

WHEAT RIDGE NEXT 2024 CHAPTER FINANCIAL STATEMENTS



City of Wheat Ridge

Annual Financial Statements and Independent Auditors' Report

**For the year ended
December 31, 2024**

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Introductory Section

**CITY OF WHEAT RIDGE
CITY OFFICIALS
DECEMBER 31, 2024**

MAYOR

Bud Starker

CITY COUNCIL

District 1

Jenny Snell
Janeece Hoppe

District 2

Rachel Hultin
Scott Ohm

District 3

Korey Stites
Amanda Weaver

District 4

Leah Dozeman
Dan Larson

SENIOR DEPUTY CITY CLERK

Margy Greer

MUNICIPAL JUDGE

Jonathan Lucero

CITY TREASURER

Christopher Miller

CITY ATTORNEY

Gerald Dahl

CITY MANAGER

Patrick Goff

DEPUTY CITY MANAGER

Allison Scheck

DIRECTOR OF COMMUNITY DEVELOPMENT

Lauren Mikulak

DIRECTOR OF PARKS & RECREATION

Karen O'Donnell

DIRECTOR OF PUBLIC WORKS

Maria D'Andrea

CHIEF OF POLICE

Christopher Murtha

FINANCE MANAGER

Mark Colvin

HUMAN RESOURCES MANAGER

Carli Seeba


PROCUREMENT MANAGER


Whitney Mugford-Smith

Financial Section



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Independent Auditors' Report

Honorable Mayor and the City Council
City of Wheat Ridge, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wheat Ridge, Colorado (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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wheat Ridge, Colorado, as of December 31, 2024 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits 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. Our responsibilities under those standards are further described in the Auditors' 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 audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America 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.

Auditors' 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 auditors' 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 generally accepted auditing standards 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 generally accepted auditing standards 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 and budgetary comparisons, as listed in the table of contents, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial

statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 accompanying combining and individual nonmajor fund financial statements, budgetary comparison schedules, schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Local Highway Finance Report, 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. Such information has been subjected to the auditing procedures applied in the audit of the 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 combining and individual nonmajor fund financial statements, budgetary comparison schedules, schedule of expenditures of federal awards, and Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

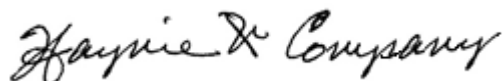
Other Information

Management is responsible for the other information included in the report. The other information comprises the introductory section. 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 August 15, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Littleton, Colorado
August 15, 2025

**City of Wheat Ridge
Management's Discussion and Analysis
December 31, 2024**

**CITY OF WHEAT RIDGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

As management of the City of Wheat Ridge, we offer this narrative overview and analysis of the financial activities of the City of Wheat Ridge for the fiscal year ended December 31, 2024. Please read it in conjunction with the City's financial statements, which follow this section.

Financial Highlights

- The assets of the City of Wheat Ridge exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2024 by \$193.9 million (net position). Of this amount, \$28.7 million (unrestricted net position) may be used to meet the City's ongoing obligations to residents and creditors.
- At the close of fiscal year 2024, the City of Wheat Ridge's governmental funds reported combined ending fund balances of \$67.2 million, an increase of approximately \$16.8 million compared to the prior year. Approximately \$8.3 million (12.3%), is available for spending at the City's discretion (unassigned fund balance).
- At the end of the fiscal year 2024, unassigned fund balance for the General Fund was \$8.3 million, or 17% of total General Fund expenditures.
- General Fund actual revenues were \$0.3 million more than final budgeted revenue for the fiscal year 2024 and actual expenditures were \$2.9 million less than final budgeted expenditures.

Overview of the Financial Statements

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

Government-wide financial statements. The government-wide financial statements report information on all activities of the City and its component unit (Wheat Ridge Urban Renewal Authority).

The *statement of net position* presents information on all of the City of Wheat Ridge's assets, liabilities, and deferred inflows of resources, with the difference 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 of Wheat Ridge is improving or deteriorating.

The *statement of activities* presents information showing how the City of Wheat Ridge's net position changed during fiscal year 2024. 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 reported in this statement for some items will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused personal time off).

**CITY OF WHEAT RIDGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

The government-wide financial statements include not only the City itself, but also the legally separate Wheat Ridge Urban Renewal Authority for which the City is financially accountable.

The governmental activities of the City include general government, economic development, community development, police, public works, and parks and recreation.

- **Fund financial statements.** The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.
 - Some funds are required by state law (like the Conservation Trust Fund).
 - The City Council establishes other funds to control and manage money for particular purposes (like the Public Art Fund) or to show that it is properly using certain taxes and grants (like the Conservation Trust Fund).

The City has one type of fund:

Governmental funds: All of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether or not there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information on the subsequent pages is provided to explain the relationship (or differences) between them.

Financial Analysis of the City as a Whole

Net position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Wheat Ridge, assets exceeded liabilities and deferred inflows of resources by \$193.9 million at the close of the 2024 fiscal year.

The largest portion of the City of Wheat Ridge's net position (81%) reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery, and equipment). The City of Wheat Ridge uses these capital assets to provide services to residents; consequently, these assets are not available for future spending.

An additional portion of the City of Wheat Ridge's net position (4%) represents resources that are subject to external restrictions on how they may be used (capital projects, open space and parks, police investigations, crime prevention activities, government access channel and emergency reserves). The remaining balance of unrestricted net position (\$28.7 million) may be used to meet the City's obligations to residents and creditors.

At the end of the current fiscal year, the City of Wheat Ridge is able to report positive balances in net position for the City as a whole. The same situation held true for the prior fiscal year. Our analysis below focuses on the net position and changes in net position of the City.

**CITY OF WHEAT RIDGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

City of Wheat Ridge Condensed Statements of Net Position

	Governmental Activities	
	2024	2023
Current and Other Assets	\$ 82,727,022	\$ 65,714,147
Capital Assets	166,362,172	144,320,934
Total Assets	249,089,194	210,035,081
Other Liabilities	9,192,039	9,786,585
Long-Term Liabilities	42,254,866	15,618,184
Total Liabilities	51,446,905	25,404,769
Deferred Inflows of Resources	3,675,052	1,704,558
Net Position		
Net Investment in Capital Assets	157,207,929	123,900,294
Restricted	8,008,117	19,774,297
Unrestricted	28,751,192	39,251,163
	\$ 193,967,238	\$ 182,925,754

Governmental Activities

- Current and other assets increased 26% in 2024 primarily due to \$33.3 million in proceeds from the issuance of New Chapter revenue bonds in October 2024.
- Capital assets increased by 15% due primarily to continuing investment in the Wadsworth Improvement and The Green Ridge at 38th projects.
- Other Liabilities decreased by 6% relating primarily to lower payables at the end of 2024 compared to the same prior year-end.
- Long-term liabilities increased \$38.7 million as a result of the issuance of New Chapter revenue bonds in October 2024. The increase was offset by a decrease of \$12.6 million resulting from the early retirement of the Investing 4 the Future revenue bonds in October 2024.

**CITY OF WHEAT RIDGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

City of Wheat Ridge Changes in Net Position

	2024	2023
REVENUES		
Program Revenues		
Charges for Services	\$ 6,122,932	\$ 5,983,905
Operating Grants and Contributions	2,408,711	2,145,393
Capital Grants and Contributions	14,931,787	22,108,542
General Revenues		
Property Taxes	1,512,455	1,248,008
Sales taxes	31,367,654	29,499,885
Use taxes	5,272,043	5,814,604
Franchise taxes	1,891,358	2,003,753
Lodgers taxes	2,160,938	2,182,657
Other taxes	965,002	998,907
Investment income	2,308,626	2,142,676
Miscellaneous	955,194	2,228,012
Total Revenues	69,896,700	76,356,342
 EXPENSES		
General government	19,006,348	16,229,869
Economic Development	1,585,779	1,457,325
Community Development	3,167,385	3,399,500
Police	16,213,100	14,901,981
Public Works	7,309,672	9,548,837
Parks and Recreation	10,824,436	8,830,828
Interest on long-term debt	748,496	475,715
Total Expenses	58,855,216	54,844,055
 CHANGE IN NET POSITION	 11,041,484	 21,512,287
 NET POSITION, BEGINNING OF YEAR	 <u>182,925,754</u>	 <u>161,413,467</u>
 NET POSITION, END OF YEAR	 <u>\$ 193,967,238</u>	 <u>\$ 182,925,754</u>

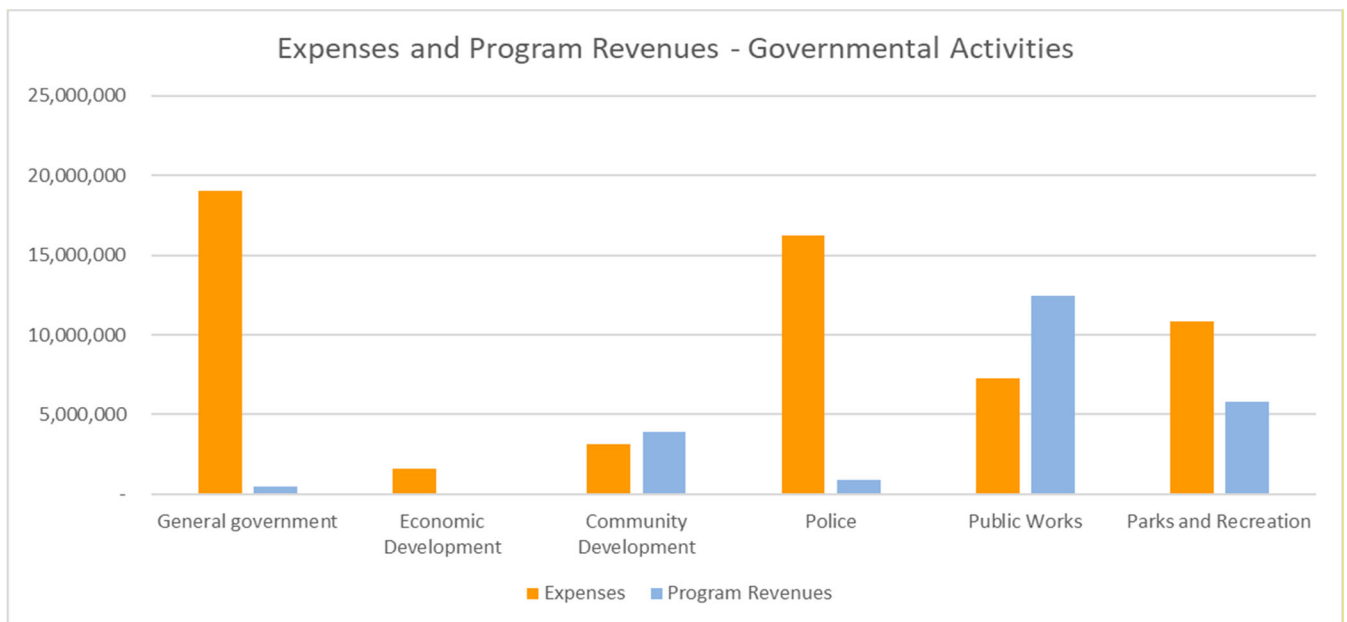
General Government expenses include budgets for the City Treasurer, Legislative Services, Financial Services, City Manager, Economic Development, City Attorney, City Clerk's Office, Municipal Court, Administrative Services, Human Resources, Communications, Homeless Navigation, Sustainability, Procurement, Information Technology and Central Charges.

- Taxes in the aggregate increased 4% compared to 2023. The increase is attributable to strong sales tax growth offsetting small decreases in use, franchise and lodgers' taxes.
- Charges for Services increased 2% compared to 2023 due to increased participation in the City's parks and recreation facilities and programs.

**CITY OF WHEAT RIDGE
MANAGEMENT’S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

- Operating Grants and Contributions increased 12% primarily due to increases in the distributions from HUTF and Jefferson County Road and Bridge compared to 2023.
- Capital Grants and Contributions decreased 32% due to the completion of the Ward TOD project resulting in a decrease in Federal and local government reimbursements.
- Overall expenses increased 8% in 2024 compared to 2023, due mostly to city-wide personnel cost and benefit increases, facility maintenance projects, city-wide planning projects and capital outlays not qualifying for capitalization.

The following chart illustrates the City’s program revenues and expenses by function:



Financial Analysis of the City’s Funds:

The focus of the City of Wheat Ridge’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 of Wheat Ridge’s financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2024, the City of Wheat Ridge’s governmental funds reported combined ending fund balances of \$67.2 million, an increase of \$16.7 million in comparison with the prior year. Approximately 12.3% of this total amount (\$8.3 million) constitutes unassigned fund balance, which is available for spending at the City’s discretion.

**CITY OF WHEAT RIDGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been restricted or shown as non-spendable for:

Developer Loan Receivable	\$ 1,085,000
Prepaid items	\$ 15,000
Capital Projects - Next Chapter Bond Fund	\$ 33,924,607
Open Space and Parks	\$ 5,636,723
Crime Prevention Activities Fund	\$ 639,361
Government Access Channel	\$ 179,862
TABOR mandated reserves	\$ 1,552,171
or committed to:	
Municipal Court Fund	\$ 72,290
Public Art Fund	\$ 690,850
Wheat Ridge Housing Fund	\$ 326,123
or assigned to:	
Subsequent year's budget	\$ 5,164,449
Capital Projects	\$ 9,074,605
Equipment replacement	\$ 587,447

The General Fund is the chief operating fund of the City of Wheat Ridge. At the end of fiscal year 2024, unassigned fund balance of the General Fund was \$8.3 million, while total General Fund balance decreased to approximately \$16.2 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 17% of total General Fund expenditures, while total fund balance represents 33% of that same amount.

The Open Space Fund was created in 1972 for the purpose of acquiring, developing and maintaining open space and park properties within the City of Wheat Ridge. Major projects in 2024 include continued work on The Green Ridge at 38th project and maintenance of the trail systems and parks. At the end of 2024, the Open Space Fund balance was \$2.4 million lower than the prior year due to increased capital spending on The Green Ridge at 38th project.

The Capital Projects Fund uses assigned funds to upgrade, maintain, and expand the City of Wheat Ridge facilities, buildings, grounds, streets, parks, and roads. Compared to 2023, capital outlays were \$2.3 million higher primarily due to construction activity on the Wadsworth improvement project which is on track to be substantially complete by the end of 2025. The increase in spending was offset by transfers from the General, Investing in the Future and Next Chapter funds resulting in a \$0.2 million decrease in the Capital Projects Fund from 2023.

**CITY OF WHEAT RIDGE
MANAGEMENT’S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024**

The Urban Renewal Authority issued \$42.1 million of property tax increment revenue bonds in November 2021. The City created the URA Projects fund to facilitate the undertaking of a number of specific capital projects in the I-70/Kipling Corridors Urban Renewal Plan area. During 2024, \$2.1 million in capital outlays was spent on Ward TOD/52nd Avenue, the Recreation Center roof replacement and the Recreation Center heat recovery units. An additional \$1.1 million was spent on design and consulting services for other projects. A significant amount of funding for these projects comes from bond proceeds managed by the Urban Renewal Authority. Other funding comes from reimbursements to the City pursuant to several state and local intergovernmental agreements. The URA Projects fund is \$0.7 million lower than 2023 due to increased project spending.

In October 2024, commensurate with the issuance of Series 2024 revenue bonds, the City paid off its outstanding Series 2017A revenue bond indebtedness. Accordingly, the Investing 4 the Future fund was closed by the end of 2024.

In 2023, by way of ballot initiative 2J, Wheat Ridge voters extended a temporary ½ cent sales tax originally authorized in 2016. The voters wanted the City to address a number of concerns: roadways, sidewalk connectivity and drainage. In 2024, to address the concerns of the community, City Council approved the issuance of public indebtedness. Subsequently, underwriters approved the City for up to \$75 million in public borrowing. In October 2024, the City issued 2024 Series revenue bonds which yielded \$33.3 million in proceeds and the Next Chapter Fund was established. It is considered a major fund although spending was insignificant in 2024. Projects relevant to the concerns of the community have been identified and preliminary activities and spending are anticipated in 2025.

The City of Wheat Ridge has seven non-major funds that are restricted for, committed to, and assigned to a variety of purposes. The combined fund balance is \$2.9 million, which is a decrease of \$0.2 million compared to 2023.

General Fund Budgetary Highlights

The original budget was amended by City Council for a total of \$708,048 in supplemental budget appropriations throughout the 2024 fiscal year. These amendments can be briefly summarized as follows:

Supplemental Budget Appropriations: Organized from largest to smallest expenditure

- \$220,000 allocated to fund City Facility Feasibility and Planning Study
- \$200,000 allocated for Small Business Administration grant acceptance for Makerspace Phase II
- \$115,000 allocated for Department of Homeland Security Urban Area Security Initiative grant acceptance
- \$75,000 allocated to fund Council chamber improvements
- \$75,000 allocated for Colorado Department of Local Affairs Emergency Shelter acceptance
- \$23,046 allocated for Colorado Department of Early Childhood Grant Program acceptance

**CITY OF WHEAT RIDGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024**

Actual tax, license and permit revenue in the General Fund varied from the final budgeted amounts by \$1.3 million due to lower than anticipated sales and use tax from retailers and a shift in the timing of development projects resulting in lower than anticipated permit and licensing fees. Actual investment income exceeded budget by \$0.8 million due to the timing of spending invested funds on capital projects and due to high rates of return on investments related to continued high interest rates.

The 2024 General Fund budget was adopted using \$1,429,022 of the fund balance to balance the budget. Transfers of \$3,825,000 to the Capital Improvement Program for capital projects and \$100,000 to the Equipment Replacement Fund for the ERP project were made from the General Fund fund balance.

Capital Asset and Debt Administration

Capital Assets. The City of Wheat Ridge's investment in capital assets for its governmental activities as of December 31, 2024 amounts to \$166.4 million (net of accumulated depreciation). This investment in capital assets includes land, artwork, construction in progress, land improvements, buildings, vehicles, machinery and equipment, infrastructure, leases, subscription-based information technology arrangements (SBITAs) and software. Additional information on capital assets is provided in Note 5 of the financial statements.

Major capital asset additions during the 2024 fiscal year totaled \$49.2 million and included the following:

Construction in Progress in the amount of \$22.3 million

- Wadsworth improvement project
- Wadsworth path project
- Vehicles not yet placed in service
- Public Art installations
- The Green – Ridge at 38th

Infrastructure in the amount of \$21.4 million

- Youngfield Bridge
- Clear Creek Crossing, excluding the I-70 hook ramps
- Ward transit-oriented development (TOD) and 52nd Avenue
- Prospect Park Improvements - Phase II

Vehicles in the amount of \$1.4 million

- Two Police Patrol vehicles
- One Police Community Service vehicle
- One Elgin Crosswind I regenerative sweeper
- Five Parks Maintenance pickup trucks
- One Public Works pickup truck
- Two Parks Forestry utility trucks
- Winter-weather additions to Public Works dump truck

Land and Land Improvements in the amount of \$0.7 million

- Anderson Park Playground
- Land acquired through right of way acquisitions

**CITY OF WHEAT RIDGE
MANAGEMENT’S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024**

Artwork in the amount of \$0.2 million

- Clear Creek Crossing – “Agrarian Calling”
- Prospect Park – “Dancing Pony”

Machinery and Equipment in the amount of \$1.8 million

- Anderson Building boiler replacement
- Server room equipment and other information technology
- Rec center roof top heating units
- Various parks maintenance equipment
- Recreation center exercise equipment
- Recreation center lap pool filter replacement
- Public Works intersection control equipment

Buildings in the amount of \$1.3 million

- Rec center roof replacement
- City Hall court administration offices improvements
- Anderson Building – Makerspace improvements

Other smaller additions in the amount of \$.1 million related to software, leases and SBITAs

**City of Wheat Ridge’s Capital Assets
(Net of Depreciation and Amortization)**

	2024	2023
Land	\$ 17,080,975	\$ 16,916,967
Artwork	404,295	196,795
Construction in Progress	88,841,858	89,478,604
Land Improvements	14,876,392	15,195,950
Buildings	9,030,848	8,375,870
Vehicles	3,966,807	3,164,903
Machinery and Equipment	3,330,191	1,968,089
Infrastructure	27,945,721	7,931,832
Software	29,495	12,972
SBITAs	388,670	468,683
Right to Use Equipment	466,920	610,269
Total Capital Assets	\$ 166,362,172	\$ 144,320,934

Long-term debt. At the end of the 2024 fiscal year, the City of Wheat Ridge had total long-term debt outstanding of \$42.3 million. Of this amount, \$4.6 million is due within one year. This total debt represents future bond principal payable from the Next Chapter Bond Fund, future amortization of bond premium, compensated absences, claims payable, lease liabilities, and SBITA liabilities which are expected to be liquidated primarily with revenues of the General Fund. Additional information for long-term debt is provided in Note 6 to the financial statements.

**CITY OF WHEAT RIDGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024**

Economic Factors and Next Year's Budgets and Rates

The City's sales and use tax rate is 3.5%. 3% is assigned to the General Fund to cover general operating expenditures. The additional .5% was first approved by Wheat Ridge voters in November 2016 to pay for specific capital projects identified in the Investing for the Future (Fund 31) and extended for 20 years at the November 2023 election to fund \$75 million in roadway, stormwater, and sidewalk improvement projects. The 2024 series sales tax bonds were issued in October 2024, generating approximately \$33 million in project funds. A second tranche is planned for issuance in 2027 or 2028.

Sales tax revenues outperformed expectations in 2024, experiencing 7.4% growth over 2023 actual results. Following a year of no growth from 2022 to 2023, this strong rebounding of the City's biggest revenue stream is promising. Use tax, another significant revenue stream for the City at approximately 11% of General Fund revenues, declined in 2024 due to the timing of development projects that were anticipated but did not pull permits in 2024. These larger building projects are active and will likely pull construction permits in 2025, thus the revenue itself will be recorded in a different period than originally budgeted. Revenues received from services such as recreation and police related fees showed strength in 2024, increasing almost 10% over 2023 results. Investment income improved 25% over 2023.

Economic development across the city continues to change and evolve. As the Wadsworth Improvement Project visibly approaches completion, new businesses including a Dutch Brothers and Starbucks coffee shop have been attracted to the corridor. Overall, the reshaping of this major commercial corridor is attracting investment that will materialize over the coming years. The vibrant Applewood Village Shopping Center continues to attract new tenants, although the recent closure of the Uncle Julio's Hacienda Colorado requires backfilling.

The Clear Creek Crossing project entitlements and public finance agreement were approved in 2018, and infrastructure construction is complete. The first business on the new development, a Maverik Adventures First Stop (fka 'Kum & Go') gas station, opened in 2021 along with a multifamily housing development. Foothills Credit Union and Dutch Brothers opened in 2022 and Life Time Fitness opened in March 2024. Intermountain Health's (fka "SCL Health") new hospital and medical campus opened on August 3, 2024. A Hampton Inn hotel is nearing completion and is due to open in the summer of 2025 and construction of the Lookout, the premier dining and entertainment destination at Clear Creek Crossing, is under construction. The Lookout will include Prost Brewing Co., The Agora at Applewood (an innovative dining collective), HashTAG and a public park including a stage, amphitheater, playground and community game lawn. The developer is finalizing the leasing plan for additional potential tenants to include retail, food and beverage, hospitality and entertainment. Once the project is fully built out, sales tax, lodging, admissions and use tax revenue is projected to total \$1.8 million annually.

Renewal Wheat Ridge (RWR), the City's Urban Renewal Authority, issued tax-exempt bonds in November 2021 to fund various capital projects within the I-70/Kipling Corridors Urban Renewal Plan area. The total bond issuance provided approximately \$36 million in project funds to be used by RWR and the City to design and construct public improvements in the Plan area. Projects funded through this program target the Plan area's transportation corridors and include beautification and multimodal improvements on Youngfield Street, improvements to major intersections, development assistance for public improvements of commercial developments, and drainage improvements.

**CITY OF WHEAT RIDGE
MANAGEMENT’S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024**

The redeveloped Gold’s Marketplace site at 26th and Kipling has attracted several new businesses and is now approaching full occupancy, becoming a vibrant neighborhood shopping center. New businesses that opened in 2024 include The Werks, Heidi’s Brooklyn Deli, Illegal Pete’s and Rich Spirit Bagels. The revitalized neighborhood shopping center is popular with neighbors, commuters and residents from neighboring jurisdictions.

The adopted 2025 fiscal year budget is \$95 million. It includes a \$48.7 million operating budget, \$12.8 million 2J Next Chapter Bonds Fund budget, \$26 million in other capital improvement project funds and \$8 million in special revenue budgets.

Requests for Information

This financial report is designed to provide a general overview of the City of Wheat Ridge’s finances for those with an interest in the City’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Finance Manager
City of Wheat Ridge
7500 W. 29th Avenue
Wheat Ridge, Colorado 80031

Basic Financial Statements

City of Wheat Ridge
Statement of Net Position
December 31, 2024

	<u>PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES</u>	<u>COMPONENT UNIT URBAN RENEWAL AUTHORITY</u>
ASSETS		
Cash and investments	\$ 34,733,611	\$ 22,377,630
Restricted cash and investments	33,327,171	12,533,091
Accounts receivable	4,373,607	122,698
Property tax receivable	1,461,975	4,965,681
Intergovernmental receivables	5,717,407	-
Lease receivable	2,013,251	-
Loan receivable	1,085,000	-
Prepaid items	15,000	-
Capital assets, not being depreciated or amortized	106,327,128	-
Capital assets, net of accumulated depreciation and amortization	<u>60,035,044</u>	<u>4,874,883</u>
TOTAL ASSETS	<u>249,089,194</u>	<u>44,873,983</u>
LIABILITIES		
Accounts payable	3,928,629	2,419,836
Accrued liabilities	1,894,001	-
Retainage payable	2,690,465	-
Refundable deposits	178,761	-
Unearned revenues	58,890	-
Accrued interest payable	441,293	154,575
Noncurrent liabilities:		
Due within one year	4,595,326	2,329,128
Due in more than one year	<u>37,659,540</u>	<u>44,707,819</u>
TOTAL LIABILITIES	<u>51,446,905</u>	<u>49,611,358</u>
DEFERRED INFLOWS OF RESOURCES		
Property taxes	1,461,975	4,965,681
Leases	2,007,208	-
Deferred gain on refunding, net of amortization	<u>205,869</u>	<u>-</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>3,675,052</u>	<u>4,965,681</u>
NET POSITION		
Net investment in capital assets	157,207,929	-
Restricted for:		
Capital projects	-	7,980,266
Open space and parks	5,636,723	-
Crime prevention activities	639,361	-
Government access channel	179,862	-
Emergencies	1,552,171	-
Unrestricted	<u>28,751,192</u>	<u>(17,683,322)</u>
TOTAL NET POSITION	<u>\$ 193,967,238</u>	<u>\$ (9,703,056)</u>

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

City of Wheat Ridge
Statement of Activities
For the Year Ended December 31, 2024

<u>Functions / Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Change in Net Position</u>	
					<u>Primary Governmental Activities</u>	<u>Component Unit Urban Renewal Authority</u>
PRIMARY GOVERNMENT						
Governmental activities:						
General government	\$ 19,006,348	396,054	\$ 102,678	\$ -	\$ (18,507,616)	\$ -
Economic development	1,585,779	-	-	-	(1,585,779)	-
Community development	3,167,385	1,343,710	-	2,537,881	714,206	-
Police	16,213,100	399,144	474,911	-	(15,339,045)	-
Public works	7,309,672	525,977	1,807,187	10,104,061	5,127,553	-
Parks and recreation	10,824,436	3,458,047	23,935	2,289,845	(5,052,609)	-
Interest on long-term debt	748,496	-	-	-	(748,496)	-
Total Primary Government	<u>\$ 58,855,216</u>	<u>\$ 6,122,932</u>	<u>\$ 2,408,711</u>	<u>\$ 14,931,787</u>	(35,391,786)	-
COMPONENT UNIT						
Urban Renewal Authority	<u>\$ 7,573,535</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	(7,573,535)
GENERAL REVENUES						
					1,512,455	5,309,214
					31,367,654	739,764
					5,272,043	-
					1,891,358	-
					2,160,938	-
					965,002	-
					2,308,626	1,532,907
					955,194	18,004
					<u>46,433,270</u>	<u>7,599,889</u>
CHANGE IN NET POSITION					<u>11,041,484</u>	<u>26,354</u>
NET POSITION, BEGINNING					<u>182,925,754</u>	<u>(9,729,410)</u>
NET POSITION, ENDING					<u>\$ 193,967,238</u>	<u>\$ (9,703,056)</u>

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

City of Wheat Ridge
Balance Sheet
Governmental Funds
December 31, 2024

	General	Open Space	Capital Projects	URA Projects	Investing 4 the Future	Next Chapter Bond	Other Governmental Funds	Totals
ASSETS								
Cash and investments	\$ 14,323,949	\$ 5,665,577	\$ 7,698,702	\$ 4,117,308	\$ -	\$ -	\$ 2,928,075	\$ 34,733,611
Restricted cash and investments	-	-	-	-	-	33,327,171	-	33,327,171
Accounts receivable	3,705,681	-	29,301	-	-	597,436	41,189	4,373,607
Property taxes receivable	1,461,975	-	-	-	-	-	-	1,461,975
Intergovernmental receivables	394,996	331,623	4,613,074	377,714	-	-	-	5,717,407
Lease receivables	2,013,251	-	-	-	-	-	-	2,013,251
Loans receivable	1,085,000	-	-	-	-	-	-	1,085,000
Prepaid items	15,000	-	-	-	-	-	-	15,000
Total Assets	<u>\$ 22,999,852</u>	<u>\$ 5,997,200</u>	<u>\$ 12,341,077</u>	<u>\$ 4,495,022</u>	<u>\$ -</u>	<u>\$ 33,924,607</u>	<u>\$ 2,969,264</u>	<u>\$ 82,727,022</u>
LIABILITIES								
Accounts payable	\$ 1,506,760	\$ 632,908	\$ 1,611,720	\$ 131,701	\$ -	\$ -	\$ 45,541	\$ 3,928,630
Accrued liabilities	1,528,899	144,112	-	187,918	-	-	33,072	1,894,001
Retainage payable	-	158,037	2,137,149	395,279	-	-	-	2,690,465
Refundable deposits	178,761	-	-	-	-	-	-	178,761
Unearned revenues	58,890	-	-	-	-	-	-	58,890
Total Liabilities	<u>3,273,310</u>	<u>935,057</u>	<u>3,748,869</u>	<u>714,898</u>	<u>-</u>	<u>-</u>	<u>78,613</u>	<u>8,750,747</u>
DEFERRED INFLOWS OF RESOURCES								
Property taxes	1,461,975	-	-	-	-	-	-	1,461,975
Leases	2,007,208	-	-	-	-	-	-	2,007,208
Grants	-	-	3,054,105	243,622	-	-	-	3,297,727
Total Deferred Inflows of Resources	<u>3,469,183</u>	<u>-</u>	<u>3,054,105</u>	<u>243,622</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,766,910</u>
FUND BALANCES								
Nonspendable:								
Loans receivable	1,085,000	-	-	-	-	-	-	1,085,000
Prepaid items	15,000	-	-	-	-	-	-	15,000
Restricted for:								
Capital projects	-	-	-	-	-	33,924,607	-	33,924,607
Open space and parks	-	5,062,143	-	-	-	-	574,580	5,636,723
Crime prevention activities	-	-	-	-	-	-	639,361	639,361
Government Access Channel	179,862	-	-	-	-	-	-	179,862
Emergencies	1,552,171	-	-	-	-	-	-	1,552,171
Committed to:								
Municipal court	-	-	-	-	-	-	72,290	72,290
Housing	-	-	-	-	-	-	326,123	326,123
Public art	-	-	-	-	-	-	690,850	690,850
Assigned to:								
Subsequent year's budget	5,164,449	-	-	-	-	-	-	5,164,449
Capital projects	-	-	5,538,103	3,536,502	-	-	-	9,074,605
Equipment replacement	-	-	-	-	-	-	587,447	587,447
Unassigned	8,260,877	-	-	-	-	-	-	8,260,877
Total Fund Balances	<u>16,257,359</u>	<u>5,062,143</u>	<u>5,538,103</u>	<u>3,536,502</u>	<u>-</u>	<u>33,924,607</u>	<u>2,890,651</u>	<u>67,209,365</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 22,999,852</u>	<u>\$ 5,997,200</u>	<u>\$ 12,341,077</u>	<u>\$ 4,495,022</u>	<u>\$ -</u>	<u>\$ 33,924,607</u>	<u>\$ 2,969,264</u>	<u>\$ 82,727,022</u>

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

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

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total fund balances - governmental funds	\$ 67,209,365
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources, and therefore, are not reported in governmental funds.	166,362,172
Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets (for example, receivables) are offset by deferred inflows of resources in the governmental funds and thus are not included in fund balance.	
Intergovernmental revenues	3,297,727
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds.	
Bonds payable	(34,845,000)
Bond premium	(3,856,048)
Deferred gain on bond refunding, net of amortization	(205,869)
SBITAs	(406,930)
Lease liabilities	(477,101)
Accrued compensated absences	(2,178,919)
Claims payable	(490,867)
Accrued interest payable	<u>(441,293)</u>
Net position of governmental activities as reported on the statement of net position	<u>\$ 193,967,238</u>

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

City of Wheat Ridge
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General	Open Space	Capital Projects	URA Projects	Investing 4 the Future	Next Chapter Bond	Other Governmental Funds	Totals
REVENUES								
Taxes	\$ 36,843,035	\$ -	\$ 432,363	\$ -	\$ 3,693,016	\$ 1,542,867	\$ 658,169	\$ 43,169,450
Licenses and permits	1,399,905	-	-	-	-	-	-	1,399,905
Intergovernmental	2,456,339	2,408,123	10,057,216	2,537,881	-	-	417,453	17,877,012
Charges for services	4,199,783	98,581	123,316	-	-	-	7,394	4,429,074
Fines and forfeitures	284,768	-	-	-	-	-	9,185	293,953
Investment income	1,710,329	12,944	6,178	-	477,910	28,514	72,751	2,308,626
Miscellaneous	601,068	-	61,088	-	-	-	-	662,156
TOTAL REVENUES	<u>47,495,227</u>	<u>2,519,648</u>	<u>10,680,161</u>	<u>2,537,881</u>	<u>4,170,926</u>	<u>1,571,381</u>	<u>1,164,952</u>	<u>70,140,176</u>
EXPENDITURES:								
Current:								
General government	15,384,701	-	-	1,124,435	500	334,855	211,302	17,055,793
Economic development	1,580,409	-	-	-	-	-	-	1,580,409
Community development	3,119,117	-	-	-	-	-	-	3,119,117
Police	14,760,665	-	-	-	-	-	749,219	15,509,884
Public works	3,581,693	-	-	-	-	-	-	3,581,693
Parks and recreation	7,495,501	631,749	-	-	-	-	2,678	8,129,928
Capital outlay	2,459,754	4,281,614	20,912,962	1,825,128	-	-	794,100	30,273,558
Debt Service:								
Principal	309,205	-	-	-	3,000,000	-	-	3,309,205
Interest	52,288	-	-	-	499,800	-	-	552,088
Total Expenditures	<u>48,743,333</u>	<u>4,913,363</u>	<u>20,912,962</u>	<u>2,949,563</u>	<u>3,500,300</u>	<u>334,855</u>	<u>1,757,299</u>	<u>83,111,675</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,248,106)	(2,393,715)	(10,232,801)	(411,682)	670,626	1,236,526	(592,347)	(12,971,499)
OTHER FINANCING SOURCES (USES)								
Sale of capital assets	121,076	-	-	-	-	-	-	121,076
Payment to refunded bond escrow agent - debt service	-	-	-	-	(9,168,583)	-	-	(9,168,583)
Bond proceeds	-	-	-	-	-	38,701,048	-	38,701,048
Leases/SBITAs	84,993	-	-	-	-	-	-	84,993
Transfers in	-	-	10,074,111	-	5,012,967	-	350,000	15,437,078
Transfers out	(3,925,000)	-	-	(250,000)	(5,249,111)	(6,012,967)	-	(15,437,078)
Total Other Financing Sources/(Uses)	<u>(3,718,931)</u>	<u>-</u>	<u>10,074,111</u>	<u>(250,000)</u>	<u>(9,404,727)</u>	<u>32,688,081</u>	<u>350,000</u>	<u>29,738,534</u>
NET CHANGE IN FUND BALANCES	(4,967,037)	(2,393,715)	(158,690)	(661,682)	(8,734,101)	33,924,607	(242,347)	16,767,035
FUND BALANCES, BEGINNING OF YEAR	<u>21,224,396</u>	<u>7,455,858</u>	<u>5,696,793</u>	<u>4,198,184</u>	<u>8,734,101</u>	<u>-</u>	<u>3,132,998</u>	<u>50,442,330</u>
FUND BALANCES, END OF YEAR	<u>\$ 16,257,359</u>	<u>\$ 5,062,143</u>	<u>\$ 5,538,103</u>	<u>\$ 3,536,502</u>	<u>\$ -</u>	<u>\$ 33,924,607</u>	<u>\$ 2,890,651</u>	<u>\$ 67,209,365</u>

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

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

Net change in fund balance - governmental funds \$ 16,767,035

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

Capital outlays used to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over the estimated useful lives as annual depreciation expense in the statement of activities.

Capital outlays	26,022,019
Depreciation and amortization expense	(4,152,742)
Contributed assets	193,965
Net book value of disposals	(22,004)

Some revenues reported in the statement of activities are not available as current financial resources and, therefore, are not reported as revenues in governmental funds. Examples are revenues from grant reimbursements.

Intergovernmental grants receivable	(536,514)
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Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not affect the statement of activities.

Bond payments	3,000,000
Funds transferred to bond escrow agent	9,120,000
Bond proceeds	(38,701,048)
SBITA payments	147,862
Lease payments	161,343

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Additionally, lease proceeds provide current financial resources for governmental funds, but issuing leases increases long-term liabilities in the statement of net position. This represents changes in the following:

Accrued interest payable	(387,726)
Amortization of premium	445,770
Deferred gain on bond refunding	(205,868)
Compensated absences	(536,991)
Claims payable	(188,624)
Lease/SBITA additions	(84,993)

Change in net position of governmental activities as reported on the statement of activities	\$ 11,041,484
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The accompanying notes are an integral part of these financial statements.

City of Wheat Ridge

Notes to Financial Statements

December 31, 2024

1. Summary of Significant Accounting Policies

The City of Wheat Ridge, Colorado (the City) was incorporated in August 1969, and became a home rule city in 1976, as defined by state statutes. The City is governed by a Mayor and eight-member Council elected by the residents.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America as applicable to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

The financial reporting entity consists of the City, organizations for which the City is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the City. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the City. Legally separate organizations for which the City is financially accountable are considered part of the reporting entity. Financial accountability exists if the City appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if there is a potential for the organization to provide benefits to, or impose financial burdens on, the City. Based on the application of these criteria, the City includes the following organization in its reporting entity.

The Wheat Ridge Urban Renewal Authority (the Authority) was created to redevelop or rehabilitate certain blighted areas within the City. The Authority board members are appointed by the Mayor and City Council. Although the Authority is legally separate from the City, the Authority's primary revenue source, tax increment financing, can only be established by the City. The Authority is discretely presented in the financial statements and does not issue separate financial statements.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the City and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported in a single column. The primary government is reported separately from the legally separate component unit for which the City is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are 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 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. Internally dedicated resources are reported as general revenues rather than as program revenues.

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

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

1. Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized when earned and expenses are recognized when the 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.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current year.

Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the City.

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, are recorded only when payment is due.

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

The City reports the following major governmental funds:

The *General Fund* is the general operating fund of the City. It is used to account for all financial resources except those accounted for in another fund.

The *Open Space Fund* accounts for County shared revenues, grants, and development fees restricted for the acquisition, construction, and maintenance of open space and parks.

The *Capital Projects Fund* accounts for the accumulation of resources from a lodgers tax, intergovernmental revenues and General Fund transfers for the acquisition or construction of major capital assets.

The *URA Projects Fund* accounts for the accumulation of resources from the proceeds of the Urban Renewal Authority tax revenue bond and for the acquisition or construction of major capital assets within the I-70/Kipling Corridor Urban Renewal Plan Area.

The *Investing 4 the Future* Fund accounts for the collection of a 0.5% sales and use tax approved by election to finance a portion of certain improvement projects. With the passage of 2J in November 2023, the sales and use tax from this ballot measure are now reported in the Next Chapter Bond fund.

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

1. Summary of Significant Accounting Policies (continued)

The *Next Chapter Bond Fund* accounts for the extension of the 0.5% sales and use tax previously accounted for in the Investing 4 the Future fund. This extension was approved by election 2J in 2023 to finance priority infrastructure projects.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Assets, Liabilities, and Net Position/Fund Balances

Receivables - Receivables include sales, use and lodgers' taxes, leases and loans. Receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Prepaid Items - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenses/expenditures when consumed rather than purchased.

Interfund Receivables and Payables - During the course of operations, certain transactions occur between individual funds. The resulting receivables and payables are classified on the balance sheet as *interfund receivables* and *interfund payables*. Any balances outstanding between the primary government and the discretely presented component unit are reported on the statement of activities as *due from* and *due to*.

Capital Assets - Capital assets, which include property, equipment, and infrastructure acquired or constructed since 1980, are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation. Intangible assets are reported at cost if they are identifiable.

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

Leases (Lessee) - The City is a lessee for noncancellable leases of equipment and a building. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the applicable governmental activities in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000.

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

1. Summary of Significant Accounting Policies (continued)

Assets, Liabilities, and Net Position/Fund Balances (continued)

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

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

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Leases (Lessor) - The City is a lessor for noncancellable leases of a building rooftop. The City recognizes a lease receivable and a deferred inflow of resources in the applicable governmental activities in the government-wide and in the governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

1. Summary of Significant Accounting Policies (continued)

Assets, Liabilities, and Net Position/Fund Balances (continued)

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

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

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

Subscription based information technology arrangements (SBITAs) - SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. The City recognizes SBITA assets with an initial value of \$25,000. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

Capital assets are depreciated or amortized using the straight-line method over the following estimated useful lives.

Land improvements	10 - 40 years
Buildings	10 - 40 years
Vehicles, machinery, & equipment	3 - 40 years
Infrastructure	20 - 50 years
Software	5 years

Unearned Revenues - Unearned revenues include business license fees collected in advance.

Compensated Absences - Employees of the City are allowed to accumulate personal time off up to a maximum based on years of service. Upon termination of employment from the City, an employee will be compensated for all personal time off at their current pay rate. A liability for compensated absences is recognized for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. Based on the criteria listed, personal time off qualifies for liability recognition for compensated absences. The liability for compensated absences is reported as incurred in the government-wide 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.

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

1. Summary of Significant Accounting Policies (continued)

Assets, Liabilities, and Net Position/Fund Balances (continued)

Deferred Inflows of Resources - Deferred inflows of resources include property taxes earned but levied for a subsequent year. In addition, deferred inflows of resources are reported in governmental funds for unavailable revenue for grant revenues collected over 60 days after year-end. These amounts are recognized as an inflow of resources in the period the revenue becomes available.

Long-Term Debt - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums and discounts are deferred and amortized over the life of the debt using the effective interest 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. Governmental funds recognize long-term liabilities only when payment is due. Payments of long-term debt are reported as current expenditures. Debt issuance costs are reported as current expenses or expenditures.

Net Position/Fund Balances - In the government-wide and fund financial statements, net position and fund balances are restricted when constraints placed on the use of resources are externally imposed. Governmental funds can report fund balance classifications of nonspendable, restricted, committed, assigned, and unassigned. The nonspendable classification is generally for prepaid expenses that are part of fund balance but not available for spending. Restricted amounts are not available for appropriation because they are legally restricted by an outside party for a specific purpose. Committed funds are reserved for a specific purpose by City Council and cannot be committed or uncommitted without formal action through resolution by City Council. In addition, by resolution the City Council has delegated to the City Manager or his designee the authority to assign fund balances for specific purposes.

Unassigned is a residual classification within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance.

As adopted by City Council policy, the City will maintain a minimum unrestricted fund balance of at least two months, or approximately 17%, of its General Fund operating expenditures.

When expenditures are incurred for a specific purpose for which both restricted and unrestricted fund balances are available, the City's policy is to use restricted amounts first, followed by committed, assigned, and unassigned amounts.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and collected in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the City on a monthly basis. Since property tax revenues are collected in arrears during the succeeding year, receivables and corresponding deferred inflows of resources are reported at year-end.

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

1. Summary of Significant Accounting Policies (continued)

Contraband Forfeitures

The Colorado Contraband Forfeiture Act allows law enforcement agencies to retain proceeds from the seizure of contraband. These transactions are reported in the Police Investigation Special Revenue Fund.

2. Cash and Investments

A summary of cash and investment accounts December 31, 2024, follows:

Petty cash	\$ 4,150
Cash deposits	18,384,302
Investments	<u>84,583,051</u>
Total	<u>\$ 102,971,503</u>

Cash and investments are reported in the financial statements as follows:

Cash and investments - primary government	\$ 34,733,611
Restricted cash and investments - primary government	33,327,171
Cash and investments - component unit	22,377,630
Restricted cash and investments - component unit	<u>12,533,091</u>
Total	<u>\$ 102,971,503</u>

Cash Deposits

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

At December 31, 2024, the City and the Authority had bank deposits with a carrying amount of \$1,532,645 and \$16,851,657, respectively, collateralized with securities held by the financial institutions' agents but not in their name.

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

2. Cash and Investments (continued)

Investments

The City and the Authority are required to comply with state statutes, which specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest. State statutes do not address custodial risk.

Through its investment policy, the City has further restricted allowable investments to the following:

- Obligations of the United States and U.S. Agency securities
- Corporate debt
- Commercial paper
- Bankers' acceptances
- Repurchase agreements collateralized by authorized securities
- General obligations of U.S. local government entities
- Guaranteed investment contracts
- Money market funds
- Local government investment pools

The City and the Authority had the following investments at December 31, 2024:

<u>Investment</u>	<u>Fair Value</u>	<u>Less than 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>More than 10 Years</u>	<u>Percentage of Investment</u>
U.S. Treasury securities	\$ 30,189,212	\$ -	\$ 30,189,212	\$ -	\$ -	35.69%
Corporate bonds	5,592,172	273,429	5,318,743	-	-	6.61%
Federal agency bond/note	4,518,747	485,840	4,032,907	-	-	5.34%
Federal agency commercial mortgage -backed security	8,826,037	-	8,826,037	-	-	10.43%
Municipal bonds	694,367	-	694,367	-	-	0.82%
Supra National Agency	325,715	-	325,715	-	-	0.39%
Local government investment bonds	34,288,097	34,288,097	-	-	-	40.54%
Money market funds	148,704	148,704	-	-	-	0.18%
Total	<u>\$ 84,583,051</u>	<u>\$ 35,196,070</u>	<u>\$ 49,386,981</u>	<u>\$ -</u>	<u>\$ -</u>	<u>100.00%</u>

Interest Rate Risk - State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk - State statutes limit certain investments to those with specified ratings from nationally recognized statistical rating organizations, depending on the type of investment.

<u>Investment</u>	<u>Fair Value</u>	<u>N/A</u>	<u>AAA</u>	<u>AA/AA-</u>	<u>A+AA-</u>	<u>BBB</u>
U.S. Treasury securities	\$ 30,189,212	\$ -	\$ -	\$ 30,189,212	\$ -	\$ -
Corporate bonds	5,592,172	-	-	5,592,172	-	-
Federal agency bond/note	4,518,747	-	-	4,518,747	-	-
Federal agency commercial mortgage -backed security	8,826,037	-	-	8,826,037	-	-
Municipal bonds	694,367	-	221,594	472,773	-	-
Supra National Agency	325,715	-	325,715	-	-	-
Total	<u>\$ 50,146,250</u>	<u>\$ -</u>	<u>\$ 547,309</u>	<u>\$ 49,598,941</u>	<u>\$ -</u>	<u>\$ -</u>

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

2. Cash and Investments (continued)

Investments (Continued)

Concentration of Credit Risk - Except for corporate securities, state statutes do not limit the amount the City may invest in any single investment or issuer.

Fair Value of Investments - The City and Authority categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

<u>Investments</u>	<u>December 31, 2024</u>	<u>Valuation</u>		
		<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. Treasury securities	\$ 30,189,212	\$ 30,189,212	\$ -	\$ -
Corporate bonds	5,592,172	-	5,592,172	-
Federal agency bond/note	4,518,747	4,518,747	-	-
Federal agency commercial mortgage -backed security	8,826,037	8,826,037	-	-
Municipal bonds	694,367	694,367	-	-
Supra National Agency	<u>325,715</u>	<u>325,715</u>	-	-
Total Investments by Fair Value Level	50,146,250	<u>\$ 44,554,078</u>	<u>\$ 5,592,172</u>	<u>\$ -</u>
Local government investment pools	34,288,097			
Money market funds	<u>148,704</u>			
	<u>\$ 84,583,051</u>			

Local Government Investment Pools - At December 31, 2024, the City had \$1,168,080 invested in the Colorado Surplus Asset Fund Trust (CSAFE) Core Fund, an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating CSAF. The external investment pool is measured at net asset value (NAV) with each share valued at \$2.00. CSAF Core is rated AA+ by Fitch. Investments of CSAF Core are limited to those allowed by state statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by participating governments. There are no unfunded commitments, the redemption frequency is daily with a 24-hour notification period, and a limit of three redemptions per month.

At December 31, 2024, the City and the Authority had \$8,115,326 and \$13,506,155, respectively, invested in the Colorado Statewide Investment Pool (CSIP) Liquid Portfolio, an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating CSIP. The external investment pool is measured at net asset value (NAV) per share with each share valued at \$1.00. Investments in the external investment pool are shown at amortized cost for financial reporting purposes. CSIP Liquid is rated AA+ by Standard and Poor's. Investments of CSIP Liquid are limited to those allowed by State statutes.

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

2. Cash and Investments (continued)

Investments (Continued)

A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by participating governments. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

At December 31, 2024, the City had \$8,115,000 invested in the Colorado Statewide Investment Pool (CSIP) Term Portfolio, an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating CSIP. The external investment pool is measured at net asset value (NAV) per share with each share valued at \$1.00. CSIP Term is rated AAAf by Fitch. Investments of CSIP Term are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by participating governments. There are no unfunded commitments, there is a seven-day notification period with potential early redemption penalties for withdrawal prior to maturity.

The Authority has \$4,551,617 in money market accounts at a financial institution which is valued at amortized cost.

3. Loans Receivable

The City entered into two loan agreements with the developer of the Fruitdale Lofts project. Under the agreements, the City committed to loan the developer \$470,000 and \$2,115,000. The first loan is due 35 years following substantial completion of the project, with interest accruing at 5% per annum beginning 20 years after substantial completion of the project.

Repayment terms for the second loan are dependent upon certain financing and equity contributions of the developer. The loan is due in 20 years, with interest accruing at 5% per annum commencing after completion of the project. During 2017, the project was under construction and the City had advanced the full amount of \$2,585,000 under these agreements. At December 31, 2024, the outstanding balance on the loans was \$1,085,000. The City did not receive principal or interest payments under either loan agreement during 2024.

4. Lease Receivable

The City, acting as lessor, leases a building rooftop under four long-term, non-cancelable lease agreements that expire in December 2028 and December 2032 and three agreements have (2) 5-year optional renewal terms the City expects to execute. During the year ended December 31, 2024, the City recognized \$73,772 and \$80,523 in lease revenue and interest revenue, respectively, pursuant to the contracts.

Total future minimum lease payments to be received under the lease agreement are as follows:

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

4. Lease Receivable (continued)

<u>Year Ended December 31,</u>	<u>Amount</u>
2025	\$ 82,730
2026	91,982
2027	101,830
2028	112,115
2029	123,438
2030-2034	739,038
2035-2038	762,118
	<u>\$ 2,013,251</u>

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City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

5. Capital Assets

Capital asset activity for the year ended December 31, 2024 is summarized below:

	Balance December 31, 2023	Transfers/ Additions	Transfers/ Retirements	Balance December 31, 2024
Governmental Activities				
Capital assets, not being depreciated				
Land	\$ 16,916,967	\$ 171,465	\$ (7,457)	\$ 17,080,975
Artwork	196,795	207,500	-	404,295
Construction in progress	<u>89,478,604</u>	<u>22,349,790</u>	<u>(22,986,536)</u>	<u>88,841,858</u>
Total capital assets, not being depreciated	<u>106,592,366</u>	<u>22,728,755</u>	<u>(22,993,993)</u>	<u>106,327,128</u>
Capital assets, being depreciated				
Land improvements	26,023,049	497,595	-	26,520,644
Buildings	24,276,096	1,286,505	-	25,562,601
Vehicles	7,457,203	1,393,804	(512,447)	8,338,560
Machinery and equipment	9,697,575	1,789,404	-	11,486,979
Infrastructure	71,830,486	21,406,171	-	93,236,657
Software	403,303	22,750	-	426,053
SBITAs	573,897	55,276	-	629,173
Right-to-use lease equipment	<u>895,886</u>	<u>29,717</u>	<u>-</u>	<u>925,603</u>
Total capital assets, being depreciated and amortized	<u>141,157,495</u>	<u>26,481,222</u>	<u>(512,447)</u>	<u>167,126,270</u>
Less accumulated depreciation and amortization:				
Land improvements	(10,827,099)	(817,153)	-	(11,644,252)
Buildings	(15,900,226)	(631,527)	-	(16,531,753)
Vehicles	(4,292,300)	(569,894)	490,441	(4,371,753)
Machinery and equipment	(7,729,486)	(427,302)	-	(8,156,788)
Infrastructure	(63,898,654)	(1,392,282)	-	(65,290,936)
Software	(390,331)	(6,227)	-	(396,558)
SBITAs	(105,214)	(135,289)	-	(240,503)
Right-to-use lease equipment	<u>(285,617)</u>	<u>(173,066)</u>	<u>-</u>	<u>(458,683)</u>
Total accumulated depreciation and amortization:	<u>(103,428,927)</u>	<u>(4,152,740)</u>	<u>490,441</u>	<u>(107,091,226)</u>
Total capital assets, being depreciated and amortized, net	<u>37,728,568</u>	<u>22,328,482</u>	<u>(22,006)</u>	<u>60,035,044</u>
Governmental activities capital assets, net	<u>\$ 144,320,934</u>	<u>\$ 45,057,237</u>	<u>\$ (23,015,999)</u>	<u>\$ 166,362,172</u>

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

5. Capital Assets (continued)

Depreciation and amortization expense was charged to programs of the City as follows:

General government	\$ 696,382
Community development	14,657
Police	416,350
Public works	1,565,294
Parks and recreation	1,460,057
	<u>\$ 4,152,740</u>

Capital asset activity for the Urban Renewal Authority for the year ended December 31, 2024 is summarized below.

	<u>Balance at December 31, 2023</u>	<u>Transfers/ Additions</u>	<u>Transfers/ Retirements</u>	<u>Balance at December 31, 2024</u>
Governmental activities				
Capital assets, not being depreciated				
Construction in progress	\$ 4,999,880	\$ -	\$ (4,999,880)	\$ -
Capital assets, being depreciated				
Infrastructure	-	4,999,880	-	4,999,880
Less accumulated depreciation and amortization:				
Infrastructure	-	(124,997)	-	(124,997)
Total capital assets	<u>\$ 4,999,880</u>	<u>\$ 4,874,883</u>	<u>\$ (4,999,880)</u>	<u>\$ 4,874,883</u>

6. Long-Term Debt

Following is a summary of long-term debt transactions for the year ended December 31, 2024.

	<u>Balance at December 31, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at December 31, 2024</u>	<u>Due Within One Year</u>
Governmental activities					
2017 Revenue Bonds	\$ 12,120,000	\$ -	\$ (12,120,000)	\$ -	\$ -
2017 bond premium	445,770	-	(445,770)	-	-
2024 Revenue Bonds	-	34,845,000	-	34,845,000	3,115,000
2024 bond premium	-	3,856,048	-	3,856,048	417,392
Compensated absences	1,641,926	4,254,995	(3,718,002)	2,178,919	272,769
Claims payable	302,244	270,048	(81,425)	490,867	490,867
SBITAs	469,800	84,993	(147,862)	406,931	129,691
Lease liabilities	638,444	-	(161,343)	477,101	169,608
Total	<u>\$ 15,618,184</u>	<u>\$ 43,311,084</u>	<u>\$ (16,674,402)</u>	<u>\$ 42,254,866</u>	<u>\$ 4,595,327</u>
Urban Renewal Authority private placement:					
Series 2021 Bonds	\$ 40,760,000	\$ -	\$ -	\$ 40,760,000	\$ 1,713,700
2021 Bond premium	6,892,375	-	(615,428)	6,276,947	615,428
Total	<u>\$ 47,652,375</u>	<u>\$ -</u>	<u>\$ (615,428)</u>	<u>\$ 47,036,947</u>	<u>\$ 2,329,128</u>

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

6. Long-Term Debt (continued)

2017 Revenue Bonds

On May 2, 2017, the City issued \$30,595,000 Sales and Use Tax Revenue Bonds, Series 2017A. Bond proceeds will be used to finance certain improvement projects. Interest accrues on the bonds at rates ranging from 3% to 5% per annum and is payable semi-annually on June 1 and December 1, beginning on December 1, 2017. Annual principal payments are due on December 1, from 2017 through 2027. After issuance of the bonds, the City has \$2,405,000 of debt authorization remaining from the related election. The bonds are payable solely from revenues generated by the 0.5% sales and use tax reported in the Investing 4 the Future Fund. During the year ended December 31, 2024, the bonds were advance refunded in full.

Defeased Debt

Certain outstanding revenue and general obligation bonds of the City have been defeased by placing the proceeds of refunding bonds in irrevocable escrow accounts held and managed by bank trustees, and invested in U.S. Treasury obligations, the principal and interest on which would provide amounts sufficient to pay the principal and interest on the defeased bonds in accordance with the schedule of remaining payments due. Accordingly, the escrow account and defeased bonds are not included in the City's financial statements.

2024 Revenue Bonds

On October 10, 2024, the City issued \$34,845,000 Sales and Use Tax Refunding and Improvement Bonds, Series 2024. Bond proceeds will be used to finance certain improvement projects. Interest accrues on the bonds at a 5% interest rate per annum and is payable annually on December 1, beginning on December 1, 2025. Annual principal payments are due on December 1, from 2025 through 2043.

Remaining debt service at December 31, 2024, was as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 3,115,000	\$ 1,926,154	\$ 5,041,154
2026	3,455,000	1,586,500	5,041,500
2027	1,250,000	1,413,750	2,663,750
2028	1,140,000	1,350,750	2,490,750
2029	1,200,000	1,293,750	2,493,750
2030-2043	24,685,000	10,223,750	34,908,750
Total	<u>\$ 34,845,000</u>	<u>\$ 17,794,654</u>	<u>\$ 52,639,654</u>

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

6. Long-Term Debt (continued)

Lease Liabilities

The City leases equipment and a building under noncancellable agreements that expire in between 2024 and 2027. The total future minimum lease payments for these leases are as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 169,608	\$ 15,808	\$ 185,416
2026	181,945	8,925	190,870
2027	125,548	1,876	127,424
Total	<u>\$ 477,101</u>	<u>\$ 26,609</u>	<u>\$ 503,710</u>

SBITA Liabilities

The City subscribes to body worn camera software under a noncancellable agreement that expires in 2028. The total future minimum subscription payments for this subscription is as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 129,691	\$ 12,253	\$ 141,944
2026	132,237	11,090	143,327
2027	137,515	5,800	143,315
2028	7,488	300	7,788
Total	<u>\$ 406,931</u>	<u>\$ 29,443</u>	<u>\$ 436,374</u>

Urban Renewal Authority Series 2021 Bonds

On November 9, 2021, the Authority issued the Series 2021 Tax Increment Revenue Refunding and Improvement Bonds for \$42,105,000 along with a premium of \$8,198,367, to refund the 2018 loan agreement and to finance various street improvements. Interest of 4.00% is due on June 1 and December 1 of each year, commencing on June 1, 2022. Principal payments are due annually beginning December 1, 2022, through 2040. During the year ended December 31, 2024, revenues of \$5,309,214 were available to pay annual debt service of \$1,713,700 in interest; however, the debt service was paid with existing capitalized interest.

Future debt service on the Series 2021 bonds is as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 740,000	\$ 1,713,700	\$ 2,453,700
2026	865,000	1,684,100	2,549,100
2027	975,000	1,649,500	2,624,500
2028	1,900,000	1,610,500	3,510,500
2029	1,995,000	1,515,500	3,510,500
2030-2034	12,365,000	6,006,850	18,371,850
2035-2039	16,920,000	3,098,400	20,018,400
2040	5,000,000	200,000	5,200,000
Total	<u>\$ 40,760,000</u>	<u>\$ 17,478,550</u>	<u>\$ 58,238,550</u>

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

7. Interfund Activity

During the year ended December 31, 2024, the General Fund transferred \$3,825,000 to the Capital Projects Fund to finance capital projects and \$100,000 to the Equipment Replacement Fund to finance equipment replacements. The Next Chapter Bond Fund transferred 5,012,967 to the Investing 4 the Future fund to pay off its remaining debt service and \$1,000,000 to the Capital Projects Fund to finance capital projects.. The Investing 4 the Future Fund transferred its remaining fund balance of \$5,249,111 to the Capital Projects Fund to finance capital projects. The URA Projects Fund transferred \$250,000 to the Public Art fund toward a city-wide commitment of 2.5 million commitment to invest in public art. The Next Chapter Bond fund transferred

8. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has agreed to self-insure for general liability claims to a maximum of \$150,000 and automobile, property, and physical damage claims to a maximum of \$10,000. The City accounts for its risk management activities in the General Fund.

Claims liabilities, including estimated incurred but not reported claims (IBNR), are reported in the government-wide financial statements if information available prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in claims payable for the years ended December 31, were as follows:

	2024	2023
Claims payable - January 1	\$ 302,244	\$ 279,461
Incurred claims and changes in estimated claims	270,047	123,934
Claims paid	(81,425)	(101,151)
Claims payable - December 31	\$ 490,867	\$ 302,244

For excess liability and property claims the City participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and the Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability, property, and workers' compensation coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees, and officers.

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

8. Risk Management (continued)

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

For workers' compensation claims, the City is insured by Pinnacol Assurance.

9. Retirement Commitments

Police Defined Contribution Pension Plan

The City contributes to a single-employer defined contribution money purchase pension plan on behalf of sworn police officers. The plan is administered by the International City/County Management Association (ICMA). During 2024, employees contributed 10% of their compensation to the plan and the City contributed 11.5%. Employees become vested in City contributions to the plan at 20% annually, beginning in the third year of employment. The contribution requirements of plan members and the City are established and may be amended by the City Council. During the year ended December 31, 2024, the City's pension expense was \$1,028,365 and employee contributions to the plan were \$852,124, equal to the required contributions.

Department Head Defined Contribution Pension Plan

City department heads participate in a multiple-employer defined contribution pension plan upon employment with the City. The plan is administered by ICMA. During 2024, department heads contributed 4% of their compensation to the plan and the City contributed 7%, except for the City Manager for which the City contributed 10%. Employees become vested in all contributions to the plan immediately. The contribution requirements of plan members and the City are established and may be amended by the City Council. During the year ended December 31, 2024, the City's pension expense was \$75,983 and employee contributions to the plan were \$39,113, equal to the required contributions.

Employee Defined Contribution Pension Plan

The City contributes to a multiple-employer defined contribution pension plan on behalf of all employees, except sworn police officers and department heads. The plan is administered by ICMA. During 2024, employees contributed 4% of their compensation to the plan, and the City contributed 6%. Employees become vested in City contributions to the plan at 20% annually after one year of employment. The contribution requirements of plan members and the City are established and may be amended by the City Council. During the year ended December 31, 2024, the City's pension expense was \$791,234 and employee contributions to the plan were \$525,841, equal to the required contributions.

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

10. Commitments and Contingencies

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of an expiring tax, or tax policy change directly causing a net tax revenue gain to the City. Revenue in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue.

The City's management believes it is in compliance with the provisions of the Amendment. However, the Amendment is complex and subject to interpretation. Many of its provisions may require judicial interpretation.

In November, 2006, voters agreed to allow the City to spend all revenues generated during 2006 and each subsequent year for police protection, street construction - repair and maintenance, parks and recreation - trails and open space, capital projects, and other basic municipal services, without limitation. The Authority is not subject to the Tabor Amendment. See: *Marian L. Olson v. City of Golden, et. al.*, 53 P.3d 747 (Co. App.), certiorari denied.

The City has established an emergency reserve, representing 3% of qualifying revenues, as required by the Amendment. At December 31, 2024, the emergency reserve of \$1,552,171 was reported as restricted fund balance in the General Fund.

Grant Programs

The City participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. At December 31, 2024, significant amounts of grant expenses have not been audited but management believes that subsequent audits will not have a material effect on the overall financial position of the City.

Solar Power Purchase Agreement

On March 23, 2015, the City entered into an agreement to purchase solar power capacity in a community solar garden. The purchase was executed in April 2015, with an agreement in the amount of \$800,000. Monthly payments of \$6,681 are due under the agreement, beginning June 1, 2015, through May 1, 2030. This agreement does not meet the definition of a lease per GASB 87, as it is considered to be a power purchase agreement. Ownership of the solar generating assets does not transfer to the City at the end of the agreement. Accordingly, the City does not present a capital asset or liability related to this agreement.

Litigation

The City is involved in various threatened and pending litigation. The outcome of this litigation cannot be determined at this time.

City of Wheat Ridge
Notes to Financial Statements (continued)
December 31, 2024

11. Tax Abatements

The City of Wheat Ridge has a Business Development Zone Program, as enacted by the City Code Chapter 22, Article I, Division 5, which provides a share-back of use tax generated by developments that meet the criteria established as public or public related improvements. The program was created as a joint benefit to the public at large and to private owners for the purposes of reducing blight in business districts and providing the City with increased sales and use tax revenues generated upon and by properties improved as a result of this program.

For the fiscal year ended December 31, 2024, the City abated sales and use tax pursuant to several tax abatement agreements for a total of \$149,567. Two sales tax abatement agreements are with locally-owned businesses where the intent of the tax abatement is to foster continued capital investment. The City has a use tax abatement agreement with a property developer where the intent of the agreement is to support the operations and economic well-being of the ongoing property development. The maximum rebate allowed pursuant to these agreements is \$13,150,762.

The Wheat Ridge Urban Renewal Authority has various Redevelopment Plans, approved by city council, which serve to further the mission of the Authority and establish future tax generating facilities by offsetting redevelopment costs through rebated property tax increment revenues and sales tax increment revenues offered to developers.

For the fiscal year ended December 31, 2024, the Authority rebated property tax increment revenues and sales tax increment revenues for a total of \$2,088,400. These rebates related to three development companies and a locally-owned business, which have renovated various locations within the boundaries of a defined economic urban renewal area. The redeveloped locations are expected to produce future incremental property and sales tax revenues for the City. The maximum rebate allowed pursuant to the rebate agreements is \$33,395,771.

City of Wheat Ridge

Required Supplementary Information

City of Wheat Ridge
General Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
For the Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Taxes	\$ 37,249,907	\$ 37,249,907	\$ 36,843,035	\$ (406,872)
Licenses and permits	2,274,100	2,274,100	1,399,905	(874,195)
Intergovernmental	2,064,891	2,064,891	2,456,339	391,448
Charges for services	3,943,752	3,943,752	4,199,783	256,031
Fines and forfeitures	202,500	202,500	284,768	82,268
Investment income	900,817	900,817	1,710,329	809,512
Miscellaneous	<u>519,980</u>	<u>519,980</u>	<u>601,068</u>	<u>81,088</u>
Total Revenues	<u>47,155,947</u>	<u>47,155,947</u>	<u>47,495,227</u>	<u>339,280</u>
EXPENDITURES				
Current:				
General government	15,567,166	16,284,396	15,384,701	899,695
Economic development	1,268,905	1,575,905	1,580,409	(4,504)
Community development	3,400,404	3,813,628	3,119,117	694,511
Police	15,008,837	15,049,205	14,760,665	288,540
Public Works	3,947,436	3,947,436	3,581,693	365,743
Parks and recreation	7,839,865	7,962,359	7,495,501	466,858
Capital outlay	1,528,263	2,971,474	2,459,754	511,720
Debt Service:				
Principal	-	-	309,205	(309,205)
Interest	<u>24,093</u>	<u>24,093</u>	<u>52,288</u>	<u>(28,195)</u>
Total Expenditures	48,584,969	51,628,496	48,743,333	2,885,163
Excess (deficiency) of revenues over expenditures	(1,429,022)	(4,472,549)	(1,248,106)	3,224,443
OTHER FINANCING SOURCES AND (USES)				
Sales of capital assets	-	-	121,076	121,076
Leases/SBITAs	-	-	84,993	84,993
Transfers out	<u>(3,925,000)</u>	<u>(3,925,000)</u>	<u>(3,925,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(3,925,000)</u>	<u>(3,925,000)</u>	<u>(3,718,931)</u>	<u>206,069</u>
NET CHANGE IN FUND BALANCE	(5,354,022)	(8,397,549)	(4,967,037)	3,430,512
FUND BALANCES - BEGINNING OF YEAR	<u>18,304,374</u>	<u>17,596,328</u>	<u>21,224,396</u>	<u>3,628,068</u>
FUND BALANCES - END OF YEAR	<u>\$ 12,950,352</u>	<u>\$ 9,198,779</u>	<u>\$ 16,257,359</u>	<u>\$ 7,058,580</u>

City of Wheat Ridge
Open Space Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 2,148,840	\$ 3,165,084	\$ 2,408,123	\$ (756,961)
Charges for services	1,505,274	1,505,274	98,581	(1,406,693)
Investment income	<u>10,100</u>	<u>10,100</u>	<u>12,944</u>	<u>2,844</u>
Total Revenues	<u>3,664,214</u>	<u>4,680,458</u>	<u>2,519,648</u>	<u>(2,160,810)</u>
EXPENDITURES				
Current:				
Parks and recreation	609,819	609,819	631,749	(21,930)
Capital outlay	<u>7,420,051</u>	<u>8,734,320</u>	<u>4,281,614</u>	<u>4,452,706</u>
Total Expenditures	<u>8,029,870</u>	<u>9,344,139</u>	<u>4,913,363</u>	<u>4,430,776</u>
NET CHANGE IN FUND BALANCE	(4,365,656)	(4,663,681)	(2,393,715)	2,269,966
FUND BALANCE, BEGINNING OF YEAR	<u>6,429,639</u>	<u>6,429,639</u>	<u>7,455,858</u>	<u>1,026,219</u>
FUND BALANCE, END OF YEAR	<u>\$ 2,063,983</u>	<u>\$ 1,765,958</u>	<u>\$ 5,062,143</u>	<u>\$ 3,296,185</u>

City of Wheat Ridge
Investing 4 for the Future
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Taxes	\$ 5,200,323	\$ 5,200,323	\$ 3,693,016	\$ (1,507,307)
Investment income	<u>150,000</u>	<u>150,000</u>	<u>477,910</u>	<u>327,910</u>
Total Revenues	<u>5,350,323</u>	<u>5,350,323</u>	<u>4,170,926</u>	<u>(1,179,397)</u>
EXPENDITURES				
Current:				
General government	500	500	500	-
Debt Service:				
Principal	3,000,000	7,107,033	3,000,000	4,107,033
Interest	<u>499,800</u>	<u>548,383</u>	<u>499,800</u>	<u>48,583</u>
Total Expenditures	<u>3,500,300</u>	<u>7,655,916</u>	<u>3,500,300</u>	<u>4,155,616</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,850,023	(2,305,593)	670,626	2,976,219
OTHER FINANCING SOURCES (USES)				
Payment to refunded bond escrow agent - debt service	-	-	(9,168,583)	(9,168,583)
Transfers in	-	-	5,012,967	5,012,967
Transfers out	<u>-</u>	<u>(5,249,111)</u>	<u>(5,249,111)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	1,850,023	(7,554,704)	(8,734,101)	(1,179,397)
FUND BALANCE, BEGINNING OF YEAR	<u>8,801,518</u>	<u>8,801,518</u>	<u>8,734,101</u>	<u>(67,417)</u>
FUND BALANCE, END OF YEAR	<u>\$ 10,651,541</u>	<u>\$ 1,246,814</u>	<u>\$ -</u>	<u>\$ (1,246,814)</u>

City of Wheat Ridge
Next Chapter Bond Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes	\$ -	\$ -	\$ 1,542,867	\$ 1,542,867
Investment income	-	-	28,514	28,514
Total Revenues	-	-	1,571,381	1,571,381
EXPENDITURES				
Current:				
General government	448,828	448,828	334,855	113,973
Total Expenditures	448,828	448,828	334,855	113,973
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(448,828)	(448,828)	1,236,526	1,685,354
OTHER FINANCING SOURCES (USES)				
Bond proceeds	-	-	38,701,048	38,701,048
Transfers out	(1,000,000)	(1,000,000)	(6,012,967)	(5,012,967)
NET CHANGE IN FUND BALANCE	(1,448,828)	(1,448,828)	33,924,607	35,373,435
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ (1,448,828)</u>	<u>\$ (1,448,828)</u>	<u>\$ 33,924,607</u>	<u>\$ 35,373,435</u>

City of Wheat Ridge
Notes to the Required Supplementary Information
December 31, 2024

1. Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

State statutes require that all funds have legally adopted budgets and appropriations. Total expenditures may not exceed the amount appropriated at the fund levels. In 2024, the expenditures of the Investing 4 the Future Fund exceeded appropriations, which may be a violation of State statute. Budgets are adopted for all funds of the City on a basis consistent with accounting principles generally accepted in the United States of America.

The City follows these procedures to establish the budgetary information reflected in the financial statements:

- Management submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally adopted through passage of a resolution.
- Revisions that alter the total expenditures of any fund must be approved by the City Council.
- All appropriations lapse at year-end.

Budgetary information presented in the financial statements for the Wheat Ridge Urban Renewal Authority was approved by the governing board of the Wheat Ridge Urban Renewal Authority.

City of Wheat Ridge

Other Supplementary Information

City of Wheat Ridge
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024

	<u>Police Investigation</u>	<u>Municipal Court</u>	<u>Conservation Trust</u>	<u>Crime Prevention</u>	<u>Public Art</u>	<u>Equipment Replacement</u>	<u>Wheat Ridge Housing</u>	<u>Totals</u>
ASSETS								
Cash and investments	\$ -	\$ 73,094	\$ 574,580	\$ 638,245	\$ 690,850	\$ 624,528	\$ 326,778	\$ 2,928,075
Accounts receivable	-	-	-	41,189	-	-	-	41,189
Total Assets	<u>\$ -</u>	<u>\$ 73,094</u>	<u>\$ 574,580</u>	<u>\$ 679,434</u>	<u>\$ 690,850</u>	<u>\$ 624,528</u>	<u>\$ 326,778</u>	<u>\$ 2,969,264</u>
LIABILITIES								
Accounts payable	\$ -	\$ 804	\$ -	\$ 7,656	\$ -	\$ 37,081	\$ -	\$ 45,541
Accrued liabilities	-	-	-	32,417	-	-	655	33,072
Total Liabilities	-	804	-	40,073	-	37,081	655	78,613
FUND BALANCES								
Restricted for:								
Open space and parks	-	-	574,580	-	-	-	-	574,580
Crime prevention activities	-	-	-	639,361	-	-	-	639,361
Committed to:								
Municipal court	-	72,290	-	-	-	-	-	72,290
Housing	-	-	-	-	-	-	326,123	326,123
Public art	-	-	-	-	690,850	-	-	690,850
Assigned to:								
Equipment replacement	-	-	-	-	-	587,447	-	587,447
Total Fund Balances	-	72,290	574,580	639,361	690,850	587,447	326,123	2,890,651
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 73,094</u>	<u>\$ 574,580</u>	<u>\$ 679,434</u>	<u>\$ 690,850</u>	<u>\$ 624,528</u>	<u>\$ 326,778</u>	<u>\$ 2,969,264</u>

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

	<u>Police Investigation</u>	<u>Municipal Court</u>	<u>Conservation Trust</u>	<u>Crime Prevention</u>	<u>Public Art</u>	<u>Equipment Replacement</u>	<u>Wheat Ridge Housing</u>	<u>Totals</u>
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ 645,782	\$ 12,387	\$ -	\$ -	\$ 658,169
Intergovernmental	-	-	383,359	-	-	34,094	-	417,453
Charges for services	-	-	-	-	7,394	-	-	7,394
Fines and forfeitures	-	5,825	-	3,360	-	-	-	9,185
Investment Income	<u>16</u>	<u>1,899</u>	<u>53,561</u>	<u>2,993</u>	<u>8,869</u>	<u>5,300</u>	<u>113</u>	<u>72,751</u>
Total Revenues	<u>16</u>	<u>7,724</u>	<u>436,920</u>	<u>652,135</u>	<u>28,650</u>	<u>39,394</u>	<u>113</u>	<u>1,164,952</u>
EXPENDITURES								
Current:								
General Government	-	2,860	-	-	-	67,780	140,662	211,302
Police	2,769	-	-	746,450	-	-	-	749,219
Parks and recreation	-	-	-	-	2,678	-	-	2,678
Capital Outlay	<u>6,236</u>	<u>-</u>	<u>495,254</u>	<u>-</u>	<u>59,050</u>	<u>233,560</u>	<u>-</u>	<u>794,100</u>
Total Expenditures	9,005	2,860	495,254	746,450	61,728	301,340	140,662	1,757,299
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,989)	4,864	(58,334)	(94,315)	(33,078)	(261,946)	(140,549)	(592,347)
OTHER FINANCING USES								
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>100,000</u>	<u>-</u>	<u>350,000</u>
NET CHANGES IN FUND BALANCES	(8,989)	4,864	(58,334)	(94,315)	216,922	(161,946)	(140,549)	(242,347)
FUND BALANCES, BEGINNING OF YEAR	<u>8,989</u>	<u>67,426</u>	<u>632,914</u>	<u>733,676</u>	<u>473,928</u>	<u>749,393</u>	<u>466,672</u>	<u>3,132,998</u>
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ 72,290</u>	<u>\$ 574,580</u>	<u>\$ 639,361</u>	<u>\$ 690,850</u>	<u>\$ 587,447</u>	<u>\$ 326,123</u>	<u>\$ 2,890,651</u>

City of Wheat Ridge
Police Investigation Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Investment income	\$ 35	\$ 35	\$ 16	\$ (19)
Total Revenues	<u>35</u>	<u>35</u>	<u>16</u>	<u>(19)</u>
EXPENDITURES				
Current:				
Police	2,770	2,770	2,769	1
Capital outlay	<u>6,230</u>	<u>11,630</u>	<u>6,236</u>	<u>5,394</u>
Total Expenditures	<u>9,000</u>	<u>14,400</u>	<u>9,005</u>	<u>5,395</u>
NET CHANGE IN FUND BALANCE	(8,965)	(14,365)	(8,989)	5,376
Fund Balance -Beginning of Year	<u>36,342</u>	<u>36,342</u>	<u>8,989</u>	<u>(27,353)</u>
FUND BALANCE - END OF YEAR	<u>\$ 27,377</u>	<u>\$ 21,977</u>	<u>\$ -</u>	<u>\$ (21,977)</u>

City of Wheat Ridge
Municipal Court Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Fines and forfeitures	\$ 6,000	\$ 6,000	\$ 5,825	\$ (175)
Investment income	<u>1,500</u>	<u>1,500</u>	<u>1,899</u>	<u>399</u>
Total Revenues	<u>7,500</u>	<u>7,500</u>	<u>7,724</u>	<u>224</u>
EXPENDITURES				
Current:				
General government	<u>18,500</u>	<u>18,500</u>	<u>2,860</u>	<u>15,640</u>
Total Expenditures	<u>18,500</u>	<u>18,500</u>	<u>2,860</u>	<u>15,640</u>
NET CHANGE IN FUND BALANCE	(11,000)	(11,000)	4,864	15,864
Fund Balance -Beginning of Year	<u>65,492</u>	<u>65,492</u>	<u>67,426</u>	<u>1,934</u>
FUND BALANCE - END OF YEAR	<u>\$ 54,492</u>	<u>\$ 54,492</u>	<u>\$ 72,290</u>	<u>\$ 17,798</u>

City of Wheat Ridge
Conservation Trust Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 425,000	\$ 485,735	\$ 383,359	\$ (102,376)
Investment income	<u>43,781</u>	<u>43,781</u>	<u>53,561</u>	<u>9,780</u>
Total Revenues	<u>468,781</u>	<u>529,516</u>	<u>436,920</u>	<u>(92,596)</u>
EXPENDITURES				
Current:				
Capital outlay	<u>767,950</u>	<u>942,924</u>	<u>495,254</u>	<u>447,670</u>
Total Expenditures	<u>767,950</u>	<u>942,924</u>	<u>495,254</u>	<u>447,670</u>
NET CHANGE IN FUND BALANCE	(299,169)	(413,408)	(58,334)	355,074
Fund Balance -Beginning of Year	<u>427,035</u>	<u>632,914</u>	<u>632,914</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 127,866</u>	<u>\$ 219,506</u>	<u>\$ 574,580</u>	<u>\$ 355,074</u>

City of Wheat Ridge
Crime Prevention Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Lodgers taxes	\$ 540,000	\$ 540,000	\$ 645,782	\$ 105,782
Fines and forfeitures	15,000	15,000	3,360	(11,640)
Investment income	<u>2,400</u>	<u>2,400</u>	<u>2,993</u>	<u>593</u>
Total Revenues	<u>557,400</u>	<u>557,400</u>	<u>652,135</u>	<u>94,735</u>
EXPENDITURES				
Current:				
Police	<u>709,868</u>	<u>709,868</u>	<u>746,450</u>	<u>(36,582)</u>
Total Expenditures	<u>709,868</u>	<u>709,868</u>	<u>746,450</u>	<u>(36,582)</u>
NET CHANGE IN FUND BALANCE	(152,468)	(152,468)	(94,315)	58,153
Fund Balance -Beginning of Year	<u>604,347</u>	<u>604,347</u>	<u>733,676</u>	<u>129,329</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 451,879</u></u>	<u><u>\$ 451,879</u></u>	<u><u>\$ 639,361</u></u>	<u><u>\$ 187,482</u></u>

City of Wheat Ridge
Public Art Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Use taxes	\$ 20,000	\$ 20,000	\$ 12,387	\$ (7,613)
Charges for services	9,100	9,100	7,394	(1,706)
Investment income	<u>6,500</u>	<u>6,500</u>	<u>8,869</u>	<u>2,369</u>
Total Revenues	<u>35,600</u>	<u>35,600</u>	<u>28,650</u>	<u>(6,950)</u>
EXPENDITURES				
Current:				
Parks and recreation	-	3,366	2,678	688
Capital outlay	<u>431,000</u>	<u>545,000</u>	<u>59,050</u>	<u>485,950</u>
Total Expenditures	<u>431,000</u>	<u>548,366</u>	<u>61,728</u>	<u>486,638</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(395,400)	(512,766)	(33,078)	479,688
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>
NET CHANGE IN FUND BALANCE	(395,400)	(512,766)	216,922	729,688
FUND BALANCE, BEGINNING OF YEAR	<u>356,120</u>	<u>473,928</u>	<u>473,928</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ (39,280)</u>	<u>\$ (38,838)</u>	<u>\$ 690,850</u>	<u>\$ 729,688</u>

City of Wheat Ridge
Equipment Replacement Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 34,094	\$ 34,094
Investment income	<u>4,200</u>	<u>4,200</u>	<u>5,300</u>	<u>\$ 1,100</u>
Total Revenues	<u>4,200</u>	<u>4,200</u>	<u>39,394</u>	<u>35,194</u>
EXPENDITURES				
Current:				
General Government	300,000	300,000	67,780	232,220
Capital outlay	<u>327,000</u>	<u>327,000</u>	<u>233,560</u>	<u>93,440</u>
Total Expenditures	<u>627,000</u>	<u>627,000</u>	<u>301,340</u>	<u>325,660</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(522,800)	(522,800)	(161,946)	360,854
FUND BALANCE, BEGINNING OF YEAR	<u>548,397</u>	<u>749,393</u>	<u>749,393</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 25,597</u>	<u>\$ 226,593</u>	<u>\$ 587,447</u>	<u>\$ 360,854</u>

City of Wheat Ridge
Wheat Ridge Housing Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Taxes	\$ 400,000	\$ 400,000	\$ -	\$ (400,000)
Investment income	<u>200</u>	<u>200</u>	<u>113</u>	<u>(87)</u>
Total Revenues	<u>400,200</u>	<u>400,200</u>	<u>113</u>	<u>(400,087)</u>
EXPENDITURES				
General government	<u>163,010</u>	<u>183,010</u>	<u>140,662</u>	<u>42,348</u>
Total Expenditures	<u>163,010</u>	<u>183,010</u>	<u>140,662</u>	<u>42,348</u>
NET CHANGE IN FUND BALANCE	237,190	217,190	(140,549)	(357,739)
FUND BALANCE, BEGINNING OF YEAR	<u>388,037</u>	<u>388,037</u>	<u>466,672</u>	<u>78,635</u>
FUND BALANCE, END OF YEAR	<u>\$ 625,227</u>	<u>\$ 605,227</u>	<u>\$ 326,123</u>	<u>\$ (279,104)</u>

City of Wheat Ridge
Capital Projects Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Lodgers taxes	\$ 450,000	\$ 450,000	\$ 432,363	\$ (17,637)
Intergovernmental	11,626,667	11,626,667	10,057,216	(1,569,451)
Charges for services	40,000	40,000	123,316	83,316
Investment income	4,800	4,800	6,178	1,378
Miscellaneous	<u>100,000</u>	<u>100,000</u>	<u>61,088</u>	<u>(38,912)</u>
Total Revenues	<u>12,221,467</u>	<u>12,221,467</u>	<u>10,680,161</u>	<u>(1,541,306)</u>
EXPENDITURES				
Capital outlay	<u>16,582,667</u>	<u>24,440,570</u>	<u>20,912,962</u>	<u>3,527,608</u>
Total Expenditures	<u>16,582,667</u>	<u>24,440,570</u>	<u>20,912,962</u>	<u>3,527,608</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(4,361,200)	(12,219,103)	(10,232,801)	1,986,302
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>3,825,000</u>	<u>9,074,111</u>	<u>10,074,111</u>	<u>1,000,000</u>
NET CHANGE IN FUND BALANCE	(536,200)	(3,144,993)	(158,690)	2,986,303
FUND BALANCE, BEGINNING OF YEAR	<u>10,592,409</u>	<u>10,592,409</u>	<u>5,696,793</u>	<u>(4,895,616)</u>
FUND BALANCE, END OF YEAR	<u>\$ 10,056,209</u>	<u>\$ 7,447,416</u>	<u>\$ 5,538,103</u>	<u>\$ (1,909,313)</u>

City of Wheat Ridge
URA Projects Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 2,060,417	\$ 2,060,417	\$ 2,537,881	\$ 477,464
Miscellaneous	<u>377,019</u>	<u>377,019</u>	<u>-</u>	<u>(377,019)</u>
Total Revenues	<u>2,437,436</u>	<u>2,437,436</u>	<u>2,537,881</u>	<u>100,445</u>
EXPENDITURES				
Current:				
General government	901,995	1,472,200	1,124,435	347,765
Capital outlay	<u>9,685,215</u>	<u>13,700,152</u>	<u>1,825,128</u>	<u>11,875,024</u>
Total Expenditures	<u>10,587,210</u>	<u>15,172,351</u>	<u>2,949,563</u>	<u>12,222,788</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(8,149,774)	(12,734,915)	(411,682)	12,323,233
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(250,000)	(250,000)
Transfers in	<u>8,149,774</u>	<u>8,149,774</u>	<u>-</u>	<u>(8,149,774)</u>
NET CHANGE IN FUND BALANCE	-	(4,585,141)	(661,682)	3,923,459
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>4,563,004</u>	<u>4,198,184</u>	<u>(364,820)</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ (22,137)</u>	<u>\$ 3,536,502</u>	<u>\$ 3,558,639</u>

City of Wheat Ridge
Component Unit - Urban Renewal Authority
Balance Sheet
December 31, 2024

ASSETS

Cash and investments	\$ 22,377,630
Restricted cash and investments	12,533,091
Accounts receivable	122,698
Property taxes receivable	<u>4,965,681</u>
Total Assets	<u>\$ 39,999,100</u>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES,
AND FUND BALANCE**

LIABILITIES

Accounts payable	<u>2,419,836</u>
Total Liabilities	2,419,836

DEFERRED INFLOWS OF RESOURCES

Property taxes	4,965,681
----------------	-----------

FUND BALANCE

Restricted for debt service	4,552,825
Restricted for capital projects	7,980,266
Unrestricted, Unassigned	<u>20,080,492</u>
Total Fund Balance	<u>32,613,583</u>

Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 39,999,100</u>
--	-----------------------------

Amounts reported for the component unit in the statement of net position are different because:

Total fund balance of component unit	\$ 32,613,583
--------------------------------------	---------------

Capital assets used in governmental activities are not current financial resources, and therefore, are not reported in governmental funds.	4,874,883
--	-----------

Long-term liabilities are not due and payable in the current year and, therefore, are not reported in governmental funds.	
Bonds payable	(40,760,000)
Bond premium	(6,276,947)
Accrued interest	<u>(154,575)</u>

Total Net Position of Component Unit	<u>\$ (9,703,056)</u>
---	------------------------------

City of Wheat Ridge
Component Unit — Urban Renewal Authority
Statement of Revenues, Expenditures and Changes in Fund Balance
Year Ended December 31, 2024

REVENUES	
Property tax increment	\$ 5,309,214
Sales tax increment	739,764
Investment income	1,532,907
Miscellaneous	<u>18,004</u>
Total Revenues	7,599,889
EXPENDITURES	
Current:	
Community development	116,906
Capital outlay	4,599,272
Debt service:	
Interest	<u>1,713,700</u>
Total Expenditures	<u>6,429,878</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,170,011</u>
OTHER FINANCING SOURCES (USES)	
Transfers	<u>(1,633,243)</u>
Total Other Financing Sources (Uses)	<u>(1,633,243)</u>
NET CHANGE IN FUND BALANCE	(463,232)
Fund Balance - Beginning of Year	<u>33,076,815</u>
Fund Balance - End of Year	<u>\$ 32,613,583</u>
Amounts reported for the component unit in the statement of activities are different because:	
Net Change in Fund Balance of Component Unit	\$ (463,232)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
	(124,997)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents changes in accrued interest payable and amortization of bond premium.	
	<u>614,583</u>
Change in Net Position of Component Unit	<u>\$ 26,354</u>

City of Wheat Ridge
Component Unit — Urban Renewal Authority
Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Property tax increment	\$ 3,265,000	\$ 5,309,215	\$ 5,309,214	\$ (1)
Sales tax increment	685,000	739,756	739,764	8
Investment income	514,000	1,062,060	1,532,907	470,847
Miscellaneous	<u>15,000</u>	<u>18,004</u>	<u>18,004</u>	<u>-</u>
Total Revenues	<u>4,479,000</u>	<u>7,129,035</u>	<u>7,599,889</u>	<u>470,854</u>
EXPENDITURES				
Current:				
Community development	135,000	135,000	116,906	18,094
Capital outlay	3,375,870	4,718,377	4,599,272	119,105
Debt service:				
Interest	<u>1,713,700</u>	<u>1,713,700</u>	<u>1,713,700</u>	<u>-</u>
Total Expenditures	<u>5,224,570</u>	<u>6,567,077</u>	<u>6,429,878</u>	<u>137,199</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(745,570)	561,958	1,170,011	608,053
OTHER FINANCING SOURCES (USES)				
Transfers to primary government	<u>(8,149,774)</u>	<u>(8,149,774)</u>	<u>(1,633,243)</u>	<u>6,516,531</u>
Total Other Financing Sources (Uses)	<u>(8,149,774)</u>	<u>(8,149,774)</u>	<u>(1,633,243)</u>	<u>6,516,531</u>
NET CHANGE IN FUND BALANCE	(8,895,344)	(7,587,816)	(463,232)	7,124,584
FUND BALANCE, BEGINNING OF YEAR	<u>33,438,579</u>	<u>33,438,579</u>	<u>33,076,815</u>	<u>(361,764)</u>
FUND BALANCE, END OF YEAR	<u>\$ 24,543,235</u>	<u>\$ 25,850,763</u>	<u>\$ 32,613,583</u>	<u>\$ 6,762,820</u>

City of Wheat Ridge

Compliance Section

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

LOCAL HIGHWAY FINANCE REPORT		City or County: WHEAT RIDGE
		YEAR ENDING : December 2024
This Information From The Records Of The City of Wheat Ridge:	Prepared By: Phone:	Mark Colvin, FinanceManager 303-235-2817

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	20,828,748
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	3,576,070
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	26,978
2. General fund appropriations	3,825,000	b. Snow and ice removal	133,023
3. Other local imposts (from page 2)	7,811,749	c. Other	
4. Miscellaneous local receipts (from page 2)	1,810,831	d. Total (a. through c.)	160,000
5. Transfers from toll facilities		4. General administration & miscellaneous	531,181
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	3,552,507
a. Bonds - Original Issues	2,633,243	6. Total (1 through 5)	28,648,507
b. Bonds - Refunding Issues	5,249,111	B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	7,882,354	a. Interest	
7. Total (1 through 6)	21,329,935	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	2,709,362	2. Notes:	
D. Receipts from Federal Government (from page 2)	4,609,210	a. Interest	
E. Total receipts (A.7 + B + C + D)	28,648,507	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	28,648,507

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	28,648,507	28,648,507	0	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING : December 2024

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	1,497,331	a. Interest on investments	6,178
b. Other local imposts:		b. Traffic Fines & Penalties	201,980
1. Sales Taxes	6,314,418	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	370,261
5. Specific Ownership &/or Other		g. Other Misc. Receipts	135,261
6. Total (1. through 5.)	6,314,418	h. Other - Jeffco, Arvada, WR Water and WR Sani	1,097,152
c. Total (a. + b.)	7,811,749	i. Total (a. through h.)	1,810,831
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	1,150,393	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		d. Federal Transit Admin	4,609,210
d. Other - DRCOG TIP	1,558,969	e. U.S. Corps of Engineers	
e. Other		f. Other Federal	
f. Total (a. through e.)	1,558,969	g. Total (a. through f.)	4,609,210
4. Total (1. + 2. + 3.f)	2,709,362	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL


	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs	0		0
b. Engineering Costs	1,269,648		1,269,648
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements	18,902,067		18,902,067
(3). System Preservation			0
(4). System Enhancement & Operation	657,033		657,033
(5). Total Construction (1) + (2) + (3) + (4)	19,559,100	0	19,559,100
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	20,828,748	0	20,828,748
			(Carry forward to page 1)

Notes and Comments:



1221 W. Mineral Avenue, Suite 202
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 303-734-4800

 303-795-3356

 www.HaynieCPAs.com

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

Honorable Mayor and the City Council
City of Wheat Ridge, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wheat Ridge, Colorado as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise City of Wheat Ridge, Colorado's basic financial statements, and have issued our report thereon dated August 15, 2025.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-01 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Wheat Ridge, Colorado's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not

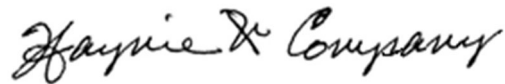
express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Wheat Ridge, Colorado's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Wheat Ridge, Colorado's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of Wheat Ridge, Colorado'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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.





Littleton, Colorado

August 15, 2025



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

Honorable Mayor and the City Council
City of Wheat Ridge, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Wheat Ridge, Colorado's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Wheat Ridge, Colorado's major federal programs for the year ended December 31, 2024. The City of Wheat Ridge, Colorado's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the City of Wheat Ridge, Colorado 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 each major federal program. Our audit does not provide a legal determination of the City of Wheat Ridge, Colorado'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 of Wheat Ridge, Colorado's federal programs.

Auditors' 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 of Wheat Ridge, Colorado'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 generally accepted auditing standards, *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 of Wheat Ridge, Colorado's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 of Wheat Ridge, Colorado'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 of Wheat Ridge, Colorado'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 of Wheat Ridge, Colorado'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 Auditors' Responsibilities for the Audit of Compliance section 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.

Haynie & Company

Littleton, Colorado
August 15, 2025

City of Wheat Ridge
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Agency/Program	Federal Assistance Listing Number	Pass-Through Entity Name	Pass-Through Grantor's Number	Amount
Department of Transportation				
<i>Highway Safety Cluster-Cluster</i>				
State and Community Highway Safety	20.600	Colorado Department of Transportation	411035624	\$ 18,540
National Priority Safety Programs	20.616	Colorado Department of Transportation	411035624	<u>23,571</u>
<i>Total Highway Safety Cluster-Cluster</i>				42,111
Highway Planning and Construction	20.205	Colorado Department of Transportation	22-HA1-ZM-00032	<u>8,574,475</u>
Total Department of Transportation				<u>8,616,586</u>
 CCDF Cluster-Cluster				
<i>Department of Health and Human Services</i>				
Child Care and Development Block Grant	93.575	Colorado Department of Human Services		<u>23,046</u>
<i>Total Department of Health and Human Services</i>				<u>23,046</u>
Total CCDF Cluster-Cluster				23,046
 United States Department of Agriculture				
<i>Inflation Reduction Act Urban & Community Forestry Program</i>				
	10.727	Urban Sustainability Directors Network	24-CA-11132544-016	<u>73,928</u>
Total United States Department of Agriculture				73,928
 United States Department of Justice				
<i>Edward Byrne Memorial Justice Assistance Grant Program</i>				
	16.738	Colorado Division of Criminal Justice	2024-DJ-BX-0005	<u>1,018</u>
Total United States Department of Justice				1,018
 Office of National Drug Control Policy				
<i>High Intensity Drug Trafficking Areas Program</i>				
	95.001			<u>29,389</u>
Total Office of National Drug Control Policy				<u>29,389</u>
Total Expenditures of Federal Awards				<u>\$ 8,743,967</u>

City of Wheat Ridge

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2024

Notes to the Schedule

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City of Wheat Ridge, Colorado under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Wheat Ridge, Colorado, it is not intended to and does not present the financial position or changes in net position of the City of Wheat Ridge, Colorado.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Expenditures are recognized when they become a demand on current available financial resources. Encumbrances are used during the year for budgetary control purposes and lapse at fiscal year-end. 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.

3. Indirect Cost Rate

City of Wheat Ridge, Colorado has elected not to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance.

4. Subrecipients

The City of Wheat Ridge, Colorado did not have subrecipients of federal awards for the year ended December 31, 2024.

City of Wheat Ridge Supplemental Information

Schedule of Findings and Questioned Costs for the Year Ended December 31, 2024

1. Summary of Auditors' Results

Type of report issued on the financial statements:	Unmodified
Material weaknesses in financial reporting internal control noted:	Yes
Significant deficiencies identified that are not considered to be material weaknesses in financial reporting:	None identified
Material noncompliance noted:	None
Material weaknesses in internal control over major programs:	None
Significant deficiencies identified that are not considered to be material weaknesses over major programs:	None identified
Type of report issued on compliance for major programs:	Unmodified
Audit findings required to be reported:	None
The following programs are considered to be major:	
Highway Planning and Construction – ALN 20.205	
Dollar threshold used to distinguish Type A and Type B programs:	\$750,000
Risk type qualification:	Not low-risk

2. Findings relating to the financial statements which are required to be reported in accordance with *Government Auditing Standards*.

2024 – 001: Financial Close and Reporting

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: During our review of year-end accruals related to the Wheat Ridge Urban Renewal Authority (WURA), sales and property tax increment funds collected by the WURA in 2024 and remitted in 2025 totaling \$1,143,564, of which \$967,550 were identified through audit procedures, owed to various developers under redevelopment agreements were not accrued as expenses and related liabilities in the proper period.

Criteria or specific requirement: Financial records are to be kept in accordance with generally accepted accounting principles of government accounting [CRS 22-45-102 and 29-1-605]

Effect: The adjustments were corrected by management.

Cause: Lack of sufficient review of the financial close process related to the WURA transactions.

Repeat Finding: This is a repeat finding.

Recommendation: We recommend the City staff, who perform the accounting functions for the WURA, develop a procedure to ensure cash transactions recorded by the WURA are monitored for proper year-end accruals.

3. Findings and questioned costs for Federal Awards

None

4. Summary Schedule of Prior Audit Findings

2023-001 – Reporting of Federal Expenditures

Status: Corrective action implemented in 2024

Auditor Comment: The City implemented improved coordination between finance and program staff during 2024. Although a formal written policy has not been adopted, no related misstatements were noted during the current year. As such, the finding is considered addressed and is not repeated.

2023-002 – Leases (GASB 87)

Status: Corrective action implemented in 2024

Auditor Comment: The City incorporated procedures within the 2024 budget cycle to identify and evaluate new lease agreements. While a formal policy has not yet been adopted, no unrecorded leases were identified during the current audit, and the prior period issue did not recur. The finding is not repeated.

2023-003 – Financial Close and Reporting

Status: Repeat finding

Auditor Comment: During 2024, the City implemented more robust year-end review procedures, including improved tracking of accruals, receivables, and project reimbursements related to the City's financial records. Reconciliations of the City records were performed in a more timely and consistent manner. However, the 2024 audit identified several material misstatements related to the WURA's accrual process.

2023-004 – Property Held for Resale (WURA)

Status: Corrective action completed

Auditor Comment: The City clarified its procedures related to WURA property activity during 2024. No additional issues were noted during the current audit. The finding is considered resolved and is not repeated.

**CITY OF WHEAT RIDGE
CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2024**

The City of Wheat Ridge respectfully submits the following corrective action plan for the year ended December 31, 2024.

The finding from the schedule of findings is discussed below. The finding is numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS

2024-001 Financial Close and Reporting

Recommendation: We recommend the City establish a policy and procedure to ensure sufficient reconciliations are performed related to year-end balances and related accruals.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: During year-end closing procedures, the City will continue to monitor accruals to ensure all relevant transactions are captured and reported in the correct financial period.

Name of the contact person responsible for corrective action: Mark Colvin

Planned completion date for corrective action plan: December 31, 2025