$ 23,932,062</u>	<u>\$ 25,676,374</u>	<u>\$ 28,053,449</u>	<u>\$ 31,715,264</u>	<u>\$ 35,018,954</u>	<u>\$ 36,461,494</u>	<u>\$ 37,699,228</u>	<u>\$ 42,078,032</u>	<u>\$ 49,755,858</u>	<u>\$ 51,981,279</u>
Change in Net Position										
Governmental Activities	\$ 5,696,320	\$ 6,326,513	\$ 10,150,076	\$ 13,183,281	\$ 8,978,820	\$ 7,778,780	\$ 10,801,662	\$ 10,430,498	\$ 12,562,001	\$ 6,516,334
Business-Type Activities	3,933,158	7,882,241	9,375,582	10,795,599	9,612,886	19,879,580	8,991,681	11,298,336	17,332,288	13,718,721
Total Primary Government Change in Net Position	<u>\$ 9,629,478</u>	<u>\$ 14,208,754</u>	<u>\$ 19,525,658</u>	<u>\$ 23,978,880</u>	<u>\$ 18,591,706</u>	<u>\$ 27,658,360</u>	<u>\$ 19,793,343</u>	<u>\$ 21,728,834</u>	<u>\$ 29,894,289</u>	<u>\$ 20,235,055</u>

City of Lafayette, Colorado
Fund Balances of Governmental Funds – Modified Accrual Basis of Accounting
Last Ten Fiscal Years
Schedule 3

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	\$ 1,220,730	\$ 1,123,593	\$ 21,186	\$ 726,473	\$ 726,610	\$ 3,311,185	\$ 2,936,380	\$ 2,414,113	\$ 2,578,409	\$ 2,007,146
Restricted	\$ 1,618,129	\$ 1,620,000	\$ 1,670,472	\$ 1,954,611	\$ 1,083,515	\$ 1,145,548	\$ 1,070,683	\$ 983,307	\$ 1,041,631	\$ 1,182,836
Committed	1,172,303	1,573,308	2,128,070	2,687,395	3,557,446	6,020,012	7,287,700	7,981,442	8,788,836	8,024,948
Assigned	88,987	69,135	48,509	29,510	29,510	-	-	-	-	-
Unassigned	16,080,562	19,969,686	24,288,624	24,589,087	23,953,740	29,655,613	30,458,922	31,758,926	25,910,839	22,652,318
Total General Fund	<u>\$ 20,180,711</u>	<u>\$ 24,355,722</u>	<u>\$ 28,156,861</u>	<u>\$ 29,987,076</u>	<u>\$ 29,350,821</u>	<u>\$ 40,132,358</u>	<u>\$ 41,753,685</u>	<u>\$ 43,137,788</u>	<u>\$ 38,319,715</u>	<u>\$ 33,867,248</u>
All Other Governmental Funds										
Nonspendable	\$ 952,318	\$ 760,476	\$ 752,913	\$ 46,398	\$ 46,398	\$ 46,843	\$ 46,693	\$ 46,109	\$ 47,079	\$ 55,926
Restricted	7,252,745	8,849,960	8,679,196	10,248,035	7,787,620	3,053,102	6,681,313	9,623,104	16,341,228	17,307,445
Committed	5,618,263	10,348,187	7,185,012	9,606,633	11,020,663	11,193,240	15,527,695	15,460,106	14,802,299	6,064,723
Assigned	1,159,996	1,401,210	1,105,481	1,266,857	1,080,825	819,997	-	-	-	-
Unassigned	-	-	(45,967)	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 14,983,322</u>	<u>\$ 21,359,833</u>	<u>\$ 17,676,635</u>	<u>\$ 21,167,923</u>	<u>\$ 19,935,506</u>	<u>\$ 15,113,182</u>	<u>\$ 22,255,701</u>	<u>\$ 25,129,319</u>	<u>\$ 31,190,606</u>	<u>\$ 23,428,094</u>

City of Lafayette, Colorado
Changes in Fund Balances of Governmental Funds – Modified Accrual Basis of Accounting
Last Ten Fiscal Years
Schedule 4

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 22,945,886	\$ 25,005,598	\$ 27,286,495	\$ 29,836,617	\$ 31,489,183	\$ 33,730,980	\$ 36,772,027	\$ 40,820,127	\$ 40,848,485	\$ 44,083,301
Special Assessments	685,607	645,831	1,008,632	521,414	42,419	23,869	603,106	11,491	-	5,746
Intergovernmental	1,413,681	1,635,143	1,427,665	2,318,448	3,359,068	2,887,366	3,275,857	2,967,438	8,041,437	624,685
Contributions and Grants	697,628	584,200	1,647,745	340,850	179,086	352,730	1,643,537	1,448,315	644,730	4,327,774
Charges for Services	5,171,768	5,124,412	5,652,813	10,515,841	9,073,357	11,137,082	8,707,583	5,572,361	5,816,335	488,483
Licenses and Permits	618,042	720,295	979,192	1,064,668	995,596	1,048,797	1,123,655	808,033	617,092	5,882,608
Fines and forfeitures	606,896	528,249	683,609	737,742	519,562	262,996	185,789	296,080	567,212	515,252
Net Investment Income (Loss)	214,475	269,195	336,921	754,402	1,342,119	1,222,655	(138,259)	(644,131)	2,941,141	2,787,072
Leases	-	-	-	-	-	-	-	389,182	(375,159)	248,283
Miscellaneous	111,928	121,815	69,443	1,089,294	478,104	323,490	1,188,164	1,003,453	678,805	323,621
Total Revenues	32,465,911	34,634,738	39,092,515	47,179,276	47,478,494	50,989,965	53,361,459	52,672,349	59,780,078	59,286,825
Expenditures										
General government	5,825,901	6,278,283	6,442,287	6,933,635	10,396,258	10,949,273	11,300,900	11,023,617	14,949,753	16,711,499
Judicial	406,017	522,888	598,409	670,175	647,938	676,532	646,977	594,239	724,456	674,106
Public safety	8,283,373	9,591,173	9,926,889	11,037,480	11,769,985	12,276,373	13,002,895	14,996,752	18,065,508	19,334,665
Public works	3,399,974	4,069,936	3,909,343	4,543,803	3,838,929	4,296,452	4,651,133	2,829,723	3,031,265	3,140,668
Culture and recreation	5,847,442	5,847,316	6,591,737	7,359,613	8,772,331	5,973,542	6,791,328	8,284,656	9,361,462	9,685,045
Capital Outlay	3,878,010	2,585,398	10,561,281	7,891,497	9,700,705	10,166,371	6,703,830	7,725,301	10,992,052	20,312,051
Debt Service										
Principal	1,594,090	5,059,360	2,154,360	2,357,020	5,540,000	965,000	1,235,000	1,035,000	1,075,000	1,766,430
Interest and fiscal charges	1,108,713	1,067,153	1,143,785	1,064,550	562,252	502,018	460,871	398,495	358,415	311,375
Total Expenditures	30,343,520	35,021,507	41,328,091	41,857,773	51,228,398	45,805,561	44,792,934	46,887,783	58,557,911	71,935,839
Excess (Deficiency) of Revenues over (under) Expenditures	2,122,391	(386,769)	(2,235,576)	5,321,503	(3,749,904)	5,184,404	8,568,525	5,784,566	1,222,167	(12,649,014)
Other Financing Sources (Uses)										
Issuance of debt	-	8,265,000	-	-	-	-	-	-	-	634,035
Debt premium	-	806,481	-	-	-	-	-	-	-	-
Issuance costs	-	(134,321)	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	1,591,936	-	-	-	-	-
Proceeds from insurance claim	-	-	-	-	-	-	111,391	5,298	121,050	-
Transfers in	5,975,513	5,968,865	8,468,804	8,389,399	8,526,484	5,731,072	6,628,830	4,998,512	5,549,163	5,613,893
Transfers out	(4,307,160)	(3,967,734)	(6,115,287)	(8,389,399)	(8,526,484)	(4,956,263)	(6,544,848)	(6,530,655)	(5,649,163)	(5,813,893)
Total Other Financing Sources (Uses)	1,668,353	10,938,291	2,353,517	-	1,591,936	774,809	195,373	(1,526,845)	21,050	434,035
Net Change in Fund Balances	\$ 3,790,744	\$ 10,551,522	\$ 117,941	\$ 5,321,503	\$ (2,157,968)	\$ 5,959,213	\$ 8,763,898	\$ 4,257,721	\$ 1,243,217	\$ (12,214,979)
Debt service as a percentage of noncapital expenditures	10.00%	19.70%	8.50%	10.90%	14.10%	4.10%	4.90%	3.50%	2.80%	4.00%

City of Lafayette, Colorado
General Government Tax Revenues by Source
Last Ten Fiscal Years
Schedule 5

Year	General Property Tax*	Fire District Tax	Specific Ownership Tax	Sales Tax	Use Tax**	Franchise Tax	Excise Tax	Total General Tax Revenues
2024	\$ 14,246,028	\$ 5,300	\$ 577,985	\$ 21,670,258	\$ 5,770,018	\$ 1,380,096	\$ 442,029	\$ 44,091,714
2023	11,091,963	5,300	513,069	21,796,576	5,479,984	1,396,112	565,481	40,848,485
2022	11,156,035	5,300	498,653	21,900,682	5,262,995	1,338,805	657,650	40,820,120
2021	10,340,982	5,300	519,846	17,362,457	6,525,097	1,242,389	775,956	36,772,027
2020	10,614,570	5,300	504,397	15,047,658	5,661,350	1,128,766	768,939	33,730,980
2019	9,462,728	5,300	515,452	14,781,930	4,927,521	1,147,437	648,815	31,489,183
2018	9,518,598	5,300	526,563	13,285,429	4,819,679	1,141,404	539,644	29,836,617
2017	7,941,715	5,300	455,589	12,739,227	3,902,203	1,132,143	487,125	26,663,302
2016	7,677,373	5,300	407,900	11,998,522	4,104,099	1,107,958	459,674	25,760,826
2015	6,668,265	5,300	378,366	11,643,115	3,591,148	1,113,899	184,286	23,584,379

* Includes property taxes from general improvement districts.

** Includes taxes on building materials and motor vehicles.

City of Lafayette, Colorado
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years
Schedule 6

Year	City of Lafayette	State of Colorado	Boulder County	Regional Transportation District	Cultural Facilities District	Overlapping Sales Tax Rate
2024	3.87%	2.90%	1.19%	1.00%	0.10%	9.06%
2023	3.87%	2.90%	1.19%	1.00%	0.10%	9.06%
2022	3.50%	2.90%	0.99%	1.00%	0.10%	8.49%
2021	3.50%	2.90%	0.99%	1.00%	0.10%	8.49%
2020	3.50%	2.90%	0.99%	1.00%	0.10%	8.49%
2019	3.50%	2.90%	0.99%	1.00%	0.10%	8.49%
2018	3.50%	2.90%	0.99%	1.00%	0.10%	8.49%
2017	3.50%	2.90%	0.99%	1.00%	0.10%	8.49%
2016	3.50%	2.90%	0.99%	1.00%	0.10%	8.49%
2015	3.50%	2.90%	0.80%	1.00%	0.10%	8.30%

City of Lafayette, Colorado
Principal Sales Taxpayers
Last Ten Fiscal Years
Schedule 7

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Aggregate top thirty filers*	\$ 7,636,689	\$ 7,620,719	\$ 7,682,414	\$ 8,375,538	\$ 8,931,483	\$ 9,390,968	\$ 10,737,800	\$ 12,468,427	\$ 12,947,190	\$ 12,333,106
Aggregate all other filers	4,006,426	4,377,803	5,056,813	4,909,891	5,850,447	5,656,690	6,624,657	9,432,255	8,849,386	9,337,152
Total sales tax	<u>\$ 11,643,115</u>	<u>\$ 11,998,522</u>	<u>\$ 12,739,227</u>	<u>\$ 13,285,429</u>	<u>\$ 14,781,930</u>	<u>\$ 15,047,658</u>	<u>\$ 17,362,457</u>	<u>\$ 21,900,682</u>	<u>\$ 21,796,576</u>	<u>\$ 21,670,258</u>
Top thirty filers as a percentage of total sales tax	65.6%	63.5%	60.3%	63.0%	60.4%	62.4%	61.8%	56.9%	59.4%	56.9%

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

City of Lafayette, Colorado
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Schedule 8

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Bonded Debt Outstanding										
Sales tax revenue bonds	\$ 3,695,000	\$ 2,820,000	\$ 1,915,000	\$ 975,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Limited tax revenue bonds	4,220,000	4,030,000	3,820,000	3,615,000	3,470,000	3,315,000	2,910,000	2,730,000	2,535,000	2,325,000
General obligation bonds*	3,850,091	9,071,481	8,100,833	7,245,185	6,374,537	5,483,889	4,566,575	3,631,594	2,671,615	1,686,631
Demand bonds	3,955,000	3,955,000	3,955,000	3,630,000	-	-	-	-	-	-
Financed purchases	388,033	251,625	109,903	-	-	-	-	-	-	-
Leases Payable**	-	-	-	-	-	-	-	972,047	1,574,486	1,389,173
Subscription-Based IT Arrangements***	-	-	-	-	-	-	-	-	453,579	589,959
Business-Type Activities										
Water revenue bonds*	14,153,446	13,135,560	12,107,674	11,044,788	9,961,902	8,839,016	7,689,997	6,521,688	5,308,379	4,060,070
Water reclamation revenue bonds*	-	-	-	-	-	-	46,927,077	45,941,129	44,925,179	43,869,235
Term loan payable	3,449,672	2,917,322	2,362,398	1,805,703	1,228,089	628,801	-	-	-	-
Leases Payable**	-	-	-	-	-	-	-	1,853	27,661	21,756
Subscription-Based IT Arrangements***	-	-	-	-	-	-	-	-	2,539	133,314
Total Primary Government	<u>\$ 33,711,242</u>	<u>\$ 36,180,988</u>	<u>\$ 32,370,808</u>	<u>\$ 28,315,676</u>	<u>\$ 21,034,528</u>	<u>\$ 18,266,706</u>	<u>\$ 62,093,649</u>	<u>\$ 59,798,311</u>	<u>\$ 57,498,438</u>	<u>\$ 54,075,138</u>
Per Capita	\$ 1,192	\$ 1,279	\$ 1,130	\$ 951	\$ 712	\$ 617	\$ 2,003	\$ 1,948	\$ 1,875	\$ 1,768
Percentage of Personal Income	3.23%	2.92%	2.34%	1.86%	1.47%	1.19%	4.02%	3.65%	3.16%	2.68%

*Includes related issuance premium

**As of fiscal year 2022, the City implemented GASB Statement No. 87, Leases, requiring a new measurement of the lease liability as of the beginning of the reporting period

***As of fiscal year 2023, the City implemented GASB Statement No. 96, Subscription-Based IT Arrangements (SBITAs), requiring a new remeasurement of the subscription-based IT arrangement liability as of the beginning of the reporting period.

See Schedule 12 for population and personal income figures.

City of Lafayette, Colorado
Ratio of General Bonded Debt Outstanding and Legal Debt Limit
Last Ten Fiscal Years
Schedule 9

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities	\$ 29,873,537	\$ 33,012,041	\$ 29,898,507	\$ 26,509,973	\$ 19,806,439	\$ 17,637,905	\$ 62,093,649	\$ 58,824,411	\$ 55,440,173	\$ 51,940,936
Less										
Sales tax revenue bonds	3,695,000	2,820,000	1,915,000	975,000	-	-	-	-	-	-
Limited tax revenue bonds	4,220,000	4,030,000	3,820,000	3,615,000	3,470,000	3,315,000	2,910,000	2,730,000	2,535,000	2,325,000
Demand bonds	3,955,000	3,955,000	3,955,000	3,630,000	-	-	-	-	-	-
Water revenue bonds	14,153,446	13,135,560	12,107,674	11,044,788	9,961,902	8,839,016	7,689,997	6,521,688	5,308,379	4,060,070
Water reclamation revenue bonds	-	-	-	-	-	-	46,927,077	45,941,129	44,925,179	43,869,235
Total Net Debt Applicable to Debt Limit	3,850,091	9,071,481	8,100,833	7,245,185	6,374,537	5,483,889	4,566,575	3,631,594	2,671,615	1,686,631
Estimated Actual Property Tax Values*	3,384,173,618	4,131,951,237	5,270,411,840	5,412,207,877	6,030,016,835	6,128,680,458	6,673,623,372	6,760,401,480	9,369,054,363	9,463,278,913
Legal Debt Limit**	101,525,209	123,958,537	158,112,355	162,366,236	180,900,505	183,860,414	200,208,701	202,812,044	281,071,631	283,898,367
Legal Debt Margin***	\$ 97,675,118	\$ 114,887,056	\$ 150,011,522	\$ 155,121,051	\$ 174,525,968	\$ 178,376,525	\$ 195,642,126	\$ 199,180,450	\$ 278,400,016	\$ 282,211,736
Outstanding Debt as a Percentage of Debt Limit	3.94%	7.90%	5.40%	4.67%	3.65%	3.07%	2.33%	1.82%	0.96%	0.60%
Per Capita	\$ 3,454	\$ 4,063	\$ 5,238	\$ 5,209	\$ 5,909	\$ 6,029	\$ 6,311	\$ 6,488	\$ 9,077	\$ 9,227
Percentage of Personal Income	9.35%	9.27%	10.86%	10.16%	12.22%	11.65%	12.68%	12.16%	15.30%	14.00%

* Source: Boulder County Assessor's Office. The estimated actual values are from the previous year, but are used to calculate the current year tax revenues and debt limits.

** Legal debt limit is 3% of estimated taxable actual real estate value.

*** The legal debt margin is the City's available borrowing authority.

City of Lafayette, Colorado
Direct and Overlapping Governmental Activities Debt
Last Ten Fiscal Years
Schedule 10

	<u>Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Estimated Share of Overlapping Debt</u>
Direct Debt			
City of Lafayette	\$ 5,990,763	100%	\$ 5,990,763
Overlapping			
Boulder Valley School District RE-2	<u>955,263,467</u>	6.87%	<u>65,626,600</u>
Total	<u><u>\$ 961,254,230</u></u>		<u><u>\$ 71,617,363</u></u>

City of Lafayette, Colorado
Pledged Revenue Coverage
Last Ten Fiscal Years
Schedule 11

Lafayette Corporate Campus GID						
Year	Gross Resources*	Expenses**	Net Available Revenue	Scheduled Debt Service****		Coverage***
				Principal	Interest	
2024	\$ 279,041	\$ 4,481	\$ 274,560	\$ 135,000	\$ 94,000	1.20
2023	296,312	4,600	291,712	125,000	104,000	1.27
2022	260,355	4,533	255,822	115,000	113,200	1.12
2021	514,307	5,007	509,300	105,000	140,800	2.07
2020	283,424	18,864	264,560	95,000	148,400	1.09
2019	344,599	19,693	324,906	90,000	155,963	1.32
2018	333,383	19,637	313,746	85,000	162,730	1.27
2017	266,748	18,737	248,011	80,000	168,800	1.00
2016	267,865	18,776	249,089	70,000	174,400	1.02
2015	264,766	13,717	251,049	65,000	179,600	1.03

Lafayette Tech Center GID						
Year	Gross Resources*	Expenses**	Net Available Revenue	Scheduled Debt Service		Coverage***
				Principal	Interest	
2024	\$ 163,120	\$ 2,473	\$ 160,647	\$ 75,000	\$ 81,600	1.03
2023	173,129	5,270	167,859	70,000	85,800	1.08
2022	159,115	3,091	156,024	65,000	89,700	1.01
2021	185,942	3,595	182,347	60,000	93,300	1.19
2020	370,848	45,586	325,262	60,000	96,900	2.07
2019	144,800	1,990	142,810	55,000	100,200	0.92
2018	190,777	2,634	188,143	50,000	103,503	1.23
2017	147,470	2,065	145,405	50,000	106,200	0.93
2016	128,097	11,881	116,216	45,000	108,900	0.76
2015	173,656	10,467	163,189	45,000	111,600	1.04

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

** Includes all operating expenses less depreciation and amortization, plus transfers out.

*** Net available revenue divided by total bond principal and interest.

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

City of Lafayette, Colorado
Pledged Revenue Coverage (continued)
Last Ten Fiscal Years
Schedule 11

2012 Water Revenue Bonds						
Year	Gross Resources*	Expenses**	Net Available Revenue	Scheduled Debt Service		Coverage***
				Principal	Interest	
2024	\$ 18,480,103	\$ 6,818,075	\$ 11,662,028	\$ 1,130,000	\$ 230,400	8.57
2023	19,973,037	6,482,352	13,490,685	1,095,000	263,250	9.93
2022	14,240,545	5,528,311	8,712,234	1,050,000	305,250	6.43
2021	12,623,031	5,438,078	7,184,953	1,015,000	345,850	5.28
2020	18,595,191	6,330,594	12,264,597	995,000	365,750	9.01
2019	12,102,122	5,632,458	6,469,664	955,000	403,950	4.76
2018	15,315,712	6,182,531	9,133,181	935,000	422,648	6.73
2017	13,268,230	6,185,026	7,083,204	900,000	458,650	5.21
2016	11,194,286	4,833,741	6,360,545	890,000	472,000	4.67
2015	8,815,018	4,547,298	4,267,720	870,000	485,050	3.15

2021 Water Reclamation Revenue Bonds						
Year	Gross Resources*	Expenses**	Net Available Revenue	Scheduled Debt Service****		Coverage***
				Principal	Interest	
2024	\$ 9,509,435	\$ 3,091,604	\$ 6,417,831	\$ 980,000	\$ 1,156,287	3.00
2023	10,562,984	3,171,478	7,391,506	940,000	1,193,888	3.46
2022	8,125,891	2,689,611	5,436,280	910,000	1,226,870	2.54
2021	6,992,300	2,765,770	4,226,530	1,525,000	613,806	1.98
2020	-	-	-	-	-	N/A
2019	-	-	-	-	-	N/A
2018	-	-	-	-	-	N/A
2017	-	-	-	-	-	N/A
2016	-	-	-	-	-	N/A
2015	-	-	-	-	-	N/A

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

** Includes all operating expenses less depreciation and amortization, plus transfers out.

*** Net available revenue divided by total bond principal and interest.

**** No debt service payments were required in 2021. The amounts reported for that year are based on the maximum annual debt service over the life of the bonds.

City of Lafayette, Colorado
Demographic and Economic Statistics
Last Ten Fiscal Years
Schedule 12

Year	Estimated Population	Personal Income (thousands of dollars)	Per Capita Income	Median Age	School Enrollment	Unemployment Rate
2024	30,587	2,015,775	62,309	39.4	5,424	3.90%
2023	30,670	1,819,896	59,338	38.7	4,887	3.10%
2022	30,699	1,637,638	53,345	39.1	5,394	4.70%
2021	31,002	1,543,280	49,780	39.3	5,223	5.20%
2020	29,587	1,531,038	51,747	39.7	5,876	5.00%
2019	29,538	1,428,044	48,346	38.8	5,538	2.50%
2018	29,782	1,526,417	51,253	39.7	5,286	2.40%
2017	28,641	1,381,499	48,235	39.7	5,183	2.90%
2016	28,278	1,239,312	43,826	39.3	5,297	3.10%
2015	28,278	1,044,787	36,947	36.3	5,118	3.50%

Sources:
Boulder Valley School District Enrollment Count
US Census Bureau
A-Z Databases

City of Lafayette, Colorado
Principal Employers
Current Year and Nine Years Prior
Schedule 13

2024		2015	
Employer	Estimated Number Employees	Employer	Estimated Number Employees
Medtronic	1,100	Good Samaritan Hospital-Intermountain Healthcare	1,500
Good Samaritan Hospital-Intermountain Healthcare	1,099	Epsilon/ Abacus	405
BVSD Lafayette Schools	698	City of Lafayette	330
City of Lafayette	360	Universal Forest Products	285
Tru Community Care	260	Imagine!	250
HospiceCare of Boulder and Broomfield	200	Wal-Mart	189
Imagine!	150	Rocky Mountain Instruments	150
Rocky Mountain Instrument Co.	130	King Soopers	120
Walmart	300	Thermo Fisher Scientific	102
Alexander Dawson School	120	Jax Outdoor Gear	100

City of Lafayette, Colorado
Full and Part-Time Equivalent County Government Employees by Function
Last Ten Fiscal Years
Schedule 14

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function/Program										
City Council	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.1	0.1
City administration										
City administration	1.5	1.5	3.0	3.0	4.0	2.0	2.0	2.0	2.0	3.0
City clerk	2.2	2.4	2.2	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Communications	-	-	-	-	-	2.0	2.0	2.0	3.0	3.0
Economic development	-	-	-	-	-	1.0	1.0	1.0	2.2	2.0
Finance	6.0	6.0	6.3	7.0	9.0	9.0	10.0	11.0	12.0	12.0
Human resources	3.0	3.0	3.3	3.9	4.6	4.5	5.0	5.0	6.0	7.5
Information technologies	3.0	3.0	3.0	3.0	4.0	4.0	5.0	7.0	7.0	7.3
Municipal court	2.8	2.8	1.8	2.0	2.1	2.3	2.1	2.0	2.1	2.5
Sustainability	-	-	-	-	-	1.0	1.2	1.2	1.8	2.0
Planning and building	10.1	7.1	9.1	9.1	8.0	9.0	11.0	11.0	12.0	13.0
Public safety										
Police department	47.5	50.5	50.5	50.5	50.5	50.5	51.5	56.2	60.0	60.5
Fire department	3.5	3.5	2.8	2.8	2.1	32.5	36.5	39.6	39.6	41.0
Public works & utilities	45.0	45.0	45.5	45.5	51.1	44.2	45.0	46.9	56.0	57.7
Parks, open space & golf course										
Parks & open space	15.7	15.7	16.7	16.7	17.2	17.7	17.2	15.0	17.6	16.3
Golf course	22.3	22.3	24.5	24.5	25.6	22.8	26.6	26.2	23.9	20.1
Recreation & facility management	58.0	58.0	52.7	53.0	64.1	36.6	34.1	35.1	52.3	49.5
Arts and cultural resources	-	3.0	2.0	2.8	3.2	3.5	3.7	4.7	10.0	8.4
Library	18.2	18.2	18.7	18.7	17.9	16.7	19.8	19.8	17.7	20.1
Total	<u>239.5</u>	<u>242.7</u>	<u>242.8</u>	<u>245.2</u>	<u>266.1</u>	<u>262.0</u>	<u>276.4</u>	<u>288.4</u>	<u>327.3</u>	<u>328.0</u>

City of Lafayette, Colorado
Operating Indicators by Function
Last Ten Fiscal Years
Schedule 15

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Physical arrests	1,027	1,080	1,136	932	842	564	578	536	733	846
Municipal Citations	3,872	4,197	5,580	5,353	3,910	1,641	950	1,675	3,173	2,793
Fire										
Emergency responses	2,445	2,935	3,030	3,324	3,753	3,221	3,505	3,922	2,812	4,117
Inspections conducted	276	431	388	145	50	523	652	633	905	901
Parks, Open Space, Golf Course										
Golf Course rounds played	\$ 41,970	\$ 37,159	\$ 40,397	\$ 36,493	\$ 37,146	\$ 45,399	\$ 49,456	\$ 46,278	\$ 47,100	\$ 49,641
% Resident Play	12%	13%	11%	12%	11%	1%	10%	9%	12%	11%
Cemetery plot opening/ closings	25	28	29	27	32	24	39	33	18	21
Recreation and Facility Mgmt										
Individual Annual Passes sold	687	759	823	778	772	113	156	348	155	485
Couple or Family Annual Passes	308	354	474	341	356	66	161	99	285	148
Punch Cards sold	2,220	1,962	2,131	2,012	2,047	590	1,005	2,626	1,966	3,072
Total Attendance	239,240	244,944	245,946	244,324	228,375	56,538	70,898	106,728	148,967	205,351
Facilities and services not included in the reporting entity:*										
Number of public elem. schools	4	4	4	4	4	4	4	4	4	4
Number of public middle schools	1	1	1	1	1	1	1	1	1	1
Charter schools (K through 12)	1	1	1	1	1	1	1	1	1	2
Number of public high schools	1	1	1	1	1	1	1	1	1	1

* Source: Boulder Valley School District

City of Lafayette, Colorado
Capital Assets Statistics by Function
Last Ten Fiscal Years
Schedule 16

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function/Program										
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	2	2	2	2	2	2	2	2	2	2
Public Works										
Centerline miles of streets*	147	195	n/a	n/a	n/a	n/a	154	154	154	154
Recreation and Culture										
Recreation center	1	1	1	1	1	1	1	1	1	1
Outdoor water park	-	-	-	1	1	1	1	1	1	1
Parks - number	19	19	19	19	20	20	21	21	21	21
Parks/ Developed acres	239	224	239	195	195	235	235	235	235	235
Open space/ Undeveloped acres	1,300	1,300	1,300	1,300	1,465	1,640	1,640	1,640	1,640	1,640
Libraries	1	1	1	1	1	1	1	1	1	1
Senior Center	1	1	1	1	1	1	1	1	1	1
Cemeteries	2	2	2	2	2	2	2	2	2	2
Utilities										
Water treatment facilities	1	1	1	1	1	1	1	1	1	1
Wastewater treatment plant	1	1	1	1	1	1	1	1	1	1
Water mains (miles) **	169	164	174	174	174	180	180	180	180	189
Sanitary sewer (miles) **	121	118	118	118	118	116	116	116	116	120
Water connections	9,022	9,275	9,341	9,538	9,677	9,694	9,694	9,967	9,706	10,001
Wastewater connections	8,458	8,761	8,824	8,982	9,114	9,123	9,123	9,335	9,085	9,318

* Data for 2016-2020 not available.

** Water main miles and sanitary sewer miles comes from GIS system. Data not available for 2019 - used 2018 amounts.

Compliance Section
Year Ended December 31, 2024
City of Lafayette, Colorado

City of Lafayette, Colorado
General Obligation Bond Continuing Disclosures
Year Ended December 31, 2024

History of City's Mill Levy

Levy/Collection Year	General Fund	Fire and Ambulance	Bond Redemption Fund	Total Mill Levy
2024/2025	10.184	4.500	1.189	15.873
2023/2024	10.184	4.500	1.199	15.883
2022/2023	10.184	4.500	1.532	16.216
2021/2022	10.184	4.500	1.528	16.212
2020/2021	10.184	4.500	1.646	16.330
2019/2020	10.184	4.500	1.715	16.399

History of City's Assessed Valuation

Levy/Collection Year	Gross Assessed Valuation	Tax Increment Valuation	Net Assessed Valuation	Percent Change
2024/2025	\$ 855,746,928	\$ 10,554,460	\$ 845,192,468	1.1%
2023/2024	846,811,965	10,562,132	836,249,833	27.7%
2022/2023	662,716,191	7,906,082	654,810,109	0.0%
2021/2022	661,913,951	6,862,928	655,051,023	7.7%
2020/2021	615,049,865	6,864,071	608,185,794	1.9%
2019/2020	604,371,489	7,627,224	596,744,265	10.9%

Property Tax Collections for the City

Levy/Collection Year	Total Taxes Levied	Taxes Collected				Percent of Levy Collected
		General Fund	Debt Service Fund	Fire and Ambulance	Total	
2023/2024	\$ 13,281,892	\$ 9,072,569	\$ 3,740,433	\$ 996,954	\$ 13,809,956	104.0%
2022/2023	10,618,401	6,677,785	1,001,769	2,942,378	10,621,932	100.0%
2021/2022	10,619,687	6,785,622	1,001,566	2,839,329	10,626,517	100.1%
2020/2021	9,931,674	6,164,993	996,339	2,724,123	9,885,455	99.5%
2019/2020	9,785,743	6,272,862	1,025,410	2,687,201	9,985,473	102.0%

Largest Taxpayers Within the City

Name	Type of Business	Assessed Valuation	Percent of Assessed Valuation
RCS-MEDT Facility LLC	Real Estate investment	\$ 33,556,474	3.96%
Kaiser Foundation Health Plan	Healthcare Corporation	15,406,380	1.82%
Public Service Co. of Colorado	Utilities	13,248,980	1.56%
Lafayette Boulder, LLC	Real Estate investment	11,460,903	1.35%
Avalon Flatirons LLC	Real Estate investment	7,392,751	0.87%
BSP LunaBella Colorado LLC	Real Estate investment	5,592,523	0.66%
Walmart Real Estate Business Trust	Commercial Corporation	5,041,530	0.60%
HSC Lafayette LLC	Real Estate investment	4,623,378	0.55%
440 Strathmore Lane LLC	Real Estate investment	4,485,315	0.53%
LLJ Stratford Prana LLC	Real Estate investment	4,475,357	0.53%
Total		<u>\$ 103,995,582</u>	<u>12.43%</u>
Gross Assessed Valuation:		<u><u>\$ 846,811,965</u></u>	

History of City Base Sales & Use Tax Collections

Year	Sales Tax Collections	Use Tax Collections	Motor Vehicle Tax Collections	Total Sales & Use Tax Collections	Percent Change
2024	\$ 16,733,936	\$ 2,101,761	\$ 2,371,121	\$ 21,206,818	0.2%
2023	16,911,617	1,819,356	2,428,694	21,159,667	1.1%
2022	16,897,271	1,837,967	2,198,841	20,934,079	2.2%
2021	14,882,101	3,371,375	2,221,566	20,475,042	15.4%
2020	12,897,002	2,991,049	1,861,537	17,749,588	5.1%

City of Lafayette, Colorado
General Obligation Bond Continuing Disclosures
Year Ended December 31, 2024

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

	2020	2021	2022	2023	2024
Revenues					
Taxes	\$ 29,093,375	\$ 31,885,269	\$ 33,218,796	\$ 33,374,961	\$ 36,526,779
Intergovernmental	2,535,574	574,915	512,096	338,741	230,628
Charges for services	11,137,082	8,707,583	5,572,361	5,816,335	5,882,608
Licenses and permits	1,048,797	1,123,655	808,033	617,092	624,685
Fines and forfeits	262,996	185,789	296,080	567,212	515,252
Net investment income	791,780	(104,196)	(399,484)	1,468,677	1,612,116
Leases	-	-	389,182	(375,159)	248,283
Special assessments	-	-	11,491	-	-
Miscellaneous	679,352	1,584,702	1,761,979	1,236,811	754,654
Total revenues	45,548,956	43,957,717	42,170,534	43,044,670	46,395,005
Expenditures					
Current					
General government	10,840,956	11,269,538	10,974,498	14,893,142	15,167,523
Judicial	676,532	646,977	594,239	724,456	674,106
Public safety	12,276,373	13,002,895	14,378,277	15,963,368	17,479,627
Public works	4,182,729	4,651,133	2,824,323	3,031,265	3,140,668
Culture and recreation	5,754,362	4,743,159	5,698,025	6,808,270	7,444,417
Capital outlay	1,065,244	1,477,788	761,678	1,107,572	1,843,195
Debt service					
Principal	-	-	-	-	511,718
Total expenditures	34,796,196	35,791,490	35,231,040	42,528,073	46,261,254
Excess of Revenues over Expenditures	10,752,760	8,166,227	6,939,494	516,597	133,751
Other Financing Sources (Uses)					
Transfers in	1,126,520	-	-	-	-
Transfers out	(3,829,743)	(6,544,848)	(5,555,391)	(5,334,670)	(5,193,893)
Issuance of long-term debt	-	-	-	-	607,675
Total other financing sources (uses)	(2,703,223)	(6,544,848)	(5,555,391)	(5,334,670)	(4,586,218)
Net Change in Fund Balance	8,049,537	1,621,379	1,384,103	(4,818,073)	(4,452,467)
Fund Balance, Beginning of Year	29,350,821	40,132,306	41,753,685	43,137,788	38,319,715
Adjustments	2,731,948	-	-	-	-
Fund Balance, End of Year	\$ 40,132,306	\$ 41,753,685	\$ 43,137,788	\$ 38,319,715	\$ 33,867,248

City of Lafayette, Colorado
Water Utility Fund Continuing Disclosures
Year Ended December 31, 2024

Water Customer Information

Customer Class	2020		2021		2022		2023		2024	
	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers
Residential	8,325	340	8,370	342	8,184	403	8,254	398	8,654	404
Multi- family	447	1	463	1	539	1	553	1	567	1
Commercial/Industrial	340	-	346	-	396	9	348	1	362	1
Irrigation	178	6	180	6	166	5	218	6	229	6
Other	64	8	62	8	71	-	101	8	104	8
Total by Location	9,354	355	9,421	357	9,356	418	9,474	414	9,916	420
Total Customers		9,709		9,778		9,774		9,888		10,336

2024 Water Consumption and Revenue by Customer Class

Customer Class	Consumption (Thousands of Gallons)	Percent of Total Consumption	Total Revenues Collected	Percent of Total Billed
Residential	708,344	50.7%	\$ 8,412,534	53.8%
Multi- family	212,586	15.2%	2,343,993	15.0%
Commercial/ Industrial	167,640	12.0%	1,747,626	11.2%
Irrigation	202,135	14.5%	2,200,990	14.1%
Other	106,843	7.6%	917,559	5.9%
Total	1,397,548	100.0%	\$ 15,622,702	100.0%

History of Water Tap Revenue

Year	Water Taps Issued	Tap Fee Revenue Collected
2024	9	\$ 204,087
2023	77	1,192,548
2022	86	1,012,022
2021	49	1,897,693
2020	84	3,538,756

City of Lafayette, Colorado
Water Utility Fund Continuing Disclosures
Year Ended December 31, 2024

	2020	2021	2022	2023	2024
Revenues					
Metered water sales	\$ 9,971,907	\$ 9,659,867	\$ 11,611,141	\$ 10,331,899	\$ 15,622,702
Other	71,395	47,793	40,196	44,046	67,544
Total revenues	<u>10,043,302</u>	<u>9,707,660</u>	<u>11,651,337</u>	<u>10,375,945</u>	<u>15,690,246</u>
Expenditures					
Personnel	2,045,621	1,744,256	1,858,453	2,129,346	2,507,894
Operations	4,284,973	3,693,822	3,436,274	4,353,006	4,310,181
Depreciation/amortization	1,942,541	2,350,049	2,127,194	2,670,008	2,481,618
Total expenditures	<u>8,273,135</u>	<u>7,788,127</u>	<u>7,421,921</u>	<u>9,152,360</u>	<u>9,299,693</u>
Operating Income	1,770,167	1,919,533	4,229,416	1,223,585	6,390,553
Nonoperating Revenues (Expenses)					
Net investment income	840,462	(128,511)	(372,618)	1,694,602	1,753,715
Intergovernmental operating grants	-	-	-	-	66,102
Interest expense	(321,862)	(298,034)	(250,259)	(197,136)	(185,165)
Bond Fees	(303)	(303)	(303)	(334)	(334)
Lease revenue	-	-	35,007	48,775	71,142
Subscription revenue	-	-	-	16,608	-
Gain (loss) on disposal of assets	(71,622)	16,341	-	25,450	79,599
Income (loss) from equity interest in component	252,771	78,511	100,647	67,415	(83,987)
Total nonoperating revenues (expenses)	<u>699,446</u>	<u>(331,996)</u>	<u>(487,526)</u>	<u>1,655,380</u>	<u>1,701,072</u>
Income before Transfers and Capital Contributions	2,469,613	1,587,537	3,741,890	2,878,965	8,091,625
Transfers and Capital Contributions					
Tap and development fees	3,538,756	1,897,693	1,114,629	1,192,548	204,087
Payments in lieu of water	4,172,671	1,129,848	1,785,766	6,540,151	430,308
Developer dedications	155,798	-	61,431	169,791	401,747
Transfers out	-	-	(233,584)	-	-
Total transfers and capital contributions	<u>7,867,225</u>	<u>3,027,541</u>	<u>2,728,242</u>	<u>7,902,490</u>	<u>1,036,142</u>
Change in Net Position	10,336,838	4,615,078	6,470,132	10,781,455	9,127,767
Total Net Position, Beginning of Year	125,223,918	135,560,756	140,765,876	147,236,008	158,017,463
Adjustments	-	590,042	-	-	-
Fund Balance, End of Year	<u>\$ 135,560,756</u>	<u>\$ 140,765,876</u>	<u>\$ 147,236,008</u>	<u>\$ 158,017,463</u>	<u>\$ 167,145,230</u>

City of Lafayette, Colorado
Water Reclamation Utility Fund Continuing Disclosures
Year Ended December 31, 2024

Water Reclamation Customer Information

Customer Class	2020		2021		2022		2023		2024	
	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers
Residential	8,249	44	8,299	44	8,279	62	8,239	56	8,638	58
Multi-family	446	1	464	1	556	-	551	-	565	-
Commercial/Industrial	333	-	344	-	400	-	342	-	354	-
Irrigation	3	-	3	-	3	-	-	-	-	-
Other	67	1	67	1	13	-	80	-	83	-
Total by Location	9,098	46	9,177	46	9,251	62	9,212	56	9,640	58
Total Customers		9,144		9,223		9,313		9,268		9,698

Historical Revenue by Customer Class

Customer Class	2020		2021		2022		2023		2024	
	Total Revenues Collected	Percent of Total Billed	Total Revenues Collected	Percent of Total Billed	Total Revenues Collected	Percent of Total Billed	Total Revenues Collected	Percent of Total Billed	Total Revenues Collected	Percent of Total Billed
Residential	\$ 3,567,163	61.7%	\$ 3,795,010	61.3%	\$ 3,693,125	55.8%	\$ 3,952,909	57.2%	\$ 4,363,877	57.7%
Multi-family	1,485,040	25.7%	1,698,570	27.5%	2,160,595	32.7%	2,145,207	31.0%	2,314,538	30.6%
Commercial/Industrial	597,480	10.4%	584,538	9.5%	746,061	11.3%	665,166	9.7%	727,944	9.6%
Irrigation	1,137	0.0%	1,578	0.0%	1,601	0.0%	-	0.0%	-	0.0%
Other	127,175	2.2%	106,646	1.7%	13,384	0.2%	146,962	2.1%	160,612	2.1%
Total	\$ 5,777,995	100.0%	\$ 6,186,342	100.0%	\$ 6,614,766	100.0%	\$ 6,910,244	100.0%	\$ 7,566,971	100.0%

History of Water Reclamation Tap Revenue

Year	Water Reclamation Taps Issued	Tap Fee Revenue Collected
2024	9	\$ 56,551
2023	77	777,009
2022	86	661,218
2021	49	845,339
2020	84	1,951,189

City of Lafayette, Colorado
Water Reclamation Utility Fund Continuing Disclosures
Year Ended December 31, 2024

	2020	2021	2022	2023	2024
Revenues					
Metered water sales	\$ 5,777,995	\$ 6,186,342	\$ 6,614,766	\$ 6,910,244	\$ 7,566,971
Other	2,467	8,388	-	31	2,142
Total revenues	5,780,462	6,194,730	6,614,766	6,910,275	7,569,113
Expenditures					
Personnel	1,236,848	1,174,940	1,171,922	1,355,614	1,544,103
Operations	1,588,097	1,590,830	1,300,520	1,815,864	1,547,501
Depreciation/amortization	1,087,488	1,124,991	1,045,072	1,324,106	2,152,621
Total expenditures	3,912,433	3,890,761	3,517,514	4,495,584	5,244,225
Operating Income	1,868,029	2,303,969	3,097,252	2,414,691	2,324,888
Nonoperating Revenues (Expenses)					
Net investment income	314,753	(47,769)	739,405	2,705,413	1,760,071
Intergovernmental operating grants	3,187	-	-	-	-
Interest expense	(22,025)	(87,310)	(1,154,725)	(1,114,808)	(1,077,106)
Bond Fees	-	(425,877)	-	(330)	(330)
Subscription revenue	-	-	-	851	-
Gain on disposal of assets	2,857	-	-	2,250	26,224
Total nonoperating revenues (expenses)	298,772	(560,956)	(415,320)	1,593,376	708,859
Income before Transfers and Capital Contributions	2,166,801	1,743,013	2,681,932	4,008,067	3,033,747
Transfers and Capital Contributions					
Tap and development fees	1,951,189	845,339	702,969	777,009	56,551
Developer dedications	49,041	-	68,751	170,318	123,700
Transfers out	-	-	(217,169)	-	56,551
Total transfers and capital contributions	2,000,230	845,339	554,551	947,327	236,802
Change in Net Position	4,167,031	2,588,352	3,236,483	4,955,394	3,270,549
Total Net Position, Beginning of Year	36,175,369	40,342,400	43,191,654	46,428,137	51,383,531
Adjustments	-	260,902	-	-	-
Fund Balance, End of Year	\$ 40,342,400	\$ 43,191,654	\$ 46,428,137	\$ 51,383,531	\$ 54,654,080

City of Lafayette, Colorado
Local Highway Finance Report
Year Ended December 31, 2024

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

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

LOCAL HIGHWAY FINANCE REPORT		City or County: City of Lafayette
		YEAR ENDING (mm/yy): 12/23
This Information From The Records Of: City of Lafayette	Prepared By: Phone:	Karen Lancto 303-604-3532

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. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	16692816
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	263528
2. General fund appropriations	4993893	b. Snow and ice removal	450220
3. Other local imposts (from page 2)	8385325	c. Other	202589
4. Miscellaneous local receipts (from page 2)	1751669	d. Total (a. through c.)	916337
5. Transfers from toll facilities		4. General administration & miscellaneous	0
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1790830
a. Bonds - Original Issues		6. Total (1 through 5)	19399983
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	79742
7. Total (1 through 6)	15130887	b. Redemption	85200
3. Private Contributions	37920	c. Total (a. + b.)	164942
C. Receipts from State government (from page 2)	1124048	2. Notes:	
D. Receipts from Federal Government (from page 2)	565708	a. Interest	
E. Total receipts (A.7 + B + C + D)	16858563	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	164942
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	19564925

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

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	1926015	0	85200	1840815
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	2706362	16858563	19564925	0	0

Notes and Comments:

City of Lafayette, Colorado
Local Highway Finance Report
Year Ended December 31, 2024

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO YEAR ENDING (mm/yy): 12/24	
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	78,775	a. Interest on investments	407,406
b. Other local imposts:		b. Traffic Fines & Penalties	362,163
1. Sales Taxes	7,904,677	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	401,873	g. Other Misc. Receipts	
6. Total (1. through 5.)	8,306,550	h. Other	982,100
c. Total (a. + b.)	8,385,325	i. Total (a. through h.)	1,751,669
	(Carry forward to page 1)		(Carry forward to page 1)
III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	1,031,052	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	92,996	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal	565,708
f. Total (a. through e.)	92,996	g. Total (a. through f.)	565,708
4. Total (1. + 2. + 3.f)	1,124,048	3. Total (1. + 2.g)	565,708
	(Carry forward to page 1)		(Carry forward to page 1)
III. EXPENDITURES 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		98,082	98,082
c. Construction:			
(1). New Facilities		0	0
(2). Capacity Improvements		0	0
(3). System Preservation		2,814,211	2,814,211
(4). System Enhancement And Operation		13,780,523	13,780,523
(5). Total Construction (1)+(2)+(3)+(4)	0	16,594,734	16,594,734
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	0	16,692,816	16,692,816
	(Carry forward to page 1)		
Notes and Comments:			



Federal Awards Reports in Accordance
with the Uniform Guidance
December 31, 2024

City of Lafayette



Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Mayor, City Council, and City Manager
City of Lafayette, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Lafayette (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 and have issued our report thereon dated June 26, 2025.

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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified one deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001 that we consider to be a material weakness.

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*.

The 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.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Denver, Colorado
June 26, 2025



Independent Auditor's Report on Compliance for the Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

To the Honorable Mayor, City Council, and City Manager
City of Lafayette, Colorado

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the City of Lafayette's (the City) 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 the 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. Noncompliance 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.

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City 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. We issued our report thereon dated June 26, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Denver, Colorado
June 26, 2025

City of Lafayette
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal Financial Assistance Listing</u>	<u>Pass-through Entity Identifying Number</u>	<u>2024 Federal Expenditures</u>
<u>U.S. Department of Justice</u>			
Direct Program			
Bulletproof Vest Partnership Program	16.607	*	\$ 8,690
Total Department of Justice			<u>8,690</u>
<u>U.S. Department of Transportation</u>			
Highway Planning and Construction Cluster:			
Passed through Colorado Department of Transportation			
Transportation Alternatives Program	20.205	TAP M750-002	4,230,699
Passed through Colorado Department of Transportation			
National Priority Safety Programs	20.616	*	<u>2,124</u>
Total U.S. Department of Transportation			<u>4,232,823</u>
<u>Department of Treasury</u>			
Passed through Colorado Department of Local Affairs			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	*	118,823
Total Department of Treasury			<u>118,823</u>
<u>Environmental Protection Agency</u>			
Passed through Colorado Department of Public Health & Environment			
Drinking Water State Revolving Fund	66.468	*	<u>46,900</u>
Total Environmental Protection Agency			<u>46,900</u>
Total Federal Financial Assistance			<u><u>\$ 4,407,236</u></u>

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of the City of Lafayette (the City) under programs of the federal government for the year ended December 31, 2024. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Costs 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 fund balance, or cash flows of the City.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the modified accrual basis of accounting. When applicable, 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. No federal financial assistance has been provided to a subrecipient.

Note 3 - Indirect Cost Rate

The City does not draw for indirect administrative expenses and has not elected to use the 10% de minimis cost rate.

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No

Identification of major programs:

<u>Name of Federal Program</u>	<u>Federal Financial Assistance Listing</u>
Transportation Alternatives Program	20.205
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

2024-001: **Restatement and Material Adjustment**
 Material Weakness

Criteria: The City is required to provide accurate GAAP basis financial data for preparation of the annual financial statements. Additionally, a good system of internal accounting control contemplates an adequate system for recording, processing and reconciling account balances to the financial statements.

Condition: During 2024, management identified the following adjustment that was recorded in order to fairly present the financial statements in accordance with GAAP:

- A material adjustment resulting in a restatement was made to one of the City's discretely presented component units. The adjustment was to record Lafayette Urban Renewal Authority (LURA) notes receivables totaling approximately \$742,000.

Cause: The City's financial statement reconciliation controls failed to prevent, or detect on a timely basis, errors in the financial statements.

Effect: Management has posted a correcting journal entry and restated the financial statements for the material item noted above.

Recommendation: We recommend the City continue to improve controls surrounding the performance and approvals of reconciliations related to year-end financial close related to its discretely presented component units.

Views of Responsible Officials: Agree.

Section III – Federal Award Findings and Questioned Costs

None

Management's Response to Auditor's Findings:
Summary Schedule of Prior Audit Findings and
Corrective Action Plan
December 31, 2024

Prepared by Management of
City of Lafayette



Summary Schedule of Prior Audit Findings

Finding 2023-001 Financial Statement Preparation

Initial Fiscal Year Finding Occurred: 2023

Finding Summary: Eide Bailly LLP identified subscription contracts that were incorrectly reported in the financial statements.

Status: Resolved. No issues noted in current year.



Corrective Action Plan

**Finding 2024-001 Restatement and Material Audit Adjustment
Material Weakness**

Finding Summary: During 2024, management of the City discovered that approximately \$742,000 of notes receivable for Lafayette Urban Renewal Authority (LURA) had not been recorded during prior years. Management posted a correcting entry in 2024 to record the missing receivables, which resulted in a restatement of the City's financial statements as of 1/1/24.

Responsible Individuals: City of Lafayette Finance Department

Corrective Action Plan: The City established a new process to review all known notes receivables with the Executive Director of LURA as well as create a repository of information and dates about any and all existing notes receivable agreements that will be regularly updated throughout the year. Finance will also be involved during discussions surrounding the development and issuance of new notes receivable to ensure they are accounted for as soon as they are issued.

Anticipated Completion Date: Corrected and Ongoing