Annual Comprehensive Financial Report

City of Lafayette, Colorado

For the year ended December 31, 2025

City of Lafayette

Annual Comprehensive Financial Report
Year Ended December 31, 2025

City of Lafayette, Colorado

Prepared by the Finance Department

Compliance Section

Introductory Section
Year Ended December 31, 2025

City of Lafayette, Colorado

FINANCE

June 24, 2026

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

Councilors and Residents of the City of Lafayette, Colorado:

The Annual Comprehensive Financial Report of the City of Lafayette, Colorado for the year ended December 31, 2025, is hereby submitted. This report provides information about the City to its residents, investors, general public, and others who may have an interest in the financial well-being of the City. This transmittal letter is designed to be read with the Management's Discussion and Analysis (MD&A) which can be found immediately following the report of the independent auditor.

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

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

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

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

The Lafayette City Charter and state law require that an annual audit be conducted by an independent certified public accountant. The accounting firm of Eide Bailly, LLP was selected to perform the audit. The independent auditor's report on the City's financial statements and schedules is included in the financial section of this report. Based on the results of the audit, the City of Lafayette's financial statements for the fiscal year ended December 31, 2025, received an unmodified ("clean") opinion in the independent auditor's report.

Profile of the Government

According to the Census Bureau, Lafayette currently has a population of 31,579 living in its 9.5 square mile area, up from 24,453 people according to the 2010 Census, representing a nearly 25% increase over the fifteen years and ranking Lafayette as the 32nd most populated community in Colorado.

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

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

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

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

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

Factors Affecting Financial Condition

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

Local Economy

The City of Lafayette is located in eastern Boulder County between the City of Boulder to the west, Longmont to the north, and the greater Denver metro area to the south and east. This central location allows Lafayette to contribute to, and benefit from, regional economic activity and local market dynamism. The City has an educated workforce boasting a 73% employment rate with 64% of its residents holding a bachelor's degrees or higher according to the U.S. Census. The employment profile for Lafayette reflects a notable representation in high-paying occupations such as Computer and Mathematics; Life and Physical Sciences; and Architectural and Engineering occupations, all of which have average wages in excess of $100,000 per year. Median household income in Lafayette is $119,040, exceeding the state and national median incomes of $95,470 and $83,730, respectively.

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

The year 2025 was stable from a financial perspective. Revenue performance aligned with budget projections with notable slowing in some categories and strength in others. A pattern of steady but slowing economic growth in 2025 could be seen across the region and state. Overall tax revenue for the City grew 7.8% in 2025 driven by a mixture of performance across categories. Sales and use taxes were up in 2025, with an increase of 13.5% compared to 2024 with collections totaling $31.1 million. This increase was mostly as a result of one-time revenue (audit and construction use tax) and 2025 being the first year the City received funding from Erie related to the Nine Mile revenue sharing agreement. When stripping out one-time revenue and Nine Mile revenue, ongoing sales and use tax only increased by 4.3%. Since this increase year-over-year is largely related to one-time revenue, the City is not anticipating this type of increase from 2026. Based on current projections, the City is projecting a 1.5% increase in combined sales and use tax revenue in 2026 over 2025 which exceeds the original 2026 budget forecast. Property and specific ownership tax accounted for $14.3 million in 2025. Property tax is expected to slightly decline in 2026 and 2027. This is due to a peak in home values as well as implementation of a new State property tax law that serves to limit property tax values.

Long Term Financial Planning

The continued economic uncertainty of the post-Covid inflationary environment has made a systematic, strategic and disciplined approach to planning City projects, programs, and service delivery critically important. The City relies on long-term planning processes that are flexible enough to quickly address the impacts of unforeseen economic trends and events while also recognizing the need to maintain stability in the organization and municipal service delivery models. In 2025, the City continued to make strategic investments in operational capacity, equipment replacement funding, and capital improvements that relied on conservative revenue projections and planned use of fund balance when necessary. All spending plans align with 5 and 10-year revenue forecasts and financing strategies to ensure balanced budgets. The City is continuing to leverage strategic plans to help inform operational priorities and capital investment plans. City Council has outlined the strategic direction for the City through the adoption of multiple strategic plans in the past four years. These plans not only lay out spending priorities, but also speak to the revenue mechanisms needed to support them including, but not limited to, impact fees, development exactions, taxes, grants, multi-jurisdictional cost sharing, economic incentives and more.

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

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2024. This was the 38th consecutive year the City has received this prestigious award. To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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

Kady Doelling
Kady Doelling
City Manager

Heather Balser
Heather Balser
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

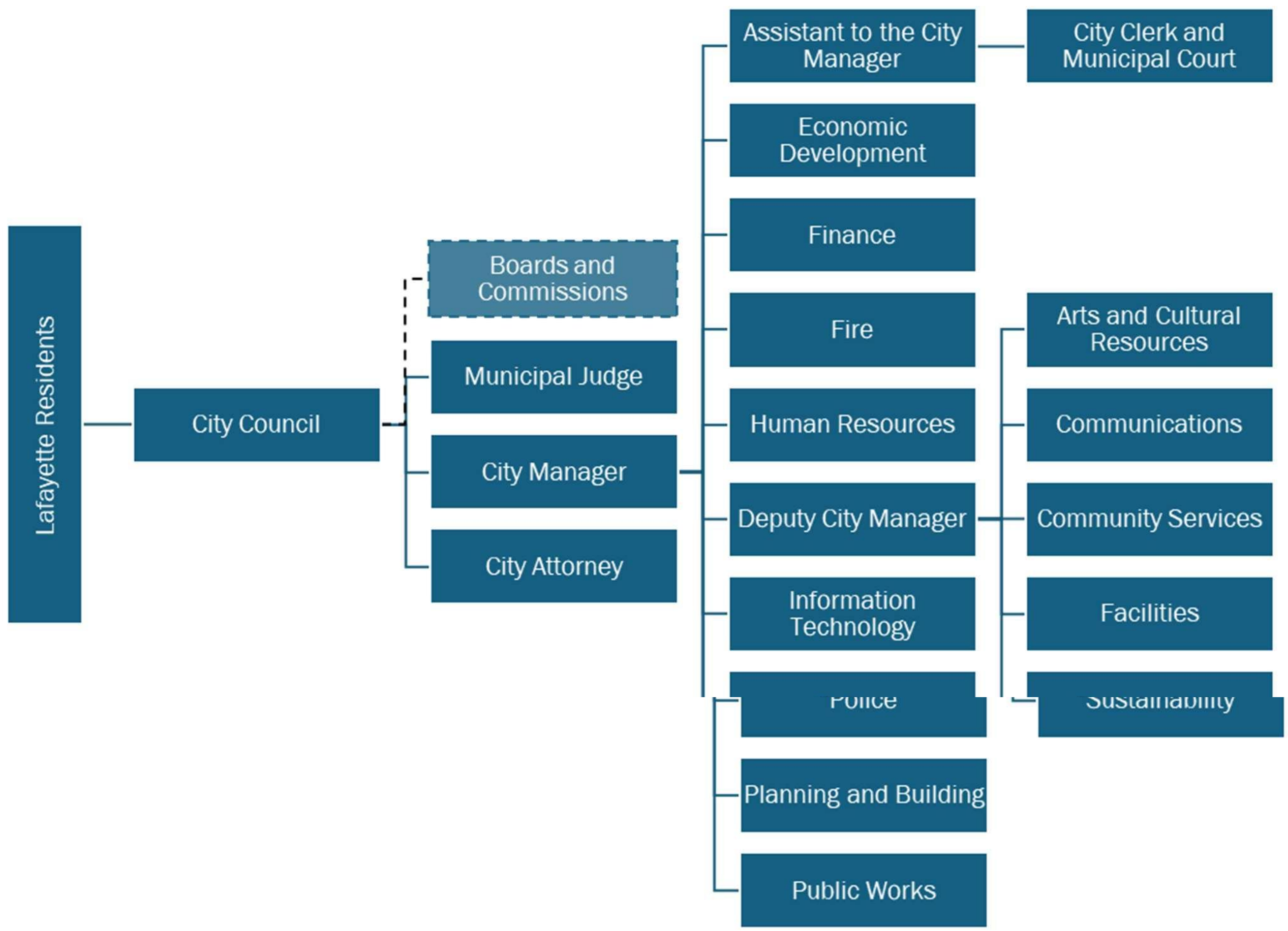
City of Lafayette
Colorado

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO


Lafayette Residents
City Council
Boards and Commissions
Municipal Judge
City Manager
City Attorney
Assistant to the City Manager
City Clerk and Municipal Court
Economic Development
Finance
Fire
Arts and Cultural Resources
Human Resources
Communications
Deputy City Manager
Community Services
Information Technology
Facilities
Police
Sustainability
Planning and Building
Public Works

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

City Council

(Back row left to right): Councilor Kyle Beaulieu, Councilor Crystal Gallegos, Councilor David Fridland, Councilor Adam Gianola

(Back row left to right): Councilor Annmarie Jensen, Mayor Saul Tapia Vega, Mayor Pro Tem Tim Barnes

City Manager's Office

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

Department Directors

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

Financial Section
Year Ended December 31, 2025

City of Lafayette, Colorado

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

Independent Auditor's Report

Members of City Council
City of Lafayette, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Lafayette (the City), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Correction of Error

As discussed in Note 13 to the financial statements, certain errors relating to the classification of the City's discretely presented component units were discovered by management during the current year. Accordingly, the discretely presented component unit has been removed from the government-wide financial statements and footnote disclosures as of January 1, 2025, to correct the error. Our opinions are not modified with respect to this matter.

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Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining fund financial statements, the individual budgetary comparison schedules, 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining fund financial statements and the individual budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Eide Bailly LLP

Denver, Colorado
June 24, 2026

The City of Lafayette's ("the City") management offers readers this narrative overview and analysis of the City's financial activities for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, found earlier in this report, in addition to the financial statements and footnotes which follow this section. Amounts in this section are rounded for purposes of easier understanding.

FINANCIAL HIGHLIGHTS

- The City's total net position at the end of 2025 was $515.1 million, an increase of $32.8 million, or 6.8%, over the prior year. Of this amount, $345.0 million is related to net investment in capital assets and another $18.6 million is restricted in how it can be spent. The remaining $151.4 million is unrestricted and may be used to meet the City's ongoing obligations in accordance with financial policies. Governmental net position increased by $19.4 million, or 8.1%, and business-type net position increased by $13.4 million, or 5.5%.

- As of December 31, 2025, the City's governmental funds reported combined ending fund balances of $66.7 million, an increase of $9.4 million, or 16.4%, from 2024.

- The general fund, the City's primary operating fund, reported unassigned fund balance of $21.4 million.

- The City's outstanding bonded debt, including premiums, totaled $48.3 million, a decrease of $3.6 million compared to the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Statements

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

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

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

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

Fund Financial Statements

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

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

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

During 2025 the City had fourteen individual governmental funds. The General Fund is considered a major fund, as is the Capital Projects Fund. Their fund information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances. The remaining individual governmental fund statements are provided in the form of combining statements in a later section of this report.

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

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

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

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

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

Notes to the Financial Statements

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

Other Information

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Statement of Net Position and Statement of Activities for 2025 are compared with the results of the prior year in order to review the City's progress towards maintaining financial stability.

Analysis of Net Position

As noted above, over time net position may serve as a useful indicator of a government's financial position. As of December 31, 2025, the City's net position (assets and deferred outflows of resources less liabilities and deferred inflows of resources) was $515.1 million, an increase of $32.8 million, or 6.8%, compared to the total at December 31, 2024. The City reported positive balances in net position for both governmental and business-type activities. Net position increased by $19.4 million in its governmental activities and $13.4 million in its business-type activities.

The following table summarizes the City's net position (in thousands) at December 31, 2025 and 2024.

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and other assets	$ 96,096	$ 97,196	$ 101,409	$ 97,917	$ 197,505	$ 195,113
Capital assets	190,169	178,552	208,510	201,711	398,679	380,263
Total assets	286,265	275,748	309,919	299,628	596,184	575,376
Deferred Outflows of Resources	4,119	4,699	145	221	4,264	4,920
Liabilities						
Other liabilities	5,585	8,320	5,925	6,587	11,510	14,907
Long-term liabilities	10,003	8,810	46,181	48,689	56,184	57,499
Total liabilities	15,588	17,130	52,106	55,276	67,694	72,406
Deferred Inflows of Resources	16,912	24,821	774	825	17,686	25,646
Net position						
Net investment in capital assets	183,226	171,581	161,799	152,663	345,025	324,244
Restricted	18,631	18,490	-	-	18,631	18,490
Unrestricted	56,027	48,426	95,385	91,085	151,412	139,511
Total net position	$ 257,884	$ 238,497	$ 257,184	$ 243,748	$ 515,068	$ 482,245

Current and other assets increased by $2.4 million, or 1.2%, compared to the prior year's balance. This increase is due to several factors including additional cash received in 2025 related to grant reimbursements and delays in capital project construction as well as a decrease in restricted cash in the Water Reclamation Fund due to continued completion of the water reclamation facility construction project utilizing restricted bond proceeds. Capital assets increased by $18.4 million or 4.8%; this increase is primarily due to additional street improvement projects, the purchase of a former bank building and property on South Public Road, and a citywide fiber project in the governmental activities as well as the second phase of construction on the Water Reclamation Project throughout 2025.

Other liabilities decreased by $3.4 million, or 22.8%. This decrease is mainly due to timing of accounts payable at year-end 2025 compared to 2024 as well as a decrease in retainage payable in 2025 due to several projects being completed during the year.

The decrease of $8.0 million or 31.0% in deferred inflows was due to an increase in revenue recognized related to grant reimbursements for projects completed in prior years in the capital projects fund.

The largest portion of the City's net position $345.0 million, or 67.0% reflects its investment in capital assets (e.g., land, buildings, equipment, and infrastructure) less any related debt used to acquire those assets that remains outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position accounts for $18.6 million, or 3.6%, of total net position, representing resources that are subject to external restrictions on how they may be used. The remaining component of net position is unrestricted, representing $151.4 million, or 29.4%, of the City's total net position and may be used to meet ongoing obligations to the City's residents and creditors.

Changes in Net Position

The following table summarizes the City's Changes in Net Position (in thousands) for the years ended December 31, 2025 and 2024.

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues						
Charges for services	$ 9,678	$ 7,043	$ 35,216	$ 33,166	$ 44,894	$ 40,209
Operating grants and contributions	6,494	2,164	35	66	6,529	2,230
Capital grants and contributions	11,799	2,739	2,088	1,443	13,887	4,182
General revenues						
Property and specific ownership taxes	14,348	14,829	-	-	14,348	14,829
General sales and use taxes	31,172	27,440	-	-	31,172	27,440
Franchise taxes	1,382	1,380	-	-	1,382	1,380
Excise taxes	588	442	-	-	588	442
Unrestricted intergovernmental	98	155	-	-	98	155
Unrestricted investment earnings	3,076	3,032	4,181	3,922	7,257	6,954
Miscellaneous	1,100	603	373	178	1,473	781
Total revenues	79,735	59,827	41,893	38,775	121,628	98,602
Expenses						
General government	17,910	15,670	-	-	17,910	15,670
Judicial	1,053	674	-	-	1,053	674
Public safety	21,391	19,644	-	-	21,391	19,644
Public works	7,193	5,601	-	-	7,193	5,601
Culture and recreation	12,464	11,265	-	-	12,464	11,265
Interest	335	257	-	-	335	257
Water	-	-	10,150	9,485	10,150	9,485
Water reclamation	-	-	8,392	6,322	8,392	6,322
Golf course	-	-	4,422	4,297	4,422	4,297
Storm water	-	-	1,807	1,611	1,807	1,611
Waste management	-	-	3,687	3,542	3,687	3,542
Total expenses	60,346	53,111	28,458	25,257	88,804	78,368
Excess before transfers	19,389	6,716	13,435	13,518	32,824	20,234
Transfers	-	(200)	-	200	-	-
Change in net position	19,389	6,516	13,435	13,718	32,824	20,234
Beginning net position	238,497	231,981	243,749	230,030	482,246	462,011
Ending net position	$ 257,886	$ 238,497	$ 257,184	$ 243,748	$ 515,070	$ 482,245

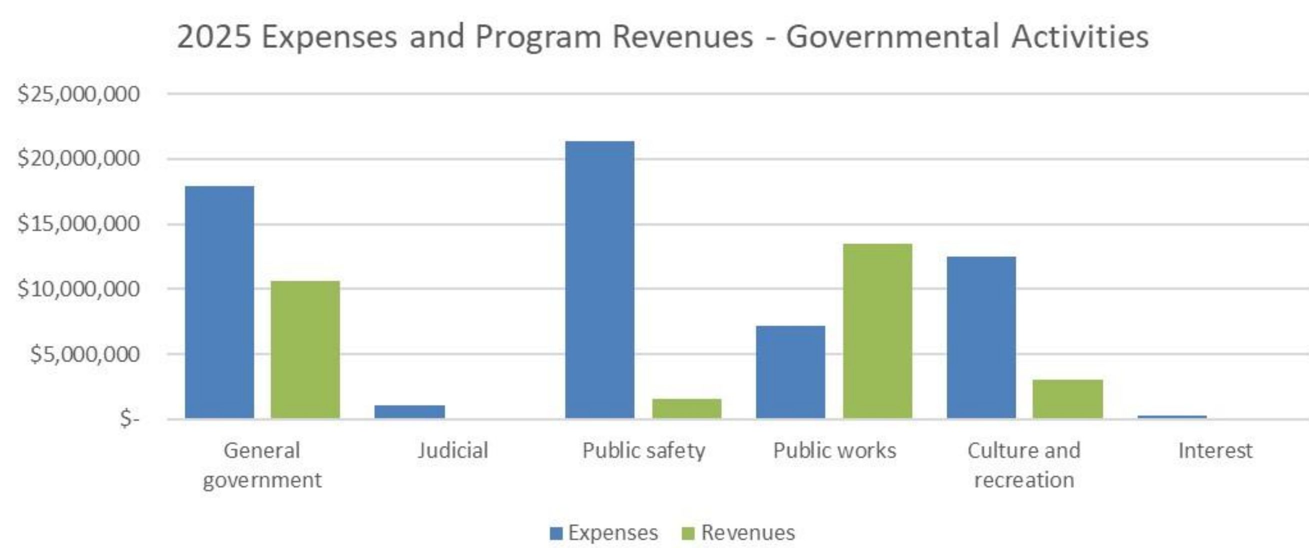
Governmental Activities

During 2025, the City's primary revenue sources for governmental operations included taxes, accounting for 59.6% of total governmental revenues. Charges for services represented 12.1% of revenues, while operating and capital grants and contributions represented 22.9% of total governmental revenues. Program revenues are directly associated with a specific activity, including charges for services, operating and capital grants, and therefore exclude tax revenues and certain other revenue sources. Program revenues account for 35.1% of total revenues related to governmental activities in 2025. Program revenues of $28.0 million were $32.4 million less than expenses. This is an ordinary occurrence for governments and indicates that taxes provide a primary source of revenues to support governmental operations.

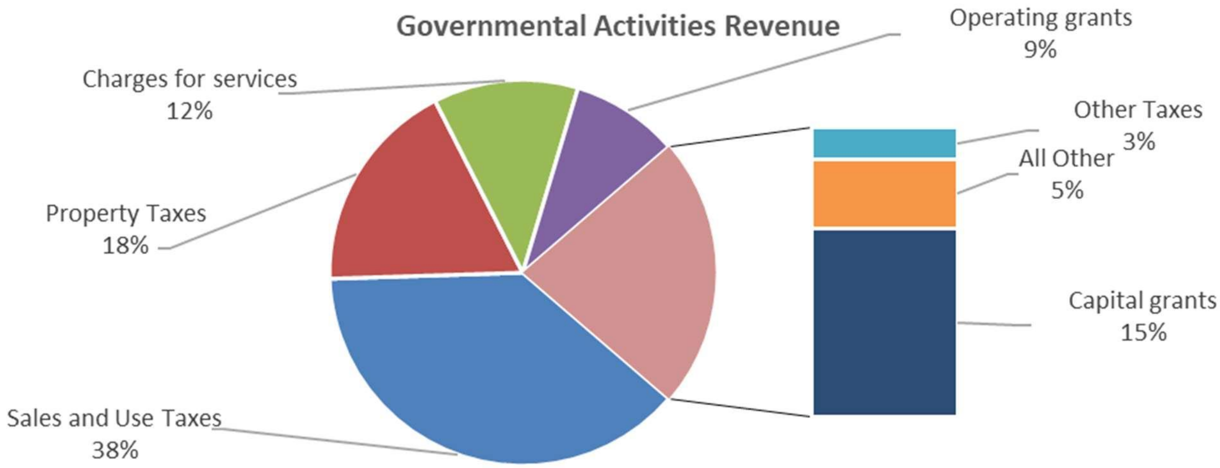
Revenues in total increased $19.9 million, or 33.3%, compared to the prior year. Capital grants and contributions increased $9.1 million, or 330.8%, compared to the previous year mainly due to an increase in grant reimbursements received for capital projects completed in prior years. Operating grants and contributions increased $4.3 million or 200.1% mainly due to transfers into the General and Capital Projects Fund from the City's component unit, the Lafayette Urban Renewal Authority (LURA), for reimbursement for the purchase of a parking lot as well as completion of streetscape improvement projects and the establishment of an economic revitalization program. Additionally, the increase in operating grants and contributions was also due to the revenue recognition in 2025 of $1.7 million of Americal Rescue Plan Act (ARPA)funding utilized in 2025 to renovate the City's Starkey Building to function as a usable community hub and for design and installation of a fiber optic backbone throughout the City. Property and specific ownership taxes decreased $0.5 million or 3.2% due to a decrease in delinquent tax payments in 2025 compared to those received in 2024.

Expenses of governmental activities increased $7.2 million, or 13.6%, compared to the prior year. This increase was primarily driven by higher budgeted expenditures across governmental funds to support significant capital investments. Additionally, insurance costs continued to rise in 2025, and the city made modest investments in staff compensation and operations to maintain service levels throughout 2025.

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



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



Business-type Activities

Business-type activities primarily rely on charges for services to support related expenses. Charges for services of $35.2 million for business-type activities represented 84.1% of 2025 revenues.

The other primary source of revenue, representing 5.0% of revenues, comes primarily from capital contributions in the form of tap fees, developer-constructed donated capital and reimbursements, and grants. Capital grants and contributions increased $0.6 million in 2025 mainly due to an increase of dedicated infrastructure recognized in 2025.

Expenses increased by $3.2 million, or 12.7%. This increase is mainly due to an increase in capital project funding across the proprietary funds.

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

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

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

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

These funds are accounted for using the modified accrual basis of accounting. At the end of 2025, the City reported a combined fund balance of $66.7 million, an increase of $9.4 million, or 16.4%, compared to the prior year's fund balance. The fund balance of the General Fund, the primary operating fund of the City, decreased $0.7 million, or 2.1%. At the end of 2025, the unassigned fund balance of the General Fund was $21.4 million, a decrease of $1.3 million, or 5.7%. Operating results for 2025 reflect $2.6 million transfers out of the General Fund. Of these transfers out, $2.6 million was to the Capital Projects Fund to be used for a variety of transportation and road maintenance projects. The decrease in the General Fund balance is mainly due to an increased investment in capital projects and equipment as well as increases in personnel costs. The increase in personnel costs in 2025 are a result of the continued application of the City's classification and compensation study which was first completed in 2024. This multi-year project increased compensation to ensure that the City is competitive with surrounding agencies. The City has also seen an increased year-over-year cost on benefits provided to its employees leading to higher personnel costs.

As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total fund expenditures. The unassigned fund balance of $21.4 million represents 39.3% of General Fund 2025 actual expenditures and 37.2% of 2025 budgeted operating expenditures. The remainder of the fund balance for the General Fund is either non-spendable ($1.7 million), restricted ($1.4million) or committed ($8.8 million).

The fund balance of the Capital Projects Fund increased $10.2 million. This increase in fund balance was driven by additional cash received in 2025 related to grant reimbursements for expenses incurred by the City in previous years for these projects.

The fund balance in the Other Governmental Funds decreased by $37,666, or 0.2%. Fund balances for the non-major funds are restricted, committed or assigned to the specific purposes and agreements related to each fund.

Proprietary Funds

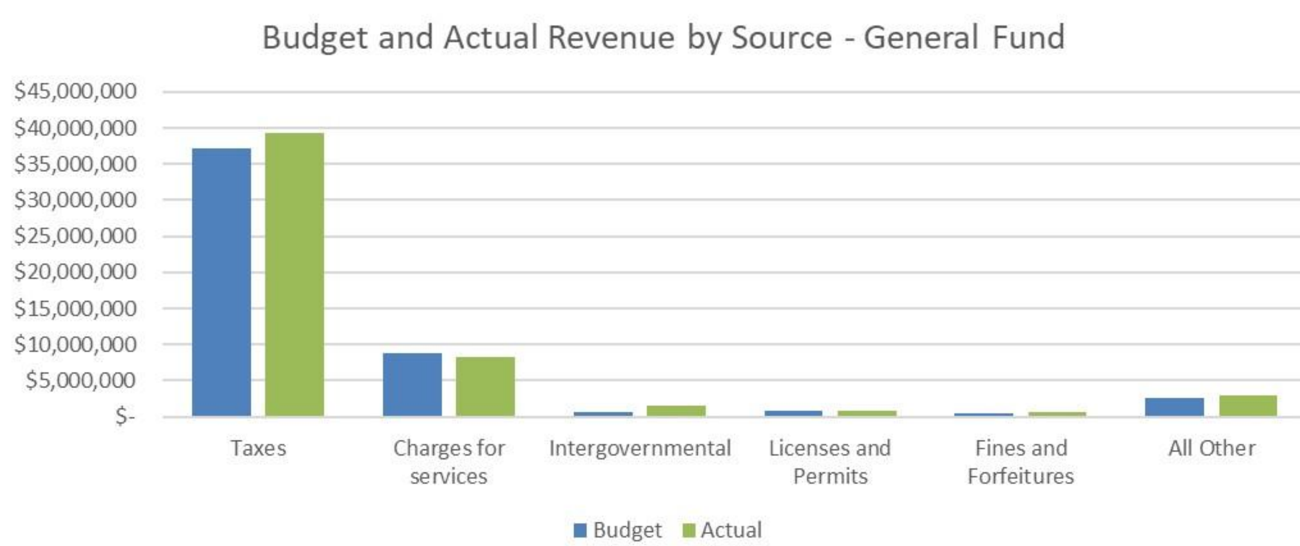
Information on the proprietary funds provides the same type of information found in the government-wide statements. Factors concerning the finances of these funds have been discussed above in the business-type activities section.

GENERAL FUND BUDGETARY HIGHLIGHTS

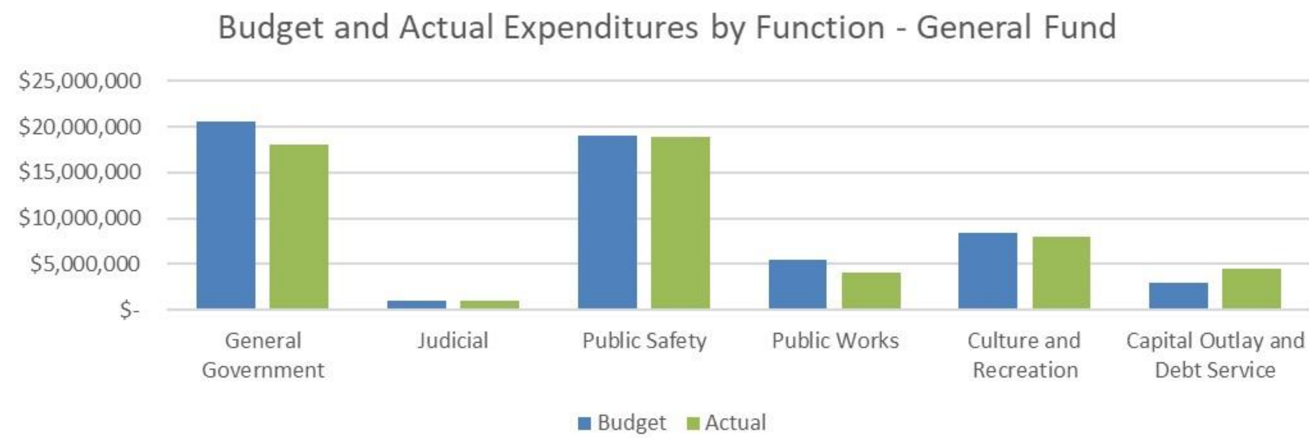
The City's final budget differs from the original budget in that it contains supplemental appropriations to carry forward unused prior year budget items for multi-year projects as well as for new or refined estimates of costs that were not anticipated in the originally adopted budget. The 2025 General Fund original budget provided for a deficit of $1.1 million, reflecting revenues of $50.3 million, expenditures of $48.8 million and net transfers to other funds of $2.6 million. The final budget provided for a deficit of $8.4 million, reflecting revenues of $50.5 million, expenditures of $57.4 million and net transfers to other funds of $1.6 million. Revenue sources increased $0.3 million to $50.5 million in the final budget. The expenditure and other financing uses budget increased $6.5 million to $59.0 million in the final budget. The primary expenditure changes to the original budget were carryovers of capital projects and equipment as well as a few transfers between funds

Actual results for 2025 in the General Fund was a deficit of $0.7 million. This deficit is mainly explained by an increased investment in capital projects and equipment as well as increases in personnel costs.

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



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



CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2025, amounts to $398.7 million (net of accumulated depreciation/amortization), increased $18.4 million or 5.0% compared to the prior year balance. The investment in capital assets includes land and land rights, water rights, public art, buildings, water and wastewater systems, improvements, machinery and equipment, park facilities, roads, storm drainage, other infrastructure, capitalized leases and subscription-based information technology arrangements (SBITAs).

The following table reflects amounts in thousands of dollars:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Capital assets (net of accumulated depreciation/amortization where applicable)						
Land and open space	$ 86,123	$ 84,105	$ 8,932	$ 9,912	$ 95,055	$ 94,017
Public art	587	576	-	-	587	576
Water rights	-	-	49,721	49,721	49,721	49,721
Construction in progress	1,932	28,039	38,131	36,177	40,063	64,216
Buildings	21,348	20,356	1,239	1,461	22,587	21,817
Improvements other than buildings	4,111	4,389	1,276	1,469	5,387	5,858
Infrastructure	65,799	34,153	106,997	100,258	172,796	134,411
Machinery and equipment	6,268	4,928	2,079	2,539	8,347	7,467
Right-of-use lease assets	3,606	1,300	15	21	3,621	1,321
Right-of-use subscription IT assets	395	706	120	153	515	859
Total capital assets	$ 190,169	$ 178,552	$ 208,510	$ 201,711	$ 398,679	$ 380,263

Major capital improvements during the fiscal year ended December 31, 2025, included the following:

Governmental Activities (total additions - $16.1 million)

- Various infrastructure improvements ($8.6 million)
- Land and buildings ($4.2 million)
- Vehicles and equipment ($3.3 million)

Business-type Activities (total additions - $14.4 million)

- Goose Haven Reservoir Project ($2.8 million)
- Water Reclamation Treatment Facility Project – Phase II ($6.6 million)
- Northern Integrated Supply Project ($1.5 million)
- General improvements to water and sewer lines and systems ($3.2 million)

Additional information on the City's capital assets can be found in Note 4 of this report.

Long-term Debt

At December 31, 2025, long-term debt of the City's governmental activities included general obligation bonds, revenue bonds, leases payable, subscription-based IT agreements, compensated absences, and net pension liability. Long-term debt of the City's business-type activities included revenue bonds, leases payable, subscription-based IT agreements, and compensated absences.

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

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation bonds	$ 585	$ 1,530	$ -	$ -	585	1,530
Revenue bonds	2,105	2,325	43,335	45,540	45,440	47,865
Unamortized premiums	76	157	2,195	2,389	2,271	2,546
Leases payable	3,754	1,389	16	22	3,770	1,411
Subscription-based IT agreements	293	590	106	133	399	723
Compensated absences	2,221	2,062	529	605	2,750	2,667
Net pension liability	969	757	-	-	969	757
Total long-term liabilities	$ 10,003	$ 8,810	$ 46,181	$ 48,689	$ 56,184	$ 57,499

The City had total bonded debt outstanding of $43.9 million (excluding $2.1 million in special assessment debt for which the City has no obligation). Of this amount, $0.6 million consists of general obligation debt backed by the full faith and credit of the City. The remaining $43.3 million represents debt issued by the City's water and water reclamation funds, secured by designated revenue sources of the respective funds. Total bonded debt outstanding decreased $3.1 million compared to the prior year-end.

Detailed information about the City's lease activity is presented in Note 5 to the financial statements. Subscription-based IT agreements decreased due to the maturity of the SBITAs. Detailed information about the City's SBITA activity is presented in Note 6 to the financial statements. More detailed information about the City's long-term liabilities is presented in Note 7 to the financial statements. Detailed information about the City's net pension liability is presented in Note 8 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

In October 2025, the Lafayette City Council adopted the fiscal year 2026 budget totaling $145.0 million across all funds. General Fund revenues in 2026, including transfers, are expected to total $51.9 million which trail budgeted expenditures and transfers out of $53.3 million. As a result, the General Fund is projected to draw $2.1 million from fund balance to fund one-time capital maintenance and replacement projects and/or equipment as well as system and software implementations. As the City begins the process for the 2027 budget, the City must approach this cycle with creativity and flexibility. Given the continued economic uncertainty and the potential for slower revenue growth, staff plan to take a conservative approach with 2027 revenue projections. The City will continue to look for ways to optimize existing resources and realign current funding to support the City's highest priorities. The 2025 budget above reflects the City's continued record of conservative and strong fiscal management that has proven especially important during times of economic uncertainty. The City maintains a well-resourced organization that is prepared to respond to the needs of residents even in the midst of uncertain economic pressures. The City does not currently anticipate any significant cash flow or liquidity issues that could affect service delivery.

In 2025, multiple economic indicators showed that Colorado's economic growth has slowed over the past couple of years after a prolonged period of excellent growth. Economic indicators show a moderation in real estate prices, consumer spending, job growth, and construction activity.

This cooling is especially evident in local sales tax collections, which have continued to flatten after several years of robust growth. Colorado retail sales increased only 1.80% in 2025 and retail sales growth in Colorado has grown at a slower rate than pre-pandemic levels. City sales tax growth is keeping pace with inflation, a trend expected to continue through the remainder of 2026.

The City has benefited from large increases in property taxes over the last ten years. Boulder County is currently in the process of reassessing property values, and the results will determine the amount of property taxes received by the City in 2027. Also, total assessed value is projected to decline in 2027 and thus the resulting property tax collected due to the implementation of a new State tax law. This law provides up to a $70,000 reduction in taxable value for homeowners and lowers the assessment rate for commercial properties.

In addition to slowed growth in Colorado, the U.S. economy continues to face a period of heightened uncertainty marked by mixed economic signals and shifting policy dynamics. Many national economic factors are still positive such as consumer spending, and unemployment rates. However, there are other issues that are creating the heightened uncertainty including high debt levels, geopolitical instability and inflation. The City continues to monitor potential impacts including effects on the supply chain, the cost of replacing capital infrastructure, and changes in consumer spending.

2027 Budget Priorities

The City's focus during the development of the 2027 budget remains on sustaining and prioritizing core and essential services and maintaining previous operational investments while also strategically addressing the City's capital needs. Additionally, the City will focus on balancing affordability with the cost of running an economically viable and sustainable City.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Lafayette Urban Renewal Authority	Downtown Development Authority
Assets					
Cash and investments	$ 69,819,783	$ 90,712,180	$ 160,531,963	$ 612,183	$ 2,007,439
Restricted cash	434,634	5,277,996	5,712,630	-	-
Receivables					
Accounts	2,592,992	2,652,655	5,245,647	-	66,633
Property taxes	13,829,053	-	13,829,053	-	-
Sales taxes	3,133,316	-	3,133,316	-	-
Special assessments	-	19,519	19,519	-	-
Leases	1,565,023	794,010	2,359,033	-	-
Interest	342,156	445,810	787,966	111,360	-
Notes	3,270,760	-	3,270,760	1,995,212	-
Due from primary government	-	-	-	1	-
Internal balances	318,204	(318,204)	-	-	-
Inventories	33,216	74,591	107,807	-	-
Prepaid items	757,419	-	757,419	-	-
Equity interest in joint venture	-	1,750,430	1,750,430	-	-
Capital assets, not being depreciated/amortized	88,642,059	96,784,238	185,426,297	434,081	-
Capital assets, net of accumulated depreciation/amortization	101,526,621	111,725,419	213,252,040	-	-
Total assets	286,265,236	309,918,644	596,183,880	3,152,837	2,074,072
Deferred Outflows of Resources					
Unamortized charges on debt refunding	30,537	145,392	175,929	-	-
Pension plans	4,088,206	-	4,088,206	-	-
Total deferred outflows of resources	4,118,743	145,392	4,264,135	-	-
Liabilities					
Accounts payable	1,725,318	4,169,667	5,894,985	132,015	14,837
Retainage payable	159,243	1,203,892	1,363,135	-	-
Claims payable	70,709	-	70,709	-	-
Accrued salaries payable	1,190,532	190,163	1,380,695	-	-
Accrued interest payable	110,517	101,458	211,975	-	-
Deposits payable	2,228,330	238,999	2,467,329	2,000	-
Due to component unit	1	-	1	-	-
Unearned revenue	100,000	21,301	121,301	-	-
Debt					
Due within one year	2,717,743	2,617,738	5,335,481	-	-
Due in more than one year, other than pension	6,316,788	43,563,757	49,880,545	-	-
Due in more than one year, net pension liability	968,798	-	968,798	-	-
Total liabilities	15,587,979	52,106,975	67,694,954	134,015	14,837
Deferred Inflows of Resources					
Deferred revenue - property taxes	13,564,126	-	13,564,126	-	-
Deferred revenue - other	1,809,213	-	1,809,213	-	-
Related to leases	1,477,813	773,504	2,251,317	-	-
Pension plans	60,626	-	60,626	-	-
Total deferred inflows of resources	16,911,778	773,504	17,685,282	-	-
Net Position					
Net investment in capital assets	183,226,186	161,799,033	345,025,219	434,081	-
Restricted for					
Specific projects and programs	2,577,391	-	2,577,391	-	-
Capital improvements	16,054,062	-	16,054,062	-	-
Unrestricted	56,026,583	95,384,524	151,411,107	2,584,741	2,059,235
Total net position	$ 257,884,222	$ 257,183,557	$ 515,067,779	$ 3,018,822	$ 2,059,235

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units: Lafayette Urban Renewal Authority	Component Units: Downtown Development Authority	Component Units: Entity Previously Reported as Component Unit
Primary government										
Governmental activities										
General government	$ 17,910,074	$ 5,026,671	$ 4,829,770	$ -	$ (8,053,633)	$ -	$ (8,053,633)	$ -	$ -	$ -
Judicial	1,053,430	27,766	-	-	(1,025,664)	-	(1,025,664)	-	-	-
Public safety	21,391,392	1,526,857	13,064	-	(19,851,471)	-	(19,851,471)	-	-	-
Public works	7,193,249	446,669	1,617,881	11,413,582	6,284,883	-	6,284,883	-	-	-
Culture and recreation	12,464,416	2,650,504	33,268	385,622	(9,395,022)	-	(9,395,022)	-	-	-
Interest	334,800	-	-	-	(334,800)	-	(334,800)	-	-	-
Total governmental activities	60,347,361	9,678,467	6,493,983	11,799,204	(32,375,707)	-	(32,375,707)	-	-	-
Business-type activities										
Water	10,149,869	16,209,620	34,692	1,105,331	-	7,199,774	7,199,774	-	-	-
Water reclamation	8,392,467	8,262,374	-	582,859	-	452,766	452,766	-	-	-
Golf course	4,421,856	4,767,885	-	-	-	346,029	346,029	-	-	-
Storm water	1,807,163	2,297,330	-	400,220	-	890,387	890,387	-	-	-
Waste management	3,686,766	3,678,981	-	-	-	(7,785)	(7,785)	-	-	-
Total business-type activities	28,458,121	35,216,190	34,692	2,088,410	-	8,881,171	8,881,171	-	-	-
Total primary government	$ 88,805,482	$ 44,894,657	$ 6,528,675	$ 13,887,614	(32,375,707)	8,881,171	(23,494,536)	-	-	-
Component Units										
Lafayette Urban Renewal Authority	$ 6,076,559	$ -	$ -	$ -				(6,076,559)	-	-
Downtown Development Authority	7,398	-	-	-					(7,398)	
Total Component Units	$ 6,083,957	$ -	$ -	$ -				(6,076,559)	(7,398)	-
General revenues										
Property and specific ownership taxes					14,348,067	-	14,348,067	917,253	-	-
General sales and use taxes					31,171,900	-	31,171,900	-	66,633	-
Franchise taxes					1,382,405	-	1,382,405	-	-	-
Excise taxes					587,778	-	587,778	-	-	-
Unrestricted intergovernmental					98,005	-	98,005	-	-	-
Unrestricted investment earnings					3,074,746	4,181,095	7,255,841	207,781	-	-
Miscellaneous					1,100,120	372,791	1,472,911	-	2,000,000	-
Total general revenue and transfers					51,763,021	4,553,886	56,316,907	1,125,034	2,066,633	-
Change in net position					19,387,314	13,435,057	32,822,371	(4,951,525)	2,059,235	-
Net position - beginning, as previously reported					238,496,908	243,748,500	482,245,408	7,970,347	-	2,259,331
Adjustments (Note 13)					-	-	-	-	-	(2,259,331)
Net position - beginning, as restated					238,496,908	243,748,500	482,245,408	7,970,347	-	-
Net position - ending					$ 257,884,222	$ 257,183,557	$ 515,067,779	$ 3,018,822	$ 2,059,235	$ -

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and investments	$ 30,421,226	$ 16,603,772	$ 15,626,372	$ 62,651,370
Receivables				
Accounts	1,537,245	890,808	143,582	2,571,635
Property taxes	12,872,271	99,119	857,663	13,829,053
Sales taxes	2,510,677	-	622,639	3,133,316
Leases	1,565,023	-	-	1,565,023
Interest	186,513	56,602	65,559	308,674
Notes	495,000	-	2,775,760	3,270,760
Due from other funds	1,483,445	-	-	1,483,445
Inventories	33,216	-	-	33,216
Prepaid items	748,977	-	8,442	757,419
Restricted cash	434,634	-	-	434,634
Total assets	$ 52,288,227	$ 17,650,301	$ 20,100,017	$ 90,038,545
Liabilities, Deferred Inflows of Resources, and Fund Balance				
Liabilities				
Accounts payable	$ 1,172,926	$ 305,431	$ 322,599	$ 1,800,956
Due to other funds	-	-	1,165,241	1,165,241
Deposits payable	2,228,330	-	-	2,228,330
Accrued liabilities	1,095,126	-	78,523	1,173,649
Unearned revenues	100,000	-	-	100,000
Total liabilities	4,596,382	305,431	1,566,363	6,468,176
Deferred Inflows of Resources				
Unavailable revenue - property taxes	12,746,822	-	817,304	13,564,126
Unavailable revenue - other	325,873	890,808	592,532	1,809,213
Lease related	1,477,813	-	-	1,477,813
Total deferred inflows of resources	14,550,508	890,808	1,409,836	16,851,152
Fund Balance				
Nonspendable	1,665,648	-	53,767	1,719,415
Restricted	1,361,286	400,000	16,870,167	18,631,453
Committed	8,763,615	16,054,062	199,884	25,017,561
Unassigned	21,350,788	-	-	21,350,788
Total fund balance	33,141,337	16,454,062	17,123,818	66,719,217
Total liabilities, deferred inflows of resources, and fund balances	$ 52,288,227	$ 17,650,301	$ 20,100,017	$ 90,038,545

Total Fund Balances - Governmental Funds	$ 66,719,217
Amounts reported for governmental activities in the statement of net position are different different because:	
Capital assets net of depreciation and amortization used in governmental activities are not financial resources and, therefore, are not reported in the funds (excludes internal service fund capital assets of $4,029,389).	186,139,291
Internal service funds are used by management to charge the costs of fleet management and insurance programs to individual funds. The assets and liabilities of the internal service funds are inlcuded in the governmental activities in the statement of net position.	11,057,237
Deferred outflows and inflows of resources related to pensions and other postemployment benefits are applicable to future periods and, therefore, are not reported in the funds	4,027,580
Long-term liabilities and related items are not due and payable in the current period and, therefore, are current period and, therefore, are not reported in the funds. The details of this difference are as follows:	
Bonds payable	(2,690,000)
Unamortized premium	(76,649)
Unamortized deferred refunding loss	30,537
Leases payable	(3,754,333)
Subscription-based IT agreements payable	(292,806)
Compensated absences (excludes internal service fund compensated absences of $24,206)	(2,196,537)
Net pension liability	(968,798)
Accrued interest payable	(110,517)
Net Position of Governmental Activities	$ 257,884,222

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	$ 39,223,803	$ -	$ 8,266,347	$ 47,490,150
Licenses and permits	816,841	-	-	816,841
Intergovernmental	1,555,932	12,099,218	2,030,317	15,685,467
Contributions and grants	446,470	-	19,120	465,590
Charges for services	8,227,365	-	-	8,227,365
Fines and forfeits	623,861	-	-	623,861
Net investment income	1,616,364	520,651	646,344	2,783,359
Leases	171,137	-	-	171,137
Miscellaneous	655,514	112,730	23,804	792,048
Total revenues	53,337,287	12,732,599	10,985,932	77,055,818
Expenditures				
Current				
General government	18,030,188	31,203	3,739,289	21,800,680
Judicial	1,047,396	-	-	1,047,396
Public safety	18,860,436	-	1,403,839	20,264,275
Public works	4,000,142	-	-	4,000,142
Culture and recreation	7,903,752	-	1,505,757	9,409,509
Capital outlay	3,749,466	5,113,944	2,811,825	11,675,235
Debt service				
Principal	653,216	-	1,308,417	1,961,633
Interest on bonded debt	83,242	-	221,500	304,742
Interest on interfund loan	-	-	31,988	31,988
Bond trustee fees	-	-	983	983
Total expenditures	54,327,838	5,145,147	11,023,598	70,496,583
Excess (Deficiency) of Revenues over (under) Expenditures	(990,551)	7,587,452	(37,666)	6,559,235
Other Financing Sources (Uses)				
Transfers in	-	2,600,000	1,950,000	4,550,000
Transfers out	(2,600,000)	-	(1,950,000)	(4,550,000)
Issuance of long-term debt	2,864,640	-	-	2,864,640
Total other financing sources (uses)	264,640	2,600,000	-	2,864,640
Net Change in Fund Balance	(725,911)	10,187,452	(37,666)	9,423,875
Fund Balance, Beginning of Year	33,867,248	6,266,610	17,161,484	57,295,342
Fund Balance, End of Year	$ 33,141,337	$ 16,454,062	$ 17,123,818	$ 66,719,217

Net Change in Fund Balances - Total Governmental Funds	$ 9,423,875
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. The details of the difference are as follows:	
Capital outlay	14,576,079
Developer dedications	2,239,592
Depreciation/amortization (exluding $970,000 of depreciation on internal service funds).	(6,393,167)
The net effect of the disposal of capital assets results in a decrease to net position.	(5,568)
Internal service funds are used by management to charge the costs of fleet management and insurance programs to individual funds. The net revenue of the internal service funds is reported with the governmental activities.	2,713,439
A change of accounting principal for compensated absences resulted in an increase of net position in the employee benefit fund. However, this change in principal had no impact on the change in net position at the government-wide level.	(1,555,253)
In the statement of activities compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.	(163,736)
In the statement of activities the cost of pension benefits earned net of employee contributions is reported as pension expense. In the governmental funds, however, the contributions are reported as expense.	(547,855)
In the statement of activities interest expense is recognized as it accrues. In the governmental funds, however, the expenditure is measured by the amount of financial resources used.	(63,827)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(836,265)
Change in Net Position of Governmental Activities	$ 19,387,314

City of Lafayette, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2025

	Business-type Activities						Governmental Activities
	Enterprise Funds						
			Nonmajor Funds				
	Water Utility	Water Reclamation Utility	Golf Course	Storm Water	Waste Management	Total	Internal Service Funds
Assets							
Current Assets							
Cash and investments	$ 45,079,749	$ 33,319,000	$ 2,458,706	$ 9,829,315	$ 25,410	$ 90,712,180	$ 7,168,413
Accounts	1,252,328	868,674	-	213,970	337,202	2,672,174	21,357
Leases	822,190	-	-	-	-	822,190	-
Interest	204,595	155,628	11,423	45,984	-	417,630	33,482
Due from other funds	-	-	-	-	-	-	-
Inventories	-	-	74,591	-	-	74,591	-
Restricted cash	1,362,000	3,915,996	-	-	-	5,277,996	-
Total current assets	48,720,862	38,259,298	2,544,720	10,089,269	362,612	99,976,761	7,223,252
Noncurrent Assets							
Equity interest in Baseline	1,750,430	-	-	-	-	1,750,430	-
Capital assets							
Not being depreciated/amortized	86,243,541	9,022,065	1,324,996	193,636	-	96,784,238	-
Net of accumulated deprecation/amortization	45,755,159	55,948,332	3,008,214	7,013,714	-	111,725,419	4,029,389
Total capital assets, net of accumulated depreciation/amortization	131,998,700	64,970,397	4,333,210	7,207,350	-	208,509,657	4,029,389
Total noncurrent assets	133,749,130	64,970,397	4,333,210	7,207,350	-	210,260,087	4,029,389
Total assets	182,469,992	103,229,695	6,877,930	17,296,619	362,612	310,236,848	11,252,641
Deferred Outflows of Resources							
Unamortized charges on debt refunding	145,392	-	-	-	-	145,392	-

	Business-type Activities						Governmental Activities
	Enterprise Funds						
		Water	Nonmajor Funds				
	Water Utility	Reclamation Utility	Golf Course	Storm Water	Waste Management	Total	Internal Service Funds
Liabilities							
Current Liabilities							
Accounts payable	3,224,785	473,031	49,117	120,548	302,186	4,169,667	83,606
Retainage payable	1,203,892	-	-	-	-	1,203,892	-
Claims incurred but not reported	-	-	-	-	-	-	70,709
Due to other funds	-	318,204	-	-	-	318,204	-
Accrued payroll	85,663	53,002	39,194	12,304	-	190,163	16,883
Accrued interest payable	11,767	89,691	-	-	-	101,458	-
Deposits payable	88,715	-	150,284	-	-	238,999	-
Unearned revenue	21,301	-	-	-	-	21,301	-
Compensated absences	132,968	102,604	31,746	23,836	-	291,154	24,206
Current portion of long-term debt	1,266,588	1,060,000	-	-	-	2,326,588	-
Total current liabilities	6,035,679	2,096,532	270,341	156,688	302,186	8,861,426	195,404
Noncurrent Liabilities							
Compensated absences	108,792	83,949	25,974	19,502	-	238,217	-
Long-term debt, net of current portion	1,612,253	41,713,283	-	-	-	43,325,536	-
Total noncurrent liabilities	1,721,045	41,797,232	25,974	19,502	-	43,563,753	-
Total liabilities	7,756,724	43,893,764	296,315	176,190	302,186	52,425,179	195,404
Deferred Inflows of Resources							
Lease related	773,504	-	-	-	-	773,504	-
Total deferred inflows resources	773,504	-	-	-	-	773,504	-
Net Position							
Net investment in capital assets	128,061,359	22,197,114	4,333,210	7,207,350	-	161,799,033	4,029,389
Unrestricted	46,023,797	37,138,817	2,248,405	9,913,079	60,426	95,384,524	7,027,848
Total net position	$ 174,085,156	$ 59,335,931	$ 6,581,615	$ 17,120,429	$ 60,426	$ 257,183,557	$ 11,057,237

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
Year Ended December 31, 2025

	Business-type Activities						Governmental Activities
	Enterprise Funds						
			Nonmajor Funds				
	Water Utility	Water Reclamation Utility	Golf Course	Storm Water	Waste Management	Total	Internal Service Funds
Operating Revenues							
Charges for services	$ 16,209,620	$ 8,262,374	$ 4,767,885	$ 2,313,905	$ 3,678,584	$ 35,232,368	$ 9,037,066
Miscellaneous	70,252	511	9,521	4,888	397	85,569	147,878
Total operating revenues	16,279,872	8,262,885	4,777,406	2,318,793	3,678,981	35,317,937	9,184,944
Operating Expenses							
Personnel services	2,660,764	1,645,971	1,749,082	399,406	14,485	6,469,708	(1,395,219)
Operations	4,988,896	2,539,035	2,170,890	855,146	3,672,281	14,226,248	493,657
Premiums and claims paid	-	-	-	-	-	-	6,694,454
Depreciation/amortization	2,368,093	3,169,379	501,885	552,608	-	6,591,965	970,000
Total operating expenses	10,017,753	7,354,385	4,421,857	1,807,160	3,686,766	27,287,921	6,762,892
Operating Income (Loss)	6,262,119	908,500	355,549	511,633	(7,785)	8,030,016	2,422,052
Nonoperating Revenues (Expenses)							
Net investment income	1,908,283	1,759,121	97,374	416,317	-	4,181,095	291,387
Gain from equity interest in Baseline	161,758	-	-	-	-	161,758	-
Lease revenue	70,205	-	-	-	-	70,205	-
Intergovermental operating grants	34,692	-	-	-	-	34,692	-
Gain on disposal of assets	29,656	26,000	-	-	-	55,656	-
Interest expense and bond fees	(132,118)	(1,038,078)	-	(4)	-	(1,170,200)	-
Total nonoperating revenues (expenses)	2,072,476	747,043	97,374	416,313	-	3,333,206	291,387
Income (Loss) before Transfers and Capital Contributions	8,334,595	1,655,543	452,923	927,946	(7,785)	11,363,222	2,713,439
Transfers and Capital Contributions							
Transfers in	-	2,500,000	-	-	-	2,500,000	-
Transfers out	(2,500,000)	-	-	-	-	(2,500,000)	-
Tap and development fees	87,825	77,062	-	-	-	164,887	-
Payments in lieu of water	317,955	-	-	-	-	317,955	-
Developer dedications	699,551	505,797	-	383,645	-	1,588,993	-
Total transfers and capital contributions	(1,394,669)	3,082,859	-	383,645	-	2,071,835	-
Change in Net Position	6,939,926	4,738,402	452,923	1,311,591	(7,785)	13,435,057	2,713,439
Total Net Position, Beginning of Year	167,145,230	54,597,529	6,128,692	15,808,838	68,211	243,748,500	8,343,798
Total Net Position, End of Year	$ 174,085,156	$ 59,335,931	$ 6,581,615	$ 17,120,429	$ 60,426	$ 257,183,557	$ 11,057,237

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

City of Lafayette, Colorado

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2025

	Business-type Activities						Governmental Activities
	Enterprise Funds						
			Nonmajor Funds				
	Water Utility	Water Reclamation Utility	Golf Course	Storm Water	Waste Management	Total	Internal Service Funds
Operating Activities							
Receipts for services provided	$ 15,883,708	$ 8,205,004	$ 4,784,318	$ 2,327,161	$ 3,718,302	$ 34,918,493	$ 9,015,709
Miscellaneous receipts	70,252	511	9,521	4,888	397	85,569	147,878
Payments to suppliers	(5,794,268)	(2,498,587)	(2,183,743)	(855,556)	(3,654,941)	(14,987,095)	(8,755,630)
Payments to and on behalf of employees	(2,638,709)	(1,633,764)	(1,772,012)	(444,306)	(15,136)	(6,503,927)	1,403,894
Net Cash from Operating Activities	7,520,983	4,073,164	838,084	1,032,187	48,622	13,513,040	1,811,851
Noncapital Financing Activities							
Transfers to other funds	(2,500,000)	-	-	-	-	(2,500,000)	-
Transfers from other funds	-	2,500,000	-	-	-	2,500,000	-
Intergovernmental operating grants	55,993	-	-	-	-	55,993	-
Payments received on interfund borrowing	-	189,019	-	-	-	189,019	-
Payments made for interfund borrowing	-	-	-	-	(23,212)	(23,212)	-
Net Cash from (Used for) Noncapital Financing Activities	(2,444,007)	2,689,019	-	-	(23,212)	221,800	-
Capital and Related Financing Activities							
Proceeds from sale of assets	1,021,625	26,000	-	-	-	1,047,625	-
Tap and development fees	87,825	77,062	-	-	-	164,887	-
Payments in lieu of water	317,955	-	-	-	-	317,955	-
Lease proceeds	51,818	-	-	-	-	51,818	-
Acquisition of capital assets	(5,718,229)	(6,867,763)	(65,404)	(122,858)	-	(12,774,254)	(2,169,685)
Debt service							
Principal	(1,216,900)	(1,020,728)	-	(362)	-	(2,237,990)	-
Interest	(178,219)	(1,117,439)	-	(11)	-	(1,295,669)	-
Net Cash Used for Capital and Related Financing Activities	(5,634,125)	(8,902,868)	(65,404)	(123,231)	-	(14,725,628)	(2,169,685)
Investing Activities							
Investment income received	1,908,553	1,728,427	93,057	409,033	-	4,139,070	289,882
Net Cash from Investing Activities	1,908,553	1,728,427	93,057	409,033	-	4,139,070	289,882
Change in Cash and Cash Equivalents	1,351,404	(412,258)	865,737	1,317,989	25,410	3,148,282	(67,952)
Cash and Cash Equivalents, Beginning of Year	45,090,345	37,647,254	1,592,969	8,511,326	-	92,841,894	7,236,365
Cash and Cash Equivalents, End of Year	$ 46,441,749	$ 37,234,996	$ 2,458,706	$ 9,829,315	$ 25,410	$ 95,990,176	$ 7,168,413

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

	Business-type Activities						Governmental Activities
	Enterprise Funds						
			Nonmajor Funds				
	Water Utility	Water Reclamation Utility	Golf Course	Storm Water	Waste Management	Total	Internal Service Funds
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position							
Cash and investments	$ 45,079,749	$ 33,319,000	$ 2,458,706	$ 9,829,315	$ 25,410	$ 90,712,180	$ 7,168,413
Restricted cash	1,362,000	3,915,996	-	-	-	5,277,996	-
Total cash and cash equivalents, end of year	$ 46,441,749	$ 37,234,996	$ 2,458,706	$ 9,829,315	$ 25,410	$ 95,990,176	$ 7,168,413
Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities							
Operating income (loss)	$ 6,262,119	$ 908,500	$ 355,549	$ 511,633	$ (7,785)	$ 8,030,016	$ 2,422,052
Adjustments to reconcile operating income (loss) to net cash from operating activities							
Depreciation/amortization	2,368,093	3,169,379	501,885	552,608	-	6,591,965	970,000
Changes in assets and liabilities							
Accounts receivable	(331,039)	(57,370)	-	13,256	39,718	(335,435)	(21,357)
Inventories	-	-	(2,757)	-	-	(2,757)	-
Prepaid expenses	-	-	-	-	-	-	-
Accounts payable	(805,372)	40,448	(10,096)	(410)	17,340	(758,090)	(7,797)
Payroll payable	23,309	11,306	7,164	(584)	-	41,195	13,851
Compensated absences	(1,254)	901	(30,094)	(44,316)	(651)	(75,414)	(1,560,429)
Deposits payable	5,127	-	16,433	-	-	21,560	-
Claims incurred but not reported	-	-	-	-	-	-	(4,469)
Net Cash from Operating Activities	$ 7,520,983	$ 4,073,164	$ 838,084	$ 1,032,187	$ 48,622	$ 13,513,040	$ 1,811,851
Supplemental Schedule of Noncash Investing and Financing Activities							
Acquisition of capital assets through capital contributions and donations	$ 699,551	$ 505,797	$ -	$ 383,645	$ -	$ 1,588,993	$ -
Retainage payable for acquisition of capital assets	$ 1,203,892	$ -	$ -	$ -	$ -	$ 1,203,892	$ -

	Custodial Fund
Assets	
Cash and investments	$ 34,074
Liabilities	
Taxes due to other governments	34,074
Net Position	
Restricted for	
Funds held for others	-
Total net position	$ -

	Custodial Fund
Additions	
Taxes collected for other governments	$ 438,016
Deductions	
Taxes disbursed to other governments	438,016
Change in Net Position	-
Net Position, Beginning	-
Net Position, Ending	$ -

Note 1 - Summary of Significant Accounting Policies

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

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

Basis of Presentation

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

Reporting Entity

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

Blended Component Units

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

Discretely Presented Component Units

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

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

The Lafayette Downtown Development Authority (DDA) was established in 2025 through the support of voters within its boundaries. As a quasi-governmental entity, the Lafayette DDA is dedicated to revitalizing and enhancing Old Town Lafayette's vibrant downtown. By building strong partnerships with small businesses, property owners, community groups, and the City of Lafayette, the Lafayette DDA creates a self-sustaining organization designed to champion downtown for years to come. The Lafayette DDA is funded through Tax Increment Financing (TIF)— a mechanism that reallocates a portion of property and sales taxes generated within the district. This funding approach does not involve new taxes or raise existing ones, ensuring a fiscally responsible method for achieving public improvements and supporting small businesses. Governed with accountability and transparency, the DDA is led by a seven-member Board of Directors, all of whom are appointed by the City. Accordingly, the DDA is considered a component unit of the City. As there would be no difference between full and modified accrual statements for DDA, based on the entity's activities, additional financial statements are not presented in this report.

Government-Wide and Fund Financial Statements

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

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

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

The City reports the following major governmental funds:

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

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

The City reports the following major proprietary funds:

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

Additionally, the City reports the following fund types:

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

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

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

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

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

Cash Equivalents and Investments

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

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

Interfund Receivables and Payables

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

Accounts Receivable

Accounts receivable represents amounts due from various parties for services provided by the City. Management has determined that any possible losses due to potential uncollectibility are minimal, and accordingly has not accrued a provision for uncollectible accounts.

Lease Receivables

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

Property Taxes Receivable

By December 15 of each year, property taxes for the City are levied by the City Council and certified to Boulder County for collection in the subsequent year. These taxes attach as an enforceable lien on property as of January 1 of the succeeding year and are payable in full by April 30 or in two installments by June 15 in the year of collection. The taxes are collected by the Boulder County Treasurer on behalf of the City. A 1% collection fee is retained by the County as compensation for collecting the taxes. Because the taxes receivable are secured by a lien, management has determined that no allowance for uncollectible taxes is necessary.

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

Inventories

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

Prepaid Items

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

Equity Interest in Joint Venture

The City has entered into a joint venture agreement for the operation of Base Line Land and Reservoir Company (the Company), a nonprofit corporation responsible for the management of the Base Line Reservoir. The City owns 70% of the Company and its constituents receive a direct benefit of the services the company provides. The City's ownership in this entity is intended to support the provision of governmental services (providing water to residents). The County reports its proportionate share of the Authority's net position (70%) as investment in joint venture in the Water Fund and business-type activities statements of net position.

Capital Assets

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

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

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

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

Useful lives are as follows:

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

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

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

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

Long-Term Obligations

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

In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.
Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses or expenditures.

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

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

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

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

Compensated Absences

The City recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation

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

Employees at September 2024 with more than 280 hours of accrued vacation leave had the excess hours placed into an individual legacy vacation bank. Employees may use these hours, or they will be paid out upon separation from employment.

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

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

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

Sick Leave

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

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

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

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

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

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

Pensions

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

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

Postemployment Benefits Other Than Pensions (OPEB)

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

Deferred Outflows and Inflows of Resources

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

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

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

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

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

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

Net Position

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

Net Position Flow Assumptions

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

Net Investment in Capital Assets Calculation

	Governmental Activities	Business-type Activities
Capital Assets Not Depreciated/Amortized	$ 88,642,059	$ 96,784,238
Capital Assets, net of accumulated depreciation/amortization	101,526,621	111,725,419
Unamortized charges on debt refunding	30,537	145,392
Retainage payable	(159,243)	(1,203,892)
Non-current liabilities due in one year	(2,717,743)	(2,617,738)
Non-current liabilities due in more than one year	(6,316,788)	(43,563,757)
Less:		
Accrued compensated absences	2,220,743	529,371
	$ 183,226,186	$ 161,799,033

Fund Balance

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

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

- *Nonspendable fund balance* – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form, or legally or contractually required to be maintained intact. Inventories and prepaid amounts are examples of this classification.
-
- *Restricted fund balance* – Spending constraints that are placed on the use of fund balance amounts by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation, are classified as restricted.

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

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

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

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

For 2025, the General Fund reserve requirement of 25% of budgeted expenditures requires a minimum reserve of $14,992,639. As of December 31, 2025, the amount restricted for the TABOR reserve was $897,248 and the unassigned fund balance reported in the General Fund was $21,350,788, exceeding the minimum reserve required.

Fund Balance Flow Assumptions

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

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

Estimates

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

Adoption of New Accounting Standard

As of January 1, 2025, the City adopted GASB Statement No. 102, *Certain Risk Disclosures*, which requires management to evaluate whether there are risks related to a government's vulnerabilities due to certain concentrations or constraints that require disclosure. There was no effect of the implementation of this standard on disclosures during the year.

Note 2 - Stewardship, Compliance, and Accountability

Expenditures in Excess of Appropriation

Expenditures exceeded budget appropriation in the Cemetery Fund by $3,965. No remedial action is anticipated or required by the City regarding this excess expenditure.

Note 3 - Deposits and Investments

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

Deposits and investments at December 31, 2025, are summarized below.

Cash and cash equivalents	
Statement of net position	$ 160,531,963
Restricted cash	
Statement of net position	5,712,630
	$ 166,244,593
Deposits	$ 20,620,995
Investments	145,621,701
Cash on hand	1,897
	$ 166,244,593

Deposits

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

The City's deposits are considered to be entirely insured or collateralized with securities held by the City or its agent in the City's name as follows: At year-end, the City's cash deposits had a carrying amount of $20,620,995 and a corresponding bank balance of $21,269,021.

Of the bank balances, $281,873 was covered by federal deposit insurance and $20,987,148 was uninsured but collateralized in accordance with provisions of the PDPA.

Investments

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

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

- Obligations of the United States and certain U.S. government agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper

- Written repurchase agreements collateralized by certain authorized securities
- Certain money market mutual funds
- Local government investment pools

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

Investment Type	Rating (Moody's/S&P)	Total	Maturities (in Years) < 1	1 - 5
Investments Measured at Fair Value				
U.S. T-Bills and Notes	Aaa/AA+	$ 43,248,341	$ 7,802,393	$ 35,445,948
Federal Farm Credit Bank	Aaa/AA+	13,258,021	5,991,304	7,266,717
Federal Home Loan Bank	Aaa/AA+	16,169,090	5,991,304	10,177,786
Federal Home Loan Mortgage Corp.	Aaa/AA+	5,011,263	1,755,146	3,256,117
Federal National Mortgage Association	Aaa/AA+	1,525,524	-	1,525,524
U.S. Corporate Notes	AA3/AA-1	6,008,256	3,463,381	2,544,875
Mutual funds	n/a	69,096	69,096	-
Total investments measured at fair value		85,289,591	25,072,624	60,216,967
Investments Measured at Net Asset Value				
COLOTRUST PLUS+	n/a	19,458,246	19,458,246	-
Money Market	Aaa-mf/AAAm	246,223	246,223	-
Total investments measured at net asset value		19,704,469	19,704,469	-
Investments Measured at Amortized Cost				
CSAFE - Cash Fund	AAAmmf*	1,893,046	1,893,046	-
CSAFE - Core Fund	AAAf/S1*	36,311,125	36,311,125	-
CSIP Liquid Portfolio	n/a/AAAm	2,423,470	2,423,470	-
Total investments measured at amortized cost		40,627,641	40,627,641	-
		$ 145,621,701	$ 85,404,734	$ 60,216,967

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

Fair Value

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

The three-tier framework is summarized as follows:

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

The following table presents the assets measured at fair value on a recurring basis, except those measured at net asset value and amortized cost, at December 31, 2025:

	Total	Level 1	Level 2	Level 3
Primary Government				
Pooled Investments				
U.S. T-Bills and Notes	$ 43,248,341	$ 43,248,341	$ -	$ -
Federal Farm Credit Bank	13,258,021	-	13,258,021	-
Federal Home Loan Bank	16,169,090	-	16,169,090	-
Federal Home Loan Mortgage Corp.	5,011,263	-	5,011,263	-
Federal National Mortgage Association	1,525,524	-	1,525,524	-
U.S. Corporate Notes	6,008,256	-	6,008,256	-
Mutual funds	69,096	-	69,096	-
	$ 85,289,591	$ 43,248,341	$ 42,041,250	$ -

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

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

Custodial Credit Risk – The City's custodial credit risk policy also follows State statutes. On December 31, 2025, the City had investments held by Principal Custody Solutions in a custodial safekeeping account in the amount of $85,220,496. All investments are specifically separate from the investments of the custodian and are identified as being investments of the City.

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

Local Government Investment Pools - At December 31, 2025, the City had invested $60,085,887 in the Colorado Local Government Liquid Asset Trust (COLOTRUST), the Colorado Surplus Asset Fund Trust (CSAFE), and the Colorado Statewide Investment Program (CSIP). The Trusts are investment vehicles established by State statutes for local government entities in Colorado to pool surplus funds for investment purposes. The Colorado Division of Securities administers and enforces the requirements of creating and operating the Trusts. The Trusts operate in conformity with the Securities and Exchange Commission's Rule 2a-7, with each share valued at $1. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify investments owned by the participating governments.

Restricted Cash

During July 2001, the City received $1,000,000 from the Northwest Parkway Public Highway Authority for capital projects and conservation easement acquisitions related to the Northwest Parkway Project. In 2003 utility lines and sleeves were installed during construction of the Parkway at a cost of $177,196. During 2004, $650,000 was committed for construction of White Tail Park in South Pointe, although only $450,124 was spent on the park. An additional $7,142 was spent in 2017 on fencing improvements. At December 31, 2025, the balance is $365,538.

When the City acquired cemetery property in February 2002, trust accounts were included as part of the transaction. The trust accounts were established in prior years for prepaid services of the cemetery. The responsibility for the endowment care trust was assumed by the City in 2010. The corpus of the trust account is held in a bank deposit account and is nonexpendable. Interest earned on the trust account may be used for current operating costs, and is transferred to the General Fund annually. At December 31, 2025, the balance the restricted cash related to the cemetery trust is $69,096.

Business-Type Activities

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

In November 2021, the City issued Water Reclamation Revenue Bonds with net proceeds of $46,500,000. Proceeds will be used for the design and construction of new processes and facilities at the Water Reclamation Facility to meet various regulatory requirements. At December 31, 2025, the City reports $3,915,996 as restricted for this project.

Note 4 - Capital Assets

Governmental activities capital asset activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, not being depreciated/amortized				
Land and open space	$ 84,105,249	$ 2,018,189	$ -	$ 86,123,438
Public art	576,028	11,025	-	587,053
Construction in progress	28,038,901	6,841,072	32,948,405	1,931,568
Total capital assets, not being depreciated/amortized	112,720,178	8,870,286	32,948,405	88,642,059
Capital assets, being depreciated				
Buildings	38,419,031	2,195,597	-	40,614,628
Improvements other than buildings	9,648,180	306,395	48,054	9,906,521
Infrastructure	94,789,540	34,666,924	-	129,456,464
Equipment	18,295,791	3,029,919	442,610	20,883,100
Total capital assets, being depreciated	161,152,542	40,198,835	490,664	200,860,713
Less accumulated depreciation for				
Buildings and improvements	18,063,035	1,203,515	-	19,266,550
Improvements other than buildings	5,258,954	584,334	48,054	5,795,234
Infrastructure	60,637,392	3,020,894	-	63,658,286
Equipment	13,367,359	1,685,214	437,042	14,615,531
Total accumulated depreciation	97,326,740	6,493,957	485,096	103,335,601
Total capital assets, being depreciated, net	63,825,802	33,704,878	5,568	97,525,112
Right-of-use leased assets, being amortized				
Buildings	896,916	-	-	896,916
Equipment	754,854	2,527,736	-	3,282,590
Land	161,585	229,206	-	390,791
Total right-of-use leased assets, being amortized	1,813,355	2,756,942	-	4,570,297
Less accumulated amortization for				
Buildings	136,239	45,415	-	181,654
Equipment	296,230	354,823	-	651,053
Land	80,867	50,390	-	131,257
Total accumulated amortization	513,336	450,628	-	963,964
Total right-of-use leased assets, being amortized, net	1,300,019	2,306,314	-	3,606,333
Subscription-based IT assets, being amortized	1,208,445	107,698	430,309	885,834
Less accumulated amortization	502,385	418,582	430,309	490,658
Total subscription-based IT assets, being amortized, net	706,060	(310,884)	-	395,176
Governmental Activities Capital Assets, Net	$ 178,552,059	$ 44,570,594	$ 32,953,973	$ 190,168,680

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

Governmental activities	
General government	$ 1,725,724
Public safety	539,840
Public works	2,284,539
Culture and recreation	1,843,064
Internal service funds (allocated to multiple functions)	970,000
Total depreciation/amortization expense - governmental activities	$ 7,363,167

Business-type activities capital asset activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital assets, not being depreciated/amortized				
Land	$ 9,911,943	$ -	$ 980,093	$ 8,931,850
Water rights	49,721,239	-	-	49,721,239
Construction in progress	36,176,940	12,111,214	10,157,005	38,131,149
Total capital assets, not being depreciated/amortized	95,810,122	12,111,214	11,137,098	96,784,238
Capital assets, being depreciated				
Buildings	4,554,297	-	-	4,554,297
Improvements other than buildings	3,365,488	62,053	-	3,427,541
Infrastructure	167,131,242	12,153,487	-	179,284,729
Equipment	12,063,768	201,111	307,908	11,956,971
Total capital assets, being depreciated	187,114,795	12,416,651	307,908	199,223,538
Less accumulated depreciation for				
Buildings	3,093,645	221,642	-	3,315,287
Improvements other than buildings	1,896,609	254,722	-	2,151,331
Infrastructure	66,872,984	5,415,226	-	72,288,210
Equipment	9,524,804	661,020	307,908	9,877,916
Total accumulated depreciation	81,388,042	6,552,610	307,908	87,632,744
Total capital assets, being depreciated, net	105,726,753	5,864,041	-	111,590,794
Right-of-use leased equipment, being amortized	28,992	-	-	28,992
Less accumulated amortization	8,279	5,798	-	14,077
Total right-of-use leased equipment, being amortized, net	20,713	(5,798)	-	14,915
Subscription-based IT assets, being amortized	164,204	-	-	164,204
Less accumulated amortization	10,937	33,557	-	44,494
Total subscription-based IT assets, being amortized, net	153,267	(33,557)	-	119,710
Business-Type Activities Capital Assets, Net	$ 201,710,855	$ 17,935,900	$ 11,137,098	$ 208,509,657

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

Business-type activities		
Water utility	$	2,368,093
Water reclamation utility		3,169,379
Golf course		501,885
Storm water		552,608
Total depreciation/amortization expense - business-type activities	$	6,591,965

Note 5 - Leases

Lessor Activities

The City has accrued receivables for the use of various buildings, equipment, and land. The remaining receivable for these leases was $2,359,033 for the year ended December 31, 2025. Deferred inflows related to these leases was $2,251,317 as of December 31, 2025. Interest revenue from leases was $31,806 for the year ended December 31, 2025. Principal receipts of $169,162 were recognized during the fiscal year. The interest rates on the leases range from 0.0% - 2.643%.

The future principal and interest lease receipts as of December 31, 2025, are as follows:

Years Ending	Governmental Activities		Business-Type Activities	
December 31,	Principal	Interest	Principal	Interest
2026	$ 77,293	$ 12,903	$ 40,562	$ 11,959
2027	76,563	12,122	41,920	11,337
2028	79,366	11,321	43,325	10,694
2029	82,886	10,498	44,783	10,029
2030	86,541	9,638	46,296	9,342
2031-2035	326,652	37,483	256,219	35,553
2036-2040	388,317	20,793	287,236	14,530
2041-2045	240,238	7,538	33,669	511
2046-2050	207,167	2,209	-	-
	$ 1,565,023	$ 124,505	$ 794,010	$ 103,955

Lessee Activities

The City has entered into lease agreements for the use of various building spaces and office equipment. The City is required to make principal and interest payments through 2041. The lease liability was valued using discount rates of 0.5517% - 3.3050%. For leases with no interest rate stated, the City utilized its incremental borrowing rate for valuing the lease.

The future principal and interest lease payments as of December 31, 2025, are as follows:

Years Ending December 31,	Governmental Activities Principal	Governmental Activities Interest	Business-Type Activities Principal	Business-Type Activities Interest
2026	$ 401,763	$ 94,681	$ 6,172	$ 368
2027	407,391	84,239	6,342	197
2028	388,176	73,924	3,236	33
2029	398,089	63,872	-	-
2030	342,909	53,503	-	-
2031-2035	1,459,635	126,686	-	-
2036-2040	304,524	16,504	-	-
2041-2041	51,846	336	-	-
	$ 3,754,333	$ 513,745	$ 15,750	$ 598

Note 6 - Subscription-Based Information Technology Arrangements (SBITAs)

The City has entered into SBITA contracts for various operational software. The City is required to make principal and interest payments through 2029. The City utilized its incremental borrowing rate of 2.321% - 3.804% for valuing the SBITA liability.

Remaining principal and interest payments on subscriptions are as follows:

Years Ending December 31,	Governmental Activities Principal	Governmental Activities Interest	Business-Type Activities Principal	Business-Type Activities Interest
2026	$ 207,952	$ 7,346	$ 25,416	$ 3,189
2027	43,763	2,286	26,178	2,427
2028	41,091	1,107	26,963	1,642
2029	-	-	27,773	833
2030	-	-	-	-
	$ 292,806	$ 10,739	$ 106,330	$ 8,091

Note 7 - Long-Term Debt

The following is a summary of changes in long-term debt of the City for the year ended December 31, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable					
General obligation bonds	$ 1,530,000	$ -	$ 945,000	$ 585,000	$ 585,000
Revenue bonds	2,325,000	-	220,000	2,105,000	235,000
Total bonds payable	3,855,000	-	1,165,000	2,690,000	820,000
Unamortized premium	156,631	-	79,982	76,649	-
Leases payable	1,389,173	2,756,942	391,782	3,754,333	401,763
Subscription-based IT arrangements	589,959	107,698	404,851	292,806	207,952
Compensated absences	2,062,183	275,894	117,334	2,220,743	1,288,028
	$ 8,052,946	$ 3,140,534	$ 2,158,949	$ 9,034,531	$ 2,717,743
Business-Type Activities					
Bonds payable					
Revenue bonds	$ 45,540,000	$ -	$ 2,205,000	$ 43,335,000	$ 2,295,000
Unamortized premium	2,389,302	-	194,258	2,195,044	-
Leases payable	21,756	-	6,006	15,750	6,172
Subscription-based IT arrangements	133,314	-	26,984	106,330	25,416
Compensated absences	604,785	72,133	147,547	529,371	291,154
	$ 48,689,157	$ 72,133	$ 2,579,795	$ 46,181,495	$ 2,617,742

Bonds Payable

At December 31, 2025, the City had the following bond issuances outstanding:

	Final Maturity	Interest Rate	Original Issue	Principal Outstanding
Governmental Activities:				
General Obligation Bonds				
General Obligation and Refunding & Improvement Bonds, Series 2016	12/15/2026	2.00-4.00%	$ 8,265,000	$ 585,000
Revenue Bonds				
General Obligation Refunding Bond, Series 2002 - Lafayette Corporate Campus GID	12/1/2031	8.00%	2,745,000	895,000
General Obligation Refunding Bond, Series 2006 - Lafayette Tech Center GID	12/1/2036	6.00%	2,040,000	1,210,000
Total revenue bonds			4,785,000	2,105,000
Total governmental activities			$ 13,050,000	$ 2,690,000
Business-type Activities				
Revenue Bonds				
Water Revenue Refunding Bonds, Series 2012	12/1/2027	3.00-5.00%	$ 15,400,000	$ 2,530,000
Water Reclamation Revenue Bonds, Series 2021	12/1/2051	1.875-4.00%	44,655,000	40,805,000
Total business-type activities			$ 60,055,000	$ 43,335,000

General Obligation Bonds

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

Revenue Bonds

2002 Lafayette Corporate Campus GID Bonds - These bonds were issued to finance public improvements in the Lafayette Corporate Campus General Improvement District (the Corporate Campus District). For the year ending December 31, 2025, net revenues of $286,612 were available to pay debt service, including fiscal charges, of $228,600.

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

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

2006 Lafayette Tech Center GID Bonds - These bonds were issued refinance bonds originally issued to finance the acquisition, construction, installation and completion of public improvements within the Lafayette Tech Center General Improvement District (the Tech Center District). For the year ending December 31, 2025, net revenues of $177,821 were available to pay debt service, including fiscal charges, of $152,433.

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

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

2012 Water Revenue Refunding Bonds - These bonds were issued refinance bonds originally issued to finance the construction of a raw water transmission system, the purchase and construction of a raw water storage facility, the payment of costs associated with purchasing shares in water supply districts, and the development of a reclaimed water transmission system for irrigation purposes. Payments are funded from net revenues of the City's municipal water system. During the year ended December 31, 2025, net revenues of $10,874,023 were available to pay annual debt service, including fiscal charges, of a maximum of $1,360,500.

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

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

2021 Water Reclamation Revenue Bonds – These bonds were issued to finance the design and construction of new processes and facilities at the wastewater treatment plant as a result of new State of Colorado environmental regulations. Payments are funded from net revenues of the City's municipal water reclamation system. During the year ended December 31, 2025, net revenues of $5,913,551 were available to pay annual debt service, including fiscal charges, of a maximum of $2,138,806.

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

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

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

	Water	Water Reclamation
Gross Revenues		
Operating revenue	$ 16,209,620	$ 8,262,374
Investment revenue	1,908,283	1,759,121
Developer revenues	87,825	77,062
Payments in Lieu	317,955	-
Gross revenues	18,523,683	10,098,557
Operating Expenses		
Personnel services	2,660,764	1,645,971
Operations	4,988,896	2,539,035
Total operating expenses	7,649,660	4,185,006
Net Revenues	$ 10,874,023	$ 5,913,551
Maximum Annual Debt Service	$ 1,361,500	$ 2,138,806
Coverage Ratio - Current Year	799%	276%
Minimum Required Coverage Ratio	110%	110%

Future Debt Service

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

	Governmental Activities		Business-Type Activities	
Years Ending December 31,	Principal	Interest	Principal	Interest
2026	$ 820,000	$ 167,600	$ 2,295,000	$ 1,202,788
2027	250,000	127,000	2,395,000	1,098,638
2028	270,000	108,700	1,145,000	989,888
2029	290,000	88,900	1,190,000	944,088
2030	305,000	67,600	1,240,000	896,488
2031-2035	610,000	157,200	6,925,000	3,754,840
2036-2040	145,000	8,700	7,765,000	2,917,683
2041-2045	-	-	8,610,000	2,076,800
2046-2050	-	-	9,685,000	999,125
2051	-	-	2,085,000	52,125
	$ 2,690,000	$ 725,700	$ 43,335,000	$ 14,932,463

Leases Payable

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

Subscription-Based IT Arrangements

Subscription-based IT arrangements (SBITAs) consists of long-term software agreements as described in Note5 . Governmental activities SBITAs payable are liquidated by the general fund and public safety fund. Business-type activities SBITAs payable are liquidated by the storm water, water, water reclamation, and golf course funds.

Compensated Absences

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

Note 8 - Defined Benefit Pension Plans

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

For the year ended December 31, 2025, the City reported its proportionate share of net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the plans as follows:

	Deferred Outflows of Resources	Net Pension Liability	Deferred Inflows of Resources	Pension Expense
Statewide Plan	$ 4,058,160	$ -	$ 60,626	$ 1,488,911
Volunteer Fire Department Plan	30,046	968,798	-	366,029
Total all plans	$ 4,088,206	$ 968,798	$ 60,626	$ 1,854,940

Statewide Retirement Plan

Plan Description

The Statewide Retirement Plan ("the Plan") is a cost-sharing multiple-employer defined benefit pension plan. The Plan consists of four components: Defined Benefit Component, Hybrid Defined Benefit Component, Social Security Component and Money Purchase Component. The Plan currently has 229 participating employer fire and police departments.

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

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

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

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

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

Benefits Provided

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

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

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

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

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

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

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

Contributions

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

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

Contributions from Defined Benefit Component members and employers of plans reentering the Defined Benefit Component are established by resolution and approved by the FPPA Board of Directors. The continuing rate of contribution for reentry groups is determined for each reentry group. The additional contribution amount is determined locally and may be paid by the member, the employer or split 50/50. Per the 2020 legislation, the required employer contribution rate for reentry departments also increases 0.5 percent annually. These increases result in a minimum combined contribution rate of 25.2 percent in 2030. In 2024, the total minimum required member and employer contribution rate was 22.2 percent.

Members of the Social Security Component contribute 6.0 percent of base salary. Per the 2020 legislation, employer contribution rates will increase 0.25 percent annually through 2030 to a total of 6.5 percent of base salary. These increases result in a combined contribution rate of 12.5 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 11.00 percent.

The Hybrid Defined Benefit Component and Money Purchase Component members and their employers are currently each contributing at the rate determined by the individual employer. Effective January 1, 2023, the employer and member minimum contribution rates will increase by 0.125 percent annually until they reach a minimum rate of 9 percent each and at least a combined rate of 18 percent in 2030. In 2024, the total minimum combined member and employer contribution rate was 17.0 percent.

The Hybrid Defined Benefit Component sets contribution rates at a level that enables the defined benefits to be fully funded at the member's retirement date. The amount allocated to the Hybrid Defined Benefit Component is set annually by the FPPA Board of Directors. The Hybrid Defined Benefit Component contribution rate from July 1, 2024 through June 30, 2025 is 14.56 percent. The Hybrid Defined Benefit Component contribution rate from July 1, 2023 through June 30, 2024 was 14.24 percent. Contributions in excess of those necessary to fund the defined benefit are allocated to the member's self-directed account in the Money Purchase Component.

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

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

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

Employer contributions are recognized by the in the period in which the compensation becomes payable to the member and the City is statutorily committed to pay the contributions to the Plan. Employer contributions recognized by the Plan from the City were $963,862 for the year ended December 31, 2025.

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

At December 31, 2025 , the City reported a net pension liability of $0 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2025. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating departments, actuarially determined. At December 31, 2024, the City’s proportion was 0.8065846 percent, a decrease of 0.0436604 percent of its proportion of 0.8502450 percent as measured at December 31, 2023.

For the fiscal year ended December 31, 2025, the City recognized pension expense of $1,488,911. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,938,212	$ 60,626
Changes of assumptions	693,668	-
Net difference between projected and actual investment earnings on pension plan investments	275,341	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	187,077	-
City contributions subsequent to the measurement date	963,862	-
	$ 4,058,160	$ 60,626

The $963,862 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an adjustment against the net pension liability in the year ended December 31, 2026.

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

Year Ended December 31,	(Reduction of) Pension Expense
2026	$ 816,195
2027	1,194,783
2028	106,321
2029	146,344
2030	294,559
Thereafter	475,470

Actuarial Assumptions

The actuarial valuations for the Statewide Defined Benefit Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ended December 31, 2024.

The valuation used the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2025	January 1, 2024
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investmetn Rate of Return, Net*	7.00%	7.00%
Projected Salary Increases*	4.25% - 11.75%	4.25% - 11.75%
Cost of Living Adjustment (COLA)	0.00%	0.00%
*Includes Inflation at	2.50%	2.50%

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

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

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

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

Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2024, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	33.00%	7.00%
Equity Long/Short	6.00%	6.20%
Private Markets	34.00%	8.80%
Fixed Income - Rates	7.00%	5.00%
Fixed Income - Credit	7.00%	6.50%
Absolute Return	9.00%	5.70%
Cash	4.00%	4.20%
Total	100.00%	

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

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

Discount Rate

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 4.08 percent (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00 percent.

Pension Liability Sensitivity

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability (asset)	$ 3,935,415	$ -	$ -

Pension Plan Fiduciary Net Position

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

Defined Benefit Plan for Volunteer Firefighters

Plan Description

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

Plan Membership

Plan membership consists of inactive volunteer firefighters and their beneficiaries. At the valuation date of January 1, 2025, plan membership consisted of the following:

Retirees and beneficiaries	36
Inactive, nonretired members	1
Total	37

Benefits Provided

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

Contributions

The plan receives contributions from the City in an amount not to exceed one-half mill of property tax revenue. As established by the legislature, the State of Colorado contributes ninety percent of the City's contribution up to the $300 monthly normal retirement benefit level. For monthly benefits beyond $300, the State contribution is limited to the City's contribution before the increase in benefits. The on-behalf payments received from the State of Colorado are recorded as both revenues and expenditures during the year. Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2023 determines the contribution amounts for 2024 and 2025. For the year ended December 31, 2025, the City and State contributions of $119,164 and $42,222, respectively, exceeded the actuarially determined contribution.

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

At December 31, 2025, the City reported a net pension liability of $968,798 measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined based on the January 1, 2025, actuarial valuation. For the year ended December 31, 2024, changes in the net pension liability of the City were as follows.

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at January 1, 2024	$ 2,352,409	$ 1,595,047	$ 757,362
Interest on total pension liability	156,856	-	156,856
Benefit changes	172,553	-	172,553
Differences between expected and actual experience	(28,194)	-	(28,194)
Changes of assumptions	204,307	-	204,307
Contributions - employer	-	119,164	(119,164)
State of Colorado supplemental discretionary payment	-	42,222	(42,222)
Net investment income	-	144,468	(144,468)
Benefit payments	(227,057)	(227,057)	-
Administrative expense	-	(11,768)	11,768
Net Changes	278,465	67,029	211,436
Balances at December 31, 2024	$ 2,630,874	$ 1,662,076	$ 968,798

For the year ended December 31, 2025, the City recognized pension expense for this plan of $366,029. At December 31, 2025, the City reported deferred outflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 30,046	$ -

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

Year Ended December 31,	Pension Expense
2026	$ 14,389
2027	37,353
2028	(14,601)
2029	(7,095)

Actuarial Assumptions

The significant actuarial assumptions used to measure the total pension liability were determined by an actuarial valuation as of January 1, 2025 and are as follows:

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

The following mortality rates were adopted:

- Pre-retirement: Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale, 60% multiplier for off-duty mortality.
- Post-retirement: Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale.
- Disabled: Pub-2010 Public Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, set forward five years projected with the MP-2020 Ultimate projection scale, with minimum probability of 3.5% for males and 2.5% for females.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2024, are summarized in the following table:

Asset Class	Allocation at Measurement Date	Long-Term Expected Real Rate of Return
Global Equity	33.00%	7.00%
Equity Long/Short	6.00%	6.20%
Private Markets	34.00%	8.80%
Fixed Income - Rates	7.00%	5.00%
Fixed Income - Credit	7.00%	6.50%
Absolute Return	9.00%	5.70%
Cash	4.00%	4.20%
Totals	100.00%	

Discount Rate

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 6.00%; the municipal bond rate is 4.08% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 6.00%.

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

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

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
City's proportionate share of the net pension liability	$ 1,207,699	$ 968,798	$ 764,491

Pension Plan Fiduciary Net Position

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

Note 9 - Other Postemployment Benefits

Statewide Death & Disability Plan

Plan Description

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

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

Benefits Provided

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

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

The plan provides disability benefits as follows:

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

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

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

Contributions

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

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

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

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

OPEB Plan Fiduciary Net Position

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

Note 10 - Fund Balances

The City classified fund balances within the governmental funds as follows at December 31, 2025:

	General Fund	Capital Projects	Other Governmental Funds	Total
Fund Balances				
Nonspendable				
Inventory	$ 33,216	$ -	$ -	$ 33,216
Prepaid items	748,977	-	8,442	757,419
Long-term portion of interfund loan	883,455	-	-	883,455
Cemetery trust endowment	-	-	45,325	45,325
Total nonspendable	1,665,648	-	53,767	1,719,415
Restricted				
Emergencies (TABOR)	897,248	-	-	897,248
Capital projects	365,538	400,000	-	765,538
GID Obligations	-	-	2,433,835	2,433,835
Donations	98,500	-	-	98,500
Grants	-	-	3,268,269	3,268,269
Parks, recreation, and open space	-	-	8,425,911	8,425,911
Public safety/health and human services	-	-	2,742,152	2,742,152
Total restricted	1,361,286	400,000	16,870,167	18,631,453
Committed				
Capital projects	7,570,800	16,054,062	-	23,624,862
Affordable housing	943,882	-	-	943,882
Art and historic projects	248,933	-	-	248,933
Debt service	-	-	199,884	199,884
Total committed	8,763,615	16,054,062	199,884	25,017,561
Unassigned	21,350,788	-	-	21,350,788
Total Fund Balances	$ 33,141,337	$ 16,454,062	$ 17,123,818	$ 66,719,217

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

Note 11 - Interfund Activity

Interfund Balances

In 2019, the General Fund loaned the Legacy Open Space Fund $2,732,000. This loan bears interest at a rate of 2.22% annually and is to be repaid over 10 years in annual installments of $307,655, which includes principal and interest. The 2025 payment was made as scheduled and the loan balance as of December 31, 2025, was $1,165,241. Of this amount, $275,676 will be repaid in fiscal year 2026, with the remaining $883,455 to be repaid in future years.

Additionally, $318,204 was due from the Water Reclamation Fund to the General fund for unfunded project costs as of December 31, 2025.

Interfund Transfers

The following interfund transfers occurred during the year ended December 31, 2025.

	Transfer in			
	Capital Projects Fund	Nonmajor Governmental Funds	Water Reclamation Fund	Total
Transfer out				
General Fund	$ 2,600,000	$ -	$ -	$ 2,600,000
Nonmajor Governmental Funds	-	1,950,000	-	1,950,000
Water Utility			2,500,000	2,500,000
Total	$ 2,600,000	$ 1,950,000	$ 2,500,000	$ 7,050,000

The General Fund routinely transfers resources to the Capital Projects Fund for various projects. The Legacy Open Space Fund transferred funds to the Parks, Open Space & Trails Fund for annual maintenance of open space areas. The Water Fund transferred funds to the Water Reclamation Fund to support the Water Fund's portion of the water reclamation facility improvement project related to treatment and movement of cleaned water to Gross Reservoir.

Note 12 - Discretely Presented Component Units

Lafayette Urban Renewal Authority (LURA)

Cash Deposits and Investments

At December 31, 2025, LURA had a cash balance totaling $612,183. The uninsured portion of the bank deposits of $598,371 was collateralized by the financial institution's agent but not in LURA's name.

Of the bank balances, $250,000 was covered by federal deposit insurance and $598,371 was uninsured but collateralized in accordance with provisions of the PDPA.

Notes Receivable

LURA has approved loans to developers to purchase or develop blighted properties. During the year ended December 31, 2025, two new loans were issued. The outstanding loans do not accrue interest and no installment payments are required. Due dates may be extended at the discretion of LURA. Loans are partially forgivable each year as long as warranties specified under each respective loan agreement have been met. The City retains the right of first refusal if the developers choose to sell the properties. The outstanding balance of the loans at December 31, 2025, was $1,995,212.

Capital Assets

Capital asset activity for LURA for the year ended December 31, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Lafayette Urban Renewal Authority				
Capital assets, not being depreciated/amortized				
Land	$ 534,511	$ -	$ 250,833	$ 283,678
Construction in progress	-	150,430	-	150,430
Total capital assets, not being depreciated/amortized	534,511	-	250,833	283,678
Capital assets, being depreciated				
Buildings	90,552	-	90,552	-
Less accumulated depreciation for				
Buildings	21,507		21,507	-
Total capital assets, being depreciated, net	69,045	-	69,045	-
Business-Type Activities Capital Assets, Net	$ 603,556	$ -	$ 319,878	$ 283,678

Downtown Development Authority

Cash Deposits and Investments

At December 31, 2025, DDA had a cash balance totaling $2,007,439. The uninsured portion of the bank deposits of $1,750,000 was collateralized by the financial institution’s agent but not in DDA’s name.

Of the bank balances, $250,000 was covered by federal deposit insurance and $1,750,000 was uninsured but collateralized in accordance with provisions of the PDPA.

Note 13 - Correction of Error

During fiscal year 2025, the City determined that the Base Line Land and Reservoir Company was incorrectly presented as discreetly presented component unit, resulting in a restatement of the beginning net position of the component unit.

The following is a summary of the effects of the restatement in the City's December 31, 2024, Statement of Net Position:

	As Previously Reported	Adjustment	As Restated
Discretely Presented Component Unit			
Base Line Land and Reservoir Company	$ 2,259,331	$ (2,259,331)	$ -

Note 14 - Change in Accounting Principal

During fiscal year 2025, the City changed its method for accounting for compensated absences of the governmental activities. The change in method was implemented to more accurately reflect the true activity of the internal service fund where the compensated absences were previously reported. The change in methodology is applied prospectively and resulted in the recognition of a decrease in current personnel services expense of $1,532,555 in the employee benefit plan fund.

Note 15 - Abatements

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

All incentives are performance-based. Performance-based means that before any monies are disbursed, the business/developer shall meet or exceed the performance measures as identified by the EDA. Specific performance measures can include: (a) applying for, receiving, and paying for a building permit in compliance with the EDA (in regards to square footage of the building and/or valuation); (b) relocating a business from another community/State to the City; (c) removal of blight by demolition and rebuilding subject to (a) above; (d) investment in a building subject to (a) above; or (e) increase in the sales tax collections of the property, subject to the EDA. Incentive packages vary and may include rebates of permit fees, use tax, or sales tax. Rebates of sales tax are only considered for new tax-generating businesses or existing businesses making substantial investments (e.g., in building improvements which would have a correlation with increased sales tax collections). Building permit fee and use tax rebates are only considered for substantial investments in building improvements and/or equipment. All EDAs are subject to annual appropriation by City Council as required in the Colorado Constitution and the City Charter. As of December 31, 2025, the City had two active incentive agreements in place. During 2025, the City incurred $93,337 in tax abatements.

Note 16 - Risk Management

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

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

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

	2025	2024
Claims liability, beginning of year	$ 75,178	$ 101,372
Incurred claims (including IBNR)	329,554	47,818
Claim payments	(334,023)	(74,012)
Claim liability, end of year	$ 70,709	$ 75,178

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

Note 17 - Commitments and Contingencies

Grants

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

American Rescue Plan Act

In July 2022, the City received the second half of its total $7.7 million American Rescue Plan Act of 2021 (ARPA) allocation. ARPA was part of a $1.9 trillion economic stimulus bill signed into law by the President on March 11, 2021, which included $350 billion designated for state, local, territorial and tribal governments to respond to the effects of the COVID-19 pandemic. Spending is restricted to four categories including: 1) replacing lost public sector revenue to fund general government services; 2) responding to public health and economic impacts of COVID-19; 3) premium pay for front line personnel; and 4) investments in water, sewer and broadband infrastructure. The City is required to report its spending activity to the U.S. Department of the Treasury on an annual basis to ensure compliance with spending criteria. The remaining encumbered balance at December 31, 2025 is $592,532.

Legal Contingencies

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

Water Capacity Agreements

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

Goose Haven Reservoir Expansion

On September 12, 2012, the City entered into a contract for the construction of raw water reservoirs with Rock Products of Colorado, LLC, at the Goose Haven property. This project was expected to last between five and eight years with variability due to soil/gravel demand. Subsequent change orders have brought the total contract price to $24,676,789 as of December 31, 2025, of which a total of $22,347,936 has been completed and paid, less retainage withheld of $1,203,892. The project is currently anticipated to be complete by 2025.

Gross Reservoir Environmental Pool

The City of Lafayette and City of Boulder own 5,000 AF of storage in the Gross Reservoir Environmental Pool which is being constructed as part of Denver Water's Gross Reservoir Expansion Project. The project is scheduled to be complete in 2027. The City's financial commitment to the project under the current project agreement amounts to approximately $2,260,000 (principal of $2,000,000 plus interest), payable in 2022 and 2024 installments under the current project agreement. As of December 31, 2025, the City had met its financial commitment.

Windy Gap Firming Project

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

Total project costs are currently estimated to be $600 million. Construction, which began in 2021, reached substantial completion in early 2026. The City's participation in the project amounts to 1% of the project total, which equates to $6,000,000 payable in annual installments for 30 years until approximately 2052. In addition to project costs, the City will also be responsible for a portion of operations and maintenance costs after construction is completed. As of December 31, 2025, the City had contributed $1,944,688 to the project since it began.

Northern Integrated Supply Project

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

The total project costs are currently estimated to be $2.2 billion. The project will proceed in two phases with the first phase to include the construction of the 170,000 AF Glade Reservoir, Highway 287 relocation, and delivery pipelines and infrastructure. The second phase which includes the construction of Galeton Reservoir does not yet have an identified start date. Phase 1 construction will be complete in 2030. The City's participation in this project amounts to 4.5% of the project total, which equates to roughly $90.0 million payable in annual installments through 2058. In addition to project costs, the City will also be responsible for a portion of operations and maintenance costs after construction is completed. Due to the early stage of the project and the uncertainty of construction costs over extended periods of time, the costs and construction timeline disclosed here are preliminary estimates based on information available at the time this report was issued. As of December 31, 2025, the City had contributed $8,162,930 since joining the project in 2004.

Water Reclamation Treatment Facility Project

Due to additional regulations set forth by the Colorado Department of Public Health and Environment (CDPHE), the City must upgrade its Water Reclamation Facility to reduce discharges of total inorganic nitrogen and phosphorous to Coal Creek. The project will be constructed in two phases, with a total cost estimate of $46.4 million, expected to be completed by mid-2025. To finance the project, the City issued $46.5 million in revenue bonds in November 2021. As of December 31, 2025, Phase 2 of the project was approximately 40% complete, with $40,547,183 paid.

Commitments and Encumbrances

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

	Governmental	Proprietary	Total
General Fund	$ 3,435,650	$ -	$ 3,435,650
Grant Fund	839,117	-	839,117
Parks, Open Space, and Trails Fund	31,040	-	31,040
Conservation Trust Fund	4,245	-	4,245
Capital Projecst Fund	549,020	-	549,020
Fleet Fund	667,179	-	667,179
Golf Course Fund	-	119,787	119,787
Water Utility Fund	-	2,869,329	2,869,329
Water Reclamation Utility Fund	-	7,798,797	7,798,797
Storm Water Fund	-	112,220	112,220
Total	$ 5,526,251	$ 10,900,133	$ 16,426,384

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

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

Required Supplementary Information
December 31, 2025

City of Lafayette, Colorado

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget
Revenues				
Taxes				
Property taxes	$ 8,547,041	$ 8,547,041	$ 8,534,621	$ (12,420)
Fire and ambulance property taxes	3,687,862	3,687,862	3,767,138	79,276
Specific ownership taxes	529,520	529,520	610,739	81,219
General sales and use taxes	18,816,823	18,816,823	20,841,358	2,024,535
Building use taxes	1,130,794	1,130,794	1,275,491	144,697
Motor vehicle use taxes	2,451,524	2,451,524	2,224,273	(227,251)
Franchise taxes	1,437,996	1,437,996	1,382,405	(55,591)
Excise taxes	541,012	541,012	587,778	46,766
Total taxes	37,142,572	37,142,572	39,223,803	2,081,231
Licenses and permits				
Business licenses	7,147	7,147	5,750	(1,397)
Contractor licenses	101,414	101,414	152,000	50,586
Liquor licenses	18,981	18,981	23,107	4,126
Marijuana licenses	99,884	99,884	58,500	(41,384)
Construction permits	516,810	516,810	565,397	48,587
Mobile home permits	7,898	7,898	9,970	2,072
Miscellaneous licenses	907	907	2,117	1,210
Total licenses and permits	753,041	753,041	816,841	63,800
Intergovernmental				
Federal, state, and county grants	660,280	660,280	1,522,689	862,409
Cigarette tax	55,999	55,999	33,243	(22,756)
Total intergovernmental	716,279	716,279	1,555,932	839,653
Contributions and grants				
Public art fees	20,040	20,040	2,324	(17,716)
Miscellaneous	684,232	920,672	444,146	(476,526)
Total contributions and grants	704,272	940,712	446,470	(494,242)
Charges for services				
Building fees	1,342,230	1,342,230	353,126	(989,104)
Culture and recreation fees	2,162,553	2,162,553	2,650,754	488,201
Cemetary fees	35,247	35,247	42,919	7,672
Adminstrative fees	3,870,954	3,870,954	3,771,571	(99,383)
Pawn shop fees	5,605	5,605	4,959	(646)
Police service fees	57,981	57,981	60,495	2,514
Ambulance fees	858,335	858,335	870,267	11,932
Solid waste, recycling, and compost fees	-	36,000	18,836	(17,164)
Sidewalk maintenance fees	474,583	474,583	427,833	(46,750)
Miscellaneous services	30,945	30,945	26,605	(4,340)
Total charges for services	8,838,433	8,874,433	8,227,365	(647,068)
Fines and forfeitures				
Fines	478,996	478,996	596,095	117,099
Court costs	25,966	25,966	27,766	1,800
Total fines and forfeitures	504,962	504,962	623,861	118,899
Net investment income	1,026,866	1,026,866	1,616,364	589,498
Lease revenue	-	-	171,137	171,137
Miscellaneous	585,830	585,830	655,514	69,684
Total revenues	50,272,255	50,544,695	53,337,287	2,792,592

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget
Expenditures				
Current				
General government				
City council	265,562	265,562	207,540	58,022
Non-departmental	1,481,647	5,520,521	4,417,456	1,103,065
Community boards	215,485	215,485	220,822	(5,337)
City administration	807,626	835,165	893,817	(58,652)
City clerk	459,848	458,884	371,786	87,098
Arts and cultural resources	1,091,015	1,116,449	1,002,055	114,394
Communications	644,952	636,366	619,280	17,086
Sustainability	527,816	580,188	523,136	57,052
Economic development	1,217,848	822,515	733,537	88,978
Human resources	1,296,675	1,349,410	1,186,647	162,763
Financial services	2,250,363	1,995,511	1,977,345	18,166
Information systems	3,011,179	3,414,121	2,995,706	418,415
Facility maintenance	1,153,466	1,153,466	875,407	278,059
Planning	1,961,343	2,133,494	2,005,654	127,840
Total general government	16,384,825	20,497,137	18,030,188	2,466,949
Judicial				
City Attorney	665,392	665,392	673,727	(8,335)
Municipal Court	294,265	343,130	373,669	(30,539)
Total judicial	959,657	1,008,522	1,047,396	(38,874)
Public safety				
Police	9,995,701	9,935,801	9,789,315	146,486
Fire and ambulance	9,044,980	9,065,781	9,071,121	(5,340)
Total public safety	19,040,681	19,001,582	18,860,436	141,146
Public Works				
Administration, engineering, streets, fleet	3,608,988	5,513,661	4,000,142	1,513,519
Culture and recreation				
Administration - parks, open space, and golf	470,543	443,898	185,867	258,031
Cemeteries	221,069	304,069	259,460	44,609
Streetscapes	228,692	228,692	225,321	3,371
Administration - recreation	765,912	712,912	473,623	239,289
Water park	706,367	691,059	643,385	47,674
Recreation center	57,865	-	-	-
Business services office	-	-	123	(123)
Aquatics	881,804	874,459	993,919	(119,460)
General programs	1,307,460	1,283,589	1,287,251	(3,662)
Guest services	960,961	958,716	1,005,096	(46,380)
Library	2,250,574	2,309,929	2,277,979	31,950
Senior services	585,033	579,351	551,728	27,623
Total culture and recreation	8,436,280	8,386,674	7,903,752	482,922
Capital outlay	378,750	2,962,982	3,749,466	(786,484)
Debt service				
Principal	-	-	653,216	(653,216)
Interest and fiscal charges	-	-	83,242	(83,242)
Total expenditures	48,809,181	57,370,558	54,327,838	3,042,720

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget
Deficiency of Revenues under Expenditures	1,463,074	(6,825,863)	(990,551)	(250,128)
Other Financing Sources (Uses)				
Transfers in	-	1,000,000	-	(1,000,000)
Transfers out	(2,600,000)	(2,600,000)	(2,600,000)	-
Issuance of long-term debt	-	-	2,864,640	2,864,640
Total other financing sources (uses)	(2,600,000)	(1,600,000)	264,640	1,864,640
Net Change in Fund Balances	$ (1,136,926)	$ (8,425,863)	(725,911)	$ 1,614,512
Fund Balance, Beginning of Year			33,867,248	
Fund Balance, End of Year			$ 33,141,337	

Note 1 Budgetary Information

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

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

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

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

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

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

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

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

Measurement Date	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	Employer's Covered-Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pensior Liability (Asset)
12/31/2024	0.8066%	$ -	$ 8,688,720	0.00%	100.00%
12/31/2023	0.8502%	$ -	$ 8,454,397	0.00%	100.00%
12/31/2022	0.7725%	$ 685,682	$ 6,775,462	10.12%	97.60%
12/31/2021	0.7612%	$ (4,157,279)	$ 6,167,777	67.40%	116.20%
12/31/2020	0.7568%	$ (1,643,007)	$ 5,798,032	28.34%	106.10%
12/31/2019	0.7838%	$ (443,283)	$ 5,477,229	8.09%	101.90%
12/31/2018	0.7858%	$ 993,422	$ 4,984,563	19.93%	95.20%
12/31/2017	0.8168%	$ (1,175,039)	$ 4,443,217	26.45%	106.30%
12/31/2016	0.8557%	$ 309,183	$ 4,007,283	7.72%	98.20%
12/31/2015	0.8055%	$ (14,197)	$ 3,536,132	0.40%	100.10%

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

Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered-Payroll (c)	Contributions as a Percentage of Covered-Payroll (b/c)
12/31/2025	$ 963,862	$ 963,862	$ -	$ 9,179,638	10.50%
12/31/2024	$ 868,872	$ 868,872	$ -	$ 8,688,720	10.00%
12/31/2023	$ 793,551	$ 793,551	$ -	$ 8,454,397	9.40%
12/31/2022	$ 578,726	$ 578,726	$ -	$ 6,775,462	8.50%
12/31/2021	$ 563,023	$ 563,023	$ -	$ 6,167,777	9.10%
12/31/2020	$ 486,291	$ 486,291	$ -	$ 5,798,032	8.40%
12/31/2019	$ 462,143	$ 462,143	$ -	$ 5,477,229	8.40%
12/31/2018	$ 421,080	$ 421,080	$ -	$ 4,984,563	8.40%
12/31/2017	$ 382,198	$ 382,198	$ -	$ 4,443,217	8.60%
12/31/2016	$ 350,326	$ 350,326	$ -	$ 4,007,283	8.70%

Schedule of Changes in Net Pension Liability and Related Ratios - Volunteer Fire Department Pension Plan
Year Ended December 31, 2025

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Interest	$ 156,856	$ 161,370	$ 143,943	$ 148,830	$ 153,192	$ 157,331	$ 162,805	$ 166,718	$ 167,949	$ 170,993
Benefit changes	172,553	-	371,902	-	-	-	-	-	-	-
Difference between expected										
and actual experience	(28,194)	-	(49,025)	-	(6,322)	-	56,490	-	(45,180)	-
Changes of assumption	204,307	-	10,451	-	-	-	79,350	-	76,440	-
Benefit payments	(227,057)	(224,700)	(231,790)	(205,940)	(212,340)	(220,440)	(222,840)	(215,069)	(216,163)	(207,166)
Net change in total pension liability	278,465	(63,330)	245,481	(57,110)	(65,470)	(63,109)	75,805	(48,351)	(16,954)	(36,173)
Beginning of year	2,352,409	2,415,739	2,170,258	2,227,368	2,292,838	2,355,947	2,280,142	2,328,493	2,345,447	2,381,620
End of year	$ 2,630,874	$ 2,352,409	$ 2,415,739	$ 2,170,258	$ 2,227,368	$ 2,292,838	$ 2,355,947	$ 2,280,142	$ 2,328,493	$ 2,345,447
Plan Fiduciary Net Position										
Employer contributions	$ 119,164	$ 119,164	$ 119,164	$ 119,164	$ 119,164	$ 119,164	$ 119,164	$ 119,164	$ 119,164	$ 119,164
State of Colorado contributions	42,222	42,222	42,222	84,444	42,222	-	42,222	42,222	42,222	42,222
Net investment income	144,468	141,993	(139,937)	222,390	170,424	182,674	1,564	179,646	63,877	23,339
Benefit payments	(227,057)	(224,700)	(231,790)	(205,940)	(212,340)	(220,440)	(222,840)	(215,069)	(216,163)	(207,166)
Administrative expense	(11,768)	(14,299)	(10,760)	(11,716)	(8,841)	(11,543)	(9,680)	(9,182)	(2,202)	(3,034)
Net change in plan fiduciary net position	67,029	64,380	(221,101)	208,342	110,629	69,855	(69,570)	116,781	6,898	(25,475)
Beginning of year	1,595,047	1,530,667	1,751,768	1,543,426	1,432,797	1,362,942	1,432,512	1,315,731	1,308,833	1,334,308
End of year	$ 1,662,076	$ 1,595,047	$ 1,530,667	$ 1,751,768	$ 1,543,426	$ 1,432,797	$ 1,362,942	$ 1,432,512	$ 1,315,731	$ 1,308,833
Net Pension Liability	$ 968,798	$ 757,362	$ 885,072	$ 418,490	$ 683,942	$ 860,041	$ 993,005	$ 847,630	$ 1,012,762	$ 1,036,614
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.18%	67.80%	63.36%	80.72%	69.29%	62.49%	57.85%	64.57%	56.51%	55.80%

Schedule of Contributions - Volunteer Fire Department Pension Plan
Year Ended December 31, 2025

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution (ADC)	$ 93,957	$ 107,532	$ 107,532	$ 86,293	$ 86,293	$ 84,663	$ 84,663	$ 84,663	$ 93,525	$ 93,525
Contributions in relation to the ADC	(161,386)	(161,386)	(161,386)	(203,608)	(161,386)	(119,164)	(161,386)	(161,386)	(161,386)	(161,386)
Contribution deficiency (excess)	$ (67,429)	$ (53,854)	$ (53,854)	$ (117,315)	$ (75,093)	$ (34,501)	$ (76,723)	$ (76,723)	$ (67,861)	$ (67,861)

See accompanying notes to RSI

The Volunteer Fire Department Pension Plan's net pension liability and associated amounts are measured at December 31, 2024, based on the actuarial valuation as of January 1, 2025, which is a one-year lag compared to the City's fiscal year ended December 31, 2025. Covered payroll is not applicable for volunteers. Therefore, no covered payroll information is presented in the accompanying schedule.

Contributions

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

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

Actuarial Method	Entry Age Normal
Amortization Method	Level dollar, Open *
Amortization Period	20 Years *
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Long-term Investment Rate of Return*	7.0%
Projected Salary Increases	N/A
Cost of Living Adjustments	None
Retirement Age	50% per year of eligibility until 100% at age 65.
Mortality:	
Pre-retirement:	Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale, 60% multiplier for off-duty mortality.
Post-retirement:	Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, projected with the MP-2020 Ultimate projection scale.
Disabled:	Pub-2010 Public Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, set forward five years projected with the MP-2020 Ultimate projection scale, with minimum probability of 3.5% for males and 2.5% for females.

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

Other Supplementary Information
December 31, 2025

City of Lafayette, Colorado

Special Revenue Funds

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

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

Capital Project Funds

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

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

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

Debt Service Fund

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

Permanent Fund

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

City of Lafayette, Colorado
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2025

	Special Revenue Funds						
	Lafayette City Center GID	Exempla GID	Lafayette Corporate Campus GID	Lafayette Tech Center GID	Health & Human Services	Public Safety	Grants
Assets							
Cash and investments	$ 145,610	$ 1,128,813	$ 760,726	$ 242,672	$ 1,620,607	$ 891,643	$ 1,118,055
Receivables							
Accounts	-	143,582	-	-	-	-	-
Property taxes	6,040	8,094	235,689	145,325	4,006	10,815	-
Sales taxes	-	-	-	-	71,568	193,233	-
Interest	690	5,347	3,605	1,149	7,460	3,561	-
Notes	-	-	-	-	-	-	2,775,760
Prepaid items	-	-	-	-	971	2,615	-
Total assets	$ 152,340	$ 1,285,836	$ 1,000,020	$ 389,146	$ 1,704,612	$ 1,101,867	$ 3,893,815
Liabilities, Deferred Inflows of Resources, and Fund Balance							
Liabilities							
Accounts payable	$ -	$ -	$ -	$ -	$ 1,722	$ 21,703	$ 33,014
Due to other funds	-	-	-	-	-	-	-
Accrued liabilities	-	-	-	-	-	37,316	-
Total liabilities	-	-	-	-	1,722	59,019	33,014
Deferred Inflows of Resources							
Unavailable revenue - property taxes	6,019	8,065	234,681	144,742	-	-	-
Unavailable revenue - other	-	-	-	-	-	-	592,532
Total deferred inflows of resources	6,019	8,065	234,681	144,742	-	-	592,532
Fund Balance							
Nonspendable	-	-	-	-	971	2,615	-
Restricted	146,321	1,277,771	765,339	244,404	1,701,919	1,040,233	3,268,269
Committed	-	-	-	-	-	-	-
Total fund balance	146,321	1,277,771	765,339	244,404	1,702,890	1,042,848	3,268,269
Total liabilities, deferred inflows of resources, and fund balances	$ 152,340	$ 1,285,836	$ 1,000,020	$ 389,146	$ 1,704,612	$ 1,101,867	$ 3,893,815

City of Lafayette, Colorado
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2025

	Debt Service Fund	Capital Projects Funds			Permanent Fund	
	Debt Service	Legacy Open Space	Parks, Open Space and Trails	Conservation Trust	Cemetery Endowment	Total Nonmajor Funds
Assets						
Equity in pooled cash and investments	$ 195,091	$ 5,595,348	$ 2,902,214	$ 975,482	$ 50,111	$ 15,626,372
Receivables (net of allowance for uncollectibles)						
Accounts	-	-	-	-	-	143,582
Taxes	427,666	10,014	10,014	-	-	857,663
	-	178,919	178,919	-	-	622,639
Interest	924	25,946	12,618	4,045	214	65,559
Notes	-	-	-	-	-	2,775,760
Prepaid items	-	2,428	2,428	-	-	8,442
Total assets	$ 623,681	$ 5,812,655	$ 3,106,193	$ 979,527	$ 50,325	$ 20,100,017
Liabilities, Deferred Inflows of Resources, and Fund Balance						
Liabilities						
Accounts payable	$ -	$ 12,809	$ 127,146	$ 121,205	$ 5,000	$ 322,599
Due to other funds	-	1,165,241	-	-	-	1,165,241
Accrued liabilities	-	-	41,207	-	-	78,523
Total liabilities	-	1,178,050	168,353	121,205	5,000	1,566,363
Deferred Inflows of Resources						
	423,797	-	-	-	-	817,304
Unavailable revenue - property taxes	-	-	-	-	-	592,532
Total deferred inflows of resources	423,797	-	-	-	-	1,409,836
Fund Balance						
Nonspendable	-	2,428	2,428	-	45,325	53,767
Restricted	-	4,632,177	2,935,412	858,322	-	16,870,167
Committed	199,884	-	-	-	-	199,884
Total fund balance	199,884	4,634,605	2,937,840	858,322	45,325	17,123,818
Total liabilities, deferred inflows of resources, and fund balances	$ 623,681	$ 5,812,655	$ 3,106,193	$ 979,527	$ 50,325	$ 20,100,017

City of Lafayette, Colorado
Nonmajor Governmental Funds
Combining Statements of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2025

	Special Revenue Funds						
	Lafayette City Center GID	Exempla GID	Lafayette Corporate Campus GID	Lafayette Tech Center GID	Health & Human Services	Public Safety	Grants
Revenues							
Taxes							
Property taxes	$ 5,638	$ 7,537	$ 248,091	$ 161,465	$ -	$ -	$ -
Specific ownership taxes	253	349	10,616	7,016	-	-	-
General sales and use taxes	-	-	-	-	785,147	2,119,897	-
Total taxes	5,891	7,886	258,707	168,481	785,147	2,119,897	-
Intergovernmental	-	-	-	-	-	-	1,663,815
Contributions and grants	-	-	-	-	-	-	-
Net investment income	7,313	49,114	32,108	12,064	66,721	27,545	23,249
Miscellaneous	-	-	-	-	-	-	-
Total revenues	13,204	57,000	290,815	180,545	851,868	2,147,442	1,687,064
Expenditures							
Current							
General government	177	686	4,203	2,724	702,535	50,634	1,721,541
Public safety	-	-	-	-	-	1,403,839	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	53,246	1,782,638
Debt service							
Principal	-	-	145,000	75,000	-	143,417	-
Interest on bonded debt	-	-	83,200	77,100	-	-	-
Interest on interfund loan	-	-	-	-	-	-	-
Bond trustee fees	-	-	400	333	-	-	-
Total expenditures	177	686	232,803	155,157	702,535	1,651,136	3,504,179
Excess (Deficiency) of Revenues over (under) Expenditures	13,027	56,314	58,012	25,388	149,333	496,306	(1,817,115)
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net Change in Fund Balances	13,027	56,314	58,012	25,388	149,333	496,306	(1,817,115)
Fund Balance, Beginning of Year	133,294	1,221,457	707,327	219,016	1,553,557	546,542	5,085,384
Fund Balances, End of Year	$ 146,321	$ 1,277,771	$ 765,339	$ 244,404	$ 1,702,890	$ 1,042,848	$ 3,268,269

City of Lafayette, Colorado
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2025

	Debt Service Fund	Capital Projects Funds			Permanent Fund	
	Debt Service	Legacy Open Space	Parks, Open Space and Trails	Conservation Trust	Cemetery Endowment	Total Nonmajor Funds
Revenues						
Taxes						
Property taxes	$ 994,604	$ -	$ -	$ -	$ -	$ 1,417,335
Specific ownership taxes	-	-	-	-	-	18,234
General sales and use taxes	-	1,962,867	1,962,867	-	-	6,830,778
Total taxes	994,604	1,962,867	1,962,867	-	-	8,266,347
Intergovernmental	-	-	-	366,502	-	2,030,317
Contributions and grants	-	-	19,120	-	-	19,120
Net investment income	24,184	295,557	63,979	42,412	2,098	646,344
Miscellaneous	-	23,804	-	-	-	23,804
Total revenues	1,018,788	2,282,228	2,045,966	408,914	2,098	10,985,932
Expenditures						
Current						
General government	10,567	1,054,845	178,267	8,085	5,025	3,739,289
Public safety	-	-	-	-	-	1,403,839
Culture and recreation	-	-	1,503,944	1,813	-	1,505,757
Capital outlay	-	155,965	263,835	556,141	-	2,811,825
Debt service						
Principal	945,000	-	-	-	-	1,308,417
Interest on bonded debt	61,200	-	-	-	-	221,500
Interest on interfund loan	-	31,988	-	-	-	31,988
Bond trustee fees	250	-	-	-	-	983
Total expenditures	1,017,017	1,242,798	1,946,046	566,039	5,025	11,023,598
Excess (Deficiency) of Revenues over (under) Expenditures	1,771	1,039,430	99,920	(157,125)	(2,927)	(37,666)
Other Financing Sources (Uses)						
Transfers in	-	-	1,950,000	-	-	1,950,000
Transfers out	-	(1,950,000)	-	-	-	(1,950,000)
Total other financing sources (uses)	-	(1,950,000)	1,950,000	-	-	-
Net Change in Fund Balances	1,771	(910,570)	2,049,920	(157,125)	(2,927)	(37,666)
Fund Balance, Beginning of Year	198,113	5,545,175	887,920	1,015,447	48,252	17,161,484
Fund Balances, End of Year	$ 199,884	$ 4,634,605	$ 2,937,840	$ 858,322	$ 45,325	$ 17,123,818

Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Year Ended December 31, 2025

	Special Revenue Funds							
	Lafayette City Center GID				Exempla GID			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
Property taxes	$ 5,427	$ 5,427	$ 5,638	$ 211	$ 7,428	$ 7,428	$ 7,537	$ 109
Specific ownership taxes	205	205	253	48	309	309	349	40
Net investment income	4,866	4,866	7,313	2,447	28,636	28,636	49,114	20,478
Total revenues	10,498	10,498	13,204	2,706	36,373	36,373	57,000	20,627
Expenditures								
Current								
General government	5,040	5,040	177	4,863	7,621	7,621	686	6,935
Net Change in Fund Balances	$ 5,458	$ 5,458	13,027	$ 7,569	$ 28,752	$ 28,752	56,314	$ 27,562
Fund Balance, Beginning of Year			133,294				1,221,457	
Fund Balances, End of Year			$ 146,321				$ 1,277,771	

City of Lafayette, Colorado

Nonmajor Governmental Funds

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

Year Ended December 31, 2025

	Special Revenue Funds							
	Lafayette Corporate Campus GID				Lafayette Tech Center GID			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
Property taxes	$ 223,684	$ 223,684	$ 248,091	$ 24,407	$ 148,709	$ 148,709	$ 161,465	$ 12,756
Specific ownership taxes	12,405	12,405	10,616	(1,789)	7,595	7,595	7,016	(579)
Net investment income	21,206	21,206	32,108	10,902	7,617	7,617	12,064	4,447
Total revenues	257,295	257,295	290,815	33,520	163,921	163,921	180,545	16,624
Expenditures								
Current								
General government	6,943	6,943	4,203	2,740	2,613	2,913	2,724	189
Debt service								
Principal	145,000	145,000	145,000	-	75,000	75,000	75,000	-
Interest on bonded debt	83,200	83,200	83,200	-	77,100	77,100	77,100	-
Bond trustee fees	500	500	400	100	500	500	333	167
Total expenditures	235,643	235,643	232,803	2,840	155,213	155,513	155,157	356
Net Change in Fund Balances	$ 21,652	$ 21,652	58,012	$ 36,360	$ 8,708	$ 8,408	25,388	$ 16,980
Fund Balance, Beginning of Year			707,327				219,016	
Fund Balances, End of Year			$ 765,339				$ 244,404	

	Special Revenue Funds							
	Health & Human Services				Public Safety			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
General sales and use taxes	$ 650,871	$ 650,871	$ 785,147	$ 134,276	$ 1,757,347	$ 1,757,347	$ 2,119,897	$ 362,550
Net investment income	31,913	31,913	66,721	34,808	24,847	24,847	27,545	2,698
Total revenues	682,784	682,784	851,868	169,084	1,782,194	1,782,194	2,147,442	365,248
Expenditures								
Current								
General government	708,737	708,737	702,535	6,202	53,926	53,926	50,634	3,292
Public safety	-	-	-	-	1,821,616	1,821,616	1,403,839	417,777
Capital outlay	-	-	-	-	54,000	54,000	53,246	754
Debt service								
Principal	-	-	-	-	-	-	143,417	(143,417)
Total expenditures	708,737	708,737	702,535	6,202	1,929,542	1,929,542	1,651,136	278,406
Net Change in Fund Balances	$ (25,953)	$ (25,953)	149,333	$ 175,286	$ (147,348)	$ (147,348)	496,306	$ 643,654
Fund Balance, Beginning of Year			1,553,557				546,542	
Fund Balances, End of Year			$ 1,702,890				$ 1,042,848	

City of Lafayette, Colorado

Nonmajor Governmental Funds

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

Year Ended December 31, 2025

	Special Revenue Fund				Debt Service Fund			
	Grants				Debt Service			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
Property taxes	$ -	$ -	$ -	$ -	$ 1,006,700	$ 1,006,700	$ 994,604	$ (12,096)
Intergovernmental	-	-	1,663,815	1,663,815	-	-	-	-
Net investment income	-	-	23,249	23,249	18,818	18,818	24,184	5,366
Total revenues	-	-	1,687,064	1,687,064	1,025,518	1,025,518	1,018,788	(6,730)
Expenditures								
Current								
General government	86,601	2,725,468	1,721,541	1,003,927	10,297	10,797	10,567	230
Capital outlay	-	1,782,638	1,782,638	-	-	-	-	-
Debt service								
Principal	-	-	-	-	945,000	945,000	945,000	-
Interest on bonded debt	-	-	-	-	61,200	61,200	61,200	-
Bond trustee fees	-	-	-	-	500	500	250	250
Total expenditures	86,601	4,508,106	3,504,179	1,003,927	1,016,997	1,017,497	1,017,017	480
Net Change in Fund Balances	$ (86,601)	$ (4,508,106)	(1,817,115)	$ 2,690,991	$ 8,521	$ 8,021	1,771	$ (6,250)
Fund Balance, Beginning of Year			5,085,384				198,113	
Fund Balances, End of Year			$ 3,268,269				$ 199,884	

	Capital Projects Funds							
	Legacy Open Space				Parks, Open Space, and Trails			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
General sales and use taxes	$ 1,725,342	$ 1,725,342	$ 1,962,867	$ 237,525	$ 1,725,342	$ 1,725,342	$ 1,962,867	$ 237,525
Contributions and grants	-	-	-	-	376,541	376,541	19,120	(357,421)
Net investment income	160,579	160,579	295,557	134,978	43,601	43,601	63,979	20,378
Miscellaneous	-	-	23,804	23,804	11,934	11,934	-	(11,934)
Total revenues	1,885,921	1,885,921	2,282,228	396,307	2,157,418	2,157,418	2,045,966	(111,452)
Expenditures								
Current								
General government	861,071	911,071	1,054,845	(143,774)	297,111	297,111	178,267	118,844
Culture and recreation	10,050	10,050	-	10,050	1,641,374	1,656,143	1,503,944	152,199
Capital outlay	49,000	49,000	155,965	(106,965)	265,000	1,366,753	263,835	1,102,918
Debt service								
Principal	258,094	258,094	-	258,094	-	-	-	-
Interest on bonded debt	49,561	49,561	-	49,561	-	-	-	-
Interest on interfund loan	-	-	31,988	(31,988)	-	-	-	-
Total expenditures	1,227,776	1,277,776	1,242,798	34,978	2,203,485	3,320,007	1,946,046	1,373,961
Excess (Deficiency) of Revenues over (under) Expenditures	658,145	608,145	1,039,430	431,285	(46,067)	(1,162,589)	99,920	1,262,509
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	1,950,000	1,950,000	-
Transfers out	-	(1,950,000)	(1,950,000)	-	-	-	-	-
Total other financing sources (uses)	-	(1,950,000)	(1,950,000)	-	-	1,950,000	1,950,000	-
Net Change in Fund Balances	$ 658,145	$ (1,341,855)	(910,570)	$ 431,285	$ (46,067)	$ 787,411	2,049,920	$ 1,262,509
Fund Balance, Beginning of Year			5,545,175				887,920	
Fund Balances, End of Year			$ 4,634,605				$ 2,937,840	

Schedules of Revenues, Expenditures, and Changes in Fund Balances– Budget and Actual
Year Ended December 31, 2025

	Capital Projects Fund – Conservation Trust				Permanent Fund – Cemetery Endowment			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
Intergovernmental	$ 376,000	$ 376,000	$ 366,502	$ (9,498)	$ -	$ -	$ -	$ -
Net investment income	30,574	30,574	42,412	11,838	1,345	1,345	2,098	753
Total revenues	406,574	406,574	408,914	2,340	1,345	1,345	2,098	753
Expenditures								
Current								
General government	4,944	4,944	8,085	(3,141)	60	1,060	5,025	(3,965)
Culture and recreation	40,947	40,947	1,813	39,134	-	-	-	-
Capital outlay	672,550	672,550	556,141	116,409	-	-	-	-
Total expenditures	718,441	718,441	566,039	152,402	60	1,060	5,025	(3,965)
Net Change in Fund Balances	$ (311,867)	$ (311,867)	(157,125)	$ 154,742	$ 1,285	$ 285	(2,927)	$ (3,212)
Fund Balance, Beginning of Year			1,015,447				48,252	
Fund Balances, End of Year			$ 858,322				$ 45,325	

Schedule of Revenues, Expenditures, and Changes in Fund Balances– Budget and Actual
Year Ended December 31, 2025

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Intergovernmental	$ 1,566,472	$ 2,016,472	$ 12,099,218	$ 10,082,746
Net investment income	489,950	489,950	520,651	30,701
Miscellaneous	-	-	112,730	112,730
Total revenues	2,056,422	2,506,422	12,732,599	10,226,177
Expenditures				
Current				
General government	22,573	772,573	31,203	741,370
Capital outlay	4,487,938	13,506,050	5,113,944	8,392,106
Total expenditures	4,510,511	14,278,623	5,145,147	9,133,476
Excess (Deficiency) of Revenues over (under) of Expenditures	(2,454,089)	(11,772,201)	7,587,452	19,359,653
Other Financing Sources				
Transfers in	2,600,000	4,350,000	2,600,000	(1,750,000)
Net Change in Fund Balances	$ 145,911	$ (7,422,201)	10,187,452	$ 17,609,653
Fund Balance, Beginning of Year			6,266,610	
Fund Balances, End of Year			$ 16,454,062	

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

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

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

Schedule of Revenues, Expenses, and Changes in Fund Net Position – Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2025

	Water Utility				Water Reclamation Utility			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
Charges for services	$ 13,888,265	$ 13,888,265	$ 16,209,620	$ 2,321,355	$ 8,332,485	$ 8,332,485	$ 8,262,374	$ (70,111)
Payments in lieu of water	-	-	317,955	317,955	-	-	-	-
Tap fees	1,121,402	1,121,402	87,825	(1,033,577)	-	-	77,062	77,062
Operating grants	-	-	34,692	34,692	-	-	-	-
Investment earnings	1,115,436	1,115,436	1,908,283	792,847	2,278,593	2,278,593	1,759,121	(519,472)
Miscellaneous	46,248	46,248	70,252	24,004	-	-	511	511
Total revenues	16,171,351	16,171,351	18,628,627	2,457,276	10,611,078	10,611,078	10,099,068	(512,010)
Expenditures								
Operating expenditures								
Personnel services	2,582,137	2,582,137	2,660,764	(78,627)	1,562,245	1,587,245	1,645,971	(58,726)
Operations	6,951,444	7,231,923	4,988,896	2,243,027	3,628,105	3,949,589	2,539,035	1,410,554
Capital outlay	11,281,000	18,638,281	5,718,229	12,920,052	9,075,000	17,594,809	6,867,763	10,727,046
Debt service								
Principal	1,185,000	1,185,000	1,216,900	(31,900)	1,020,000	1,020,000	1,020,728	(728)
Interest	173,900	173,900	177,884	(3,984)	1,117,088	1,117,088	1,117,109	(21)
Bond trustee fees and issuance costs	550,303	550,303	334	549,969	-	-	330	(330)
Total expenditures	22,723,784	30,361,544	14,763,007	15,598,537	16,402,438	25,268,731	13,190,936	12,077,795
Other Financing Sources								
Proceeds from sale of assets	-	-	29,656	(29,656)	-	-	26,000	(26,000)
Transfers in	-	-	-	-	-	-	2,500,000	(2,500,000)
Transfers out	-	(2,500,000)	(2,500,000)	-	-	-	-	-
Total other financing sources	-	(2,500,000)	(2,470,344)	(29,656)	-	-	2,526,000	(2,526,000)
Excess (Deficiency) of Revenues Over Expenses - Budgetary Basis	$ (6,552,433)	$ (16,690,193)	1,395,276	$ 18,085,469	$ (5,791,360)	$ (14,657,653)	(565,868)	$ 14,091,785
Reconciliation to GAAP Basis:								
Debt service - Principal			1,216,900				1,020,728	
Change in acccrued interest			3,647				3,414	
Capital outlay			5,718,229				6,867,763	
Developer dedications			699,551				505,797	
Depreciation and amortization			(2,368,093)				(3,169,379)	
Amortization of bond-related deferrals			42,453				75,947	
Lease activity			70,205				-	
Change in Net Position - GAAP Basis			$ 6,939,926				$ 4,738,402	

City of Lafayette, Colorado

Enterprise Funds

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

– Budget and Actual (Non-GAAP Budgetary Basis)

Year Ended December 31, 2025

	Golf Course				Storm Water			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
Charges for services	$ 4,334,916	$ 4,334,916	$ 4,767,885	$ 432,969	$ 2,488,779	$ 2,488,779	$ 2,313,905	$ (174,874)
Investment earnings	54,277	54,277	97,374	43,097	202,074	202,074	416,317	214,243
Miscellaneous	4,117	4,117	9,521	5,404	-	-	4,888	4,888
Total revenues	4,393,310	4,393,310	4,874,780	481,470	2,690,853	2,690,853	2,735,110	44,257
Expenditures								
Operating expenditures								
Personnel services	1,820,562	1,820,562	1,749,082	71,480	436,747	436,747	399,406	37,341
Operations	2,486,037	2,486,037	2,170,890	315,147	846,667	941,210	855,146	86,064
Capital outlay	301,000	301,000	65,404	235,596	267,000	417,135	122,858	294,277
Debt service								
Principal	-	-	-	-	-	-	362	(362)
Interest	-	-	-	-	-	-	11	(11)
Total expenditures	4,607,599	4,607,599	3,985,376	622,223	1,550,414	1,795,092	1,377,783	417,309
Excess (Deficiency) of Revenues Over Expenses - Budgetary Basis	$ (214,289)	$ (214,289)	889,404	$ 1,103,693	$ 1,140,439	$ 895,761	1,357,327	$ 461,566
Reconciliation to GAAP Basis:								
Debt service - Principal			-				362	
Change in acccrued interest			-				7	
Capital outlay			65,404				122,858	
Developer dedications			-				383,645	
Depreciation and amortization			(501,885)				(552,608)	
Change in Net Position - GAAP Basis			$ 452,923				$ 1,311,591	

	Waste Management			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Charges for services	$ 2,861,027	$ 3,631,786	$ 3,678,584	$ 46,798
Investment earnings	411	411	-	(411)
Miscellaneous	-	-	397	397
Total revenues	2,861,438	3,632,197	3,678,981	46,784
Expenditures				
Operating expenditures				
Personnel services	-	-	14,485	(14,485)
Operations	2,889,718	3,754,942	3,672,281	82,661
Total expenditures	2,889,718	3,754,942	3,686,766	68,176
Excess (Deficiency) of Revenues Over Expenses - Budgetary Basis	$ (28,280)	$ (122,745)	$ (7,785)	$ -
Change in Net Position - GAAP Basis			$ (7,785)	

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

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

	Employee Benefit Plan	Fleet Management	Insurance	Total
Assets				
Current Assets				
Cash and investments	$ 2,402,341	$ 3,913,472	$ 852,600	$ 7,168,413
Receivables				
Accounts	21,357	-	-	21,357
Interest	11,313	18,316	3,853	33,482
Total current assets	2,435,011	3,931,788	856,453	7,223,252
Noncurrent Assets				
Capital assets, net of accumulated depreciation/amortization	-	4,029,389	-	4,029,389
Total assets	2,435,011	7,961,177	856,453	11,252,641
Liabilities				
Current Liabilities				
Accounts payable	550	43,746	39,310	83,606
Claims incurred but not reported	20,709	-	50,000	70,709
Accrued payroll	-	16,883	-	16,883
Compensated absences	-	24,206	-	24,206
Total liabilities	21,259	84,835	89,310	195,404
Net Position				
Net investment in capital assets	-	4,029,389	-	4,029,389
Unrestricted	2,413,752	3,846,953	767,143	7,027,848
Total net position	$ 2,413,752	$ 7,876,342	$ 767,143	$ 11,057,237

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Year Ended December 31, 2025

	Employee Benefit Plan	Fleet Management	Insurance	Total
Operating Revenues				
City contributions	$ 5,077,255	$ 2,436,274	$ 1,453,355	$ 8,966,884
Employee contributions	70,182	-	-	70,182
Miscellaneous	25,000	-	122,878	147,878
Total operating revenues	$ 5,172,437	$ 2,436,274	$ 1,576,233	$ 9,184,944
Operating Expenses				
Personnel services	(1,532,555)	137,336	-	(1,395,219)
Operations	103,481	313,706	76,470	493,657
Premiums and claims paid	5,154,961	-	1,539,493	6,694,454
Depreciation/amortization	-	970,000	-	970,000
Total operating expenses	3,725,887	1,421,042	1,615,963	6,762,892
Operating Income (Loss)	1,446,550	1,015,232	(39,730)	2,422,052
Nonoperating Revenues				
Net investment income	86,524	172,222	32,641	291,387
Change in net position	1,533,074	1,187,454	(7,089)	2,713,439
Total Net Position, Beginning of Year	880,678	6,688,888	774,232	8,343,798
Total Net Position, End of Year	$ 2,413,752	$ 7,876,342	$ 767,143	$ 11,057,237

	Employee Benefit Plan	Fleet Management	Insurance	Total
Operating Activities				
Receipts from internal charges	$ 5,055,898	$ 2,436,274	$ 1,453,355	$ 8,945,527
Receipts from employees	70,182	-	-	70,182
Miscellaneous receipts	25,000	-	122,878	147,878
Payments to suppliers	(6,818,949)	(342,213)	(1,594,468)	(8,755,630)
Payments to and on behalf of employees	1,532,555	(128,661)	-	1,403,894
Net Cash (Used for) from Operating Activities	(135,314)	1,965,400	(18,235)	1,811,851
Capital and Related Financing Activities				
Acquisition of capital assets	-	(2,169,685)	-	(2,169,685)
Investing Activities				
Interest and dividends from investments	85,557	171,861	32,464	289,882
Net Cash from Investing Activities	85,557	171,861	32,464	289,882
Change in Cash and Cash Equivalents	(49,757)	(32,424)	14,229	(67,952)
Cash and Cash Equivalents, Beginning of Year	2,452,098	3,945,896	838,371	7,236,365
Cash and Cash Equivalents, End of Year	$ 2,402,341	$ 3,913,472	$ 852,600	$ 7,168,413
Reconciliation of Operating Income (Loss) to Net Cash (Used for) from Operating Activities				
Operating income (loss)	$ 1,446,550	$ 1,015,232	$ (39,730)	$ 2,422,052
Adjustments to reconcile operating income (loss) to net cash (used for) from operating activities				
Depreciation/amortization	-	970,000	-	970,000
Changes in assets and liabilities				
Accounts receivable	(21,357)	-	-	(21,357)
Accounts payable	(785)	(28,507)	21,495	(7,797)
Payroll payable	-	13,851	-	13,851
Compensated absences	(1,555,253)	(5,176)	-	(1,560,429)
Claims incurred but not reported	(4,469)	-	-	(4,469)
Net cash (used for) from operating activities	$ (135,314)	$ 1,965,400	$ (18,235)	$ 1,811,851

	Employee Benefit Plan				Fleet Management			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues								
City contributions	$ 5,529,065	$ 5,529,065	$ 5,077,255	$ (451,810)	$ 1,976,821	$ 1,976,821	$ 2,436,274	$ 459,453
Employee contributions	84,290	84,290	70,182	(14,108)	-	-	-	-
Investment earnings	26,052	26,052	86,524	60,472	55,404	55,404	172,222	116,818
Miscellaneous	36,571	36,571	25,000	(11,571)	-	-	-	-
Total revenues	5,675,978	5,675,978	5,258,961	(417,017)	2,032,225	2,032,225	2,608,496	576,271
Expenditures								
Operating expenditures								
Personnel services	-	-	(1,532,555)	1,532,555	182,784	182,784	137,336	45,448
Operations	206,939	206,939	103,481	103,458	1,964,374	4,208,937	313,706	3,895,231
Premiums and claims	5,311,313	5,311,313	5,154,961	156,352	-	-	-	-
Capital outlay	-	-	-	-	-	-	2,169,685	(2,169,685)
Total expenditures	5,518,252	5,518,252	3,725,887	1,792,365	2,147,158	4,391,721	2,620,727	1,770,994
Excess (Deficiency) of Revenues Over Expenses - Budgetary Basis	$ 157,726	$ 157,726	1,533,074	$ 1,375,348	$ (114,933)	$ (2,359,496)	(12,231)	$ 2,347,265
Reconciliation to GAAP Basis:								
Capital outlay			-				2,169,685	
Depreciation and amortization			-				(970,000)	
Change in Net Position - GAAP Basis			$ 1,533,074				$ 1,187,454	

	Insurance			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
City contributions	$ 1,453,355	$ 1,453,355	$ 1,453,355	$ -
Investment earnings	19,092	19,092	32,641	13,549
Miscellaneous	21,287	21,287	122,878	101,591
Total revenues	1,493,734	1,493,734	1,608,874	115,140
Expenditures				
Operating expenditures				
Operations	149,355	168,364	76,470	91,894
Premiums and claims	1,304,000	1,454,000	1,539,493	(85,493)
Total expenditures	1,453,355	1,622,364	1,615,963	6,401
Excess of Revenues Over Expenses - Budgetary Basis	$ 40,379	$ (128,630)	$ (7,089)	$ -

Statistical Section
Year Ended December 31, 2025

City of Lafayette, Colorado

STATISTICAL SECTION

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

Financial Trends **Schedules 1-4**

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

Revenue Capacity **Schedules 5-7**

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

Debt Capacity **Schedules 8-11**

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

Demographic and Economic Information **Schedules 12-13**

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

Operating Information **Schedules 14-16**

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

Sources:

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

City of Lafayette, Colorado

Components of Net Position – Accrual Basis of Accounting

Last Ten Fiscal Years

Schedule 1

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net investment in capital assets	$ 115,675,547	$ 122,568,073	$ 129,041,362	$ 139,645,432	$ 142,464,808	$ 140,364,345	$ 146,729,467	$ 155,736,304	$ 171,580,949	$ 183,226,186
Restricted	10,519,487	10,396,066	12,249,044	8,917,533	4,245,493	7,795,522	8,970,337	9,714,437	18,490,281	18,631,453
Unrestricted	34,646,358	38,027,329	42,884,343	45,402,656	55,480,775	60,828,208	63,718,769	66,529,833	48,425,678	56,026,583
Total Governmental Activities Net Position	160,841,392	170,991,468	184,174,749	193,965,621	202,191,076	208,988,075	219,418,573	231,980,574	238,496,908	257,884,222
Business-Type Activities										
Net investment in capital assets	91,252,731	99,364,335	106,120,369	114,556,005	126,787,732	130,852,365	147,145,150	154,024,670	152,663,329	161,799,033
Restricted	566,315	-	-	-	-	-	-	-	-	-
Unrestricted	43,695,273	45,525,566	49,565,131	53,687,768	61,335,621	70,546,790	65,552,341	76,005,109	91,085,171	95,384,524
Total Business-Type Activities Net Position	135,514,319	144,889,901	155,685,500	168,243,773	188,123,353	201,399,155	212,697,491	230,029,779	243,748,500	257,183,557
Primary Government										
Net investment in capital assets	206,928,278	221,932,408	235,161,731	254,201,437	269,252,540	271,216,710	293,874,617	309,760,974	324,244,278	345,025,219
Restricted	11,085,802	10,396,066	12,249,044	8,917,533	4,245,493	7,795,522	8,970,337	9,714,437	18,490,281	18,631,453
Unrestricted	78,341,631	83,552,895	92,449,474	99,090,424	116,816,396	131,374,998	129,271,110	142,534,942	139,510,849	151,411,107
Total Primary Government Net Position	$ 296,355,711	$ 315,881,369	$ 339,860,249	$ 362,209,394	$ 390,314,429	$ 410,387,230	$ 432,116,064	$ 462,010,353	$ 482,245,408	$ 515,067,779

City of Lafayette, Colorado

Changes in Net Position – Accrual Basis of Accounting

Last Ten Fiscal Years

Schedule 2

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities										
General Government	$ 6,502,498	$ 6,723,312	$ 7,151,022	$ 10,857,506	$ 11,808,272	$ 13,031,557	$ 10,712,187	$ 11,502,514	$ 15,669,844	$ 17,910,074
Judicial	522,216	599,522	670,461	646,084	674,308	646,977	594,238	725,810	674,106	1,053,430
Public safety	9,831,186	10,707,135	11,047,434	13,054,675	12,865,275	13,755,192	14,995,855	19,404,131	19,644,141	21,391,392
Public Works	6,999,101	6,882,121	7,395,459	6,229,133	7,362,746	6,160,913	4,499,090	5,426,644	5,600,778	7,193,249
Culture and recreation	6,903,106	7,659,774	8,646,648	10,321,126	9,871,651	8,311,174	9,968,290	10,896,127	11,264,637	12,464,416
Interest on long-term debt	1,238,737	1,103,901	1,018,000	513,808	583,817	406,237	412,254	396,953	257,297	334,800
Total governmental activities expenses	31,996,844	33,675,765	35,929,024	41,622,332	43,166,069	42,312,050	41,181,914	48,352,179	53,110,803	60,347,361
Business-Type Activities										
Water	5,586,019	6,720,281	8,045,332	7,516,930	8,666,922	8,086,464	7,672,483	9,349,830	9,485,192	10,149,869
Water reclamation	2,834,235	2,949,268	3,948,819	3,942,419	3,934,458	4,403,948	4,672,239	5,610,722	6,321,661	8,392,467
Golf course	2,219,448	2,522,940	2,816,838	2,588,749	2,838,295	3,115,510	3,043,387	3,483,383	4,296,878	4,421,856
Storm water	1,212,323	738,324	850,754	1,072,171	1,079,200	1,524,928	1,025,864	1,581,540	1,611,418	1,807,163
Waste Management	-	-	-	-	-	-	2,423,229	2,632,025	3,541,870	3,686,766
Total business-type activities expenses	11,852,025	12,930,813	15,661,743	15,120,269	16,518,875	17,130,850	18,837,202	22,657,500	25,257,019	28,458,121
Total Primary Government Expenses	$ 43,848,869	$ 46,606,578	$ 51,590,767	$ 56,742,601	$ 59,684,944	$ 59,442,900	$ 60,019,116	$ 71,009,679	$ 78,367,822	$ 88,805,482

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Program Revenues										
Governmental Activities										
Charges for services										
General Government	$ 1,605,901	$ 2,179,555	$ 7,040,872	$ 5,055,582	$ 8,664,208	$ 5,208,240	$ 3,434,561	$ 3,051,494	$ 2,855,386	$ 5,026,671
Judicial	528,248	683,610	40,543	56,524	15,345	16,941	25,210	43,374	28,501	27,766
Public safety	583,071	510,737	816,621	924,782	638,377	668,997	978,108	1,278,599	1,365,620	1,526,857
Public Works	1,624,090	1,693,094	2,043,810	2,266,949	2,453,665	2,592,238	417,885	459,394	455,921	446,669
Culture and recreation	2,022,257	2,079,420	2,327,660	2,309,753	514,892	1,384,447	1,805,666	2,167,777	2,337,917	2,650,504
Operating grants and contributions	1,561,461	1,893,068	1,703,572	1,533,961	2,853,744	2,390,809	2,015,410	6,924,294	2,163,830	6,493,983
Capital grants and contributions	3,004,817	4,705,396	4,204,821	5,007,198	569,682	3,124,611	1,280,209	2,388,918	2,739,109	11,799,204
Total governmental activities program revenues	10,929,845	13,744,880	18,177,899	17,154,749	15,709,913	15,386,283	9,957,049	16,313,850	11,946,284	27,971,654
Business-Type Activities										
Charges for services										
Water	7,574,216	8,103,541	8,593,015	8,329,244	10,043,302	9,659,867	11,611,141	10,331,899	15,622,702	16,209,620
Water reclamation	4,520,574	5,010,334	5,351,810	5,730,381	5,780,462	6,186,342	6,614,766	6,910,244	7,566,971	8,262,374
Golf course	682,188	742,156	992,136	1,686,419	3,010,262	3,657,234	3,690,095	3,849,888	4,271,148	4,767,885
Storm water	2,493,470	2,662,369	2,643,366	2,544,709	1,820,957	1,936,114	1,958,274	2,069,461	2,188,277	2,297,330
Waste Management	-	-	-	-	-	-	2,283,577	2,397,596	3,516,777	3,678,981
Operating grants and contributions	-	-	-	-	3,663	-	-	-	66,102	34,692
Capital grants and contributions	6,180,956	7,815,507	8,096,157	4,869,851	14,513,251	4,711,175	3,555,016	9,275,172	1,443,337	2,088,410
Total business-type activities program revenues	21,451,404	24,333,907	25,676,484	23,160,604	35,171,897	26,150,732	29,712,869	34,834,260	34,675,314	37,339,292
Total Primary Government Program Revenues	$ 32,381,249	$ 38,078,787	$ 43,854,383	$ 40,315,353	$ 50,881,810	$ 41,537,015	$ 39,669,918	$ 51,148,110	$ 46,621,598	$ 65,310,946

City of Lafayette, Colorado

Changes in Net Position – Accrual Basis of Accounting (continued)

Last Ten Fiscal Years

Schedule 2

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net Revenue (Expense)										
Governmental Activities	$ (21,066,999)	$ (19,930,885)	$ (17,751,125)	$ (24,467,583)	$ (27,456,156)	$ (26,925,767)	$ (31,224,865)	$ (32,038,329)	$ (41,164,519)	$ (32,375,707)
Business-Type Activities	9,599,379	11,403,094	10,014,741	8,040,335	18,653,022	9,019,882	10,875,667	12,176,760	9,418,295	8,881,171
Total Primary Government Net Revenue (Expense)	$ (11,467,620)	$ (8,527,791)	$ (7,736,384)	$ (16,427,248)	$ (8,803,134)	$ (17,905,885)	$ (20,349,198)	$ (19,861,569)	$ (31,746,224)	$ (23,494,536)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property Taxes	$ 8,090,573	$ 9,025,797	$ 10,050,460	$ 10,108,623	$ 10,999,124	$ 10,866,128	$ 11,659,988	$ 11,610,332	$ 14,829,314	$ 14,348,067
Sales Taxes	15,347,393	16,641,430	18,105,109	19,709,451	20,709,008	23,887,554	27,163,677	27,276,560	27,440,274	31,171,900
Franchise Taxes	1,107,958	1,132,143	1,141,404	1,147,437	1,128,766	1,242,389	1,338,805	1,396,112	1,380,096	1,382,405
Other Taxes	459,674	487,125	539,644	648,815	811,317	775,956	657,650	565,481	442,029	587,778
Unrestricted grants and contributions	55,656	48,530	112,986	46,891	-	206,091	201,705	226,978	154,965	98,005
Investment earnings	288,540	380,639	791,498	1,389,129	1,263,231	(143,262)	(673,495)	3,111,043	3,031,360	3,074,746
Miscellaneous	6,897	-	193,305	396,057	323,490	892,573	1,307,033	513,824	602,815	1,100,120
Gain on sale of capital assets	35,690	11,780	-	-	-	-	-	-	-	-
Transfers	2,001,131	2,353,517	-	-	-	-	-	(100,000)	(200,000)	-
Total governmental activities	27,393,512	30,080,961	30,934,406	33,446,403	35,234,936	37,727,429	41,655,363	44,600,330	47,680,853	51,763,021
Business-Type Activities										
Investment earnings	281,716	336,344	780,858	1,427,832	1,223,701	(189,661)	254,875	4,778,758	3,922,364	4,181,095
Gain (Loss) on sale of capital assets	12,420	(10,339)	-	144,719	2,857	-	-	32,445	-	-
Miscellaneous	(10,143)	-	-	-	-	161,460	167,794	244,325	178,062	372,791
Transfers	(2,001,131)	(2,353,517)	-	-	-	-	-	100,000	200,000	-
Total business-type activities	(1,717,138)	(2,027,512)	780,858	1,572,551	1,226,558	(28,201)	422,669	5,155,528	4,300,426	4,553,886
Total Primary Government	$ 25,676,374	$ 28,053,449	$ 31,715,264	$ 35,018,954	$ 36,461,494	$ 37,699,228	$ 42,078,032	$ 49,755,858	$ 51,981,279	$ 56,316,907
Change in Net Position										
Governmental Activities	$ 6,326,513	$ 10,150,076	$ 13,183,281	$ 8,978,820	$ 7,778,780	$ 10,801,662	$ 10,430,498	$ 12,562,001	$ 6,516,334	$ 19,387,314
Business-Type Activities	7,882,241	9,375,582	10,795,599	9,612,886	19,879,580	8,991,681	11,298,336	17,332,288	13,718,721	13,435,057
Total Primary Government Change in Net Position	$ 14,208,754	$ 19,525,658	$ 23,978,880	$ 18,591,706	$ 27,658,360	$ 19,793,343	$ 21,728,834	$ 29,894,289	$ 20,235,055	$ 32,822,371

City of Lafayette, Colorado

Fund Balances of Governmental Funds – Modified Accrual Basis of Accounting

Last Ten Fiscal Years

Schedule 3

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	$ 1,123,593	$ 21,186	$ 726,473	$ 726,610	$ 3,311,185	$ 2,936,380	$ 2,414,113	$ 2,578,409	$ 2,007,146	$ 1,665,648
Restricted	$ 1,620,000	$ 1,670,472	$ 1,954,611	$ 1,083,515	$ 1,145,548	$ 1,070,683	$ 983,307	$ 1,041,631	$ 1,182,836	$ 1,361,286
Committed	1,573,308	2,128,070	2,687,395	3,557,446	6,020,012	7,287,700	7,981,442	8,788,836	8,024,948	8,763,615
Assigned	69,135	48,509	29,510	29,510	-	-	-	-	-	-
Unassigned	19,969,686	24,288,624	24,589,087	23,953,740	29,655,613	30,458,922	31,758,926	25,910,839	22,652,318	21,350,788
Total General Fund	$ 24,355,722	$ 28,156,861	$ 29,987,076	$ 29,350,821	$ 40,132,358	$ 41,753,685	$ 43,137,788	$ 38,319,715	$ 33,867,248	$ 33,141,337
All Other Governmental Funds										
Nonspendable	$ 760,476	$ 752,913	$ 46,398	$ 46,398	$ 46,843	$ 46,693	$ 46,109	$ 47,079	$ 55,926	$ 53,767
Restricted	8,849,960	8,679,196	10,248,035	7,787,620	3,053,102	6,681,313	9,623,104	16,341,228	17,307,445	17,270,167
Committed	10,348,187	7,185,012	9,606,633	11,020,663	11,193,240	15,527,695	15,460,106	14,802,299	6,064,723	16,253,946
Assigned	1,401,210	1,105,481	1,266,857	1,080,825	819,997	-	-	-	-	-
Unassigned	-	(45,967)	-	-	-	-	-			-
Total All Other Governmental Funds	$ 21,359,833	$ 17,676,635	$ 21,167,923	$ 19,935,506	$ 15,113,182	$ 22,255,701	$ 25,129,319	$ 31,190,606	$ 23,428,094	$ 33,577,880

City of Lafayette, Colorado

Changes in Fund Balances of Governmental Funds – Modified Accrual Basis of Accounting

Last Ten Fiscal Years

Schedule 4

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	$ 25,005,598	$ 27,286,495	$ 29,836,617	$ 31,489,183	$ 33,730,980	$ 36,772,027	$ 40,820,127	$ 40,848,485	$ 44,083,301	$ 47,490,150
Special Assessments	645,831	1,008,632	521,414	42,419	23,869	603,106	11,491	-	5,746	-
Intergovernmental	1,635,143	1,427,665	2,318,448	3,359,068	2,887,366	3,275,857	2,967,438	8,041,437	624,685	816,841
Contributions and Grants	584,200	1,647,745	340,850	179,086	352,730	1,643,537	1,448,315	644,730	4,327,774	15,685,467
Charges for Services	5,124,412	5,652,813	10,515,841	9,073,357	11,137,082	8,707,583	5,572,361	5,816,335	488,483	465,590
Licenses and Permits	720,295	979,192	1,064,668	995,596	1,048,797	1,123,655	808,033	617,092	5,882,608	8,227,365
Fines and forfeitures	528,249	683,609	737,742	519,562	262,996	185,789	296,080	567,212	515,252	623,861
Net Investment Income (Loss)	269,195	336,921	754,402	1,342,119	1,222,655	(138,259)	(644,131)	2,941,141	2,787,072	2,783,359
Leases	-	-	-	-	-	-	389,182	(375,159)	248,283	171,137
Miscellaneous	121,815	69,443	1,089,294	478,104	323,490	1,188,164	1,003,453	678,805	323,621	792,048
Total Revenues	34,634,738	39,092,515	47,179,276	47,478,494	50,989,965	53,361,459	52,672,349	59,780,078	59,286,825	77,055,818
Expenditures										
General government	6,278,283	6,442,287	6,933,635	10,396,258	10,949,273	11,300,900	11,023,617	14,949,753	16,711,499	21,800,680
Judicial	522,888	598,409	670,175	647,938	676,532	646,977	594,239	724,456	674,106	1,047,396
Public safety	9,591,173	9,926,889	11,037,480	11,769,985	12,276,373	13,002,895	14,996,752	18,065,508	19,334,665	20,264,275
Public works	4,069,936	3,909,343	4,543,803	3,838,929	4,296,452	4,651,133	2,829,723	3,031,265	3,140,668	4,000,142
Culture and recreation	5,847,316	6,591,737	7,359,613	8,772,331	5,973,542	6,791,328	8,284,656	9,361,462	9,685,045	9,409,509
Capital Outlay	2,585,398	10,561,281	7,891,497	9,700,705	10,166,371	6,703,830	7,725,301	10,992,052	20,312,051	11,675,235
Debt Service										
Principal	5,059,360	2,154,360	2,357,020	5,540,000	965,000	1,235,000	1,035,000	1,075,000	1,766,430	1,961,633
Interest and fiscal charges	1,067,153	1,143,785	1,064,550	562,252	502,018	460,871	398,495	358,415	311,375	337,713
Total Expenditures	35,021,507	41,328,091	41,857,773	51,228,398	45,805,561	44,792,934	46,887,783	58,557,911	71,935,839	70,496,583
Excess (Deficiency) of Revenues over (under) Expenditures	(386,769)	(2,235,576)	5,321,503	(3,749,904)	5,184,404	8,568,525	5,784,566	1,222,167	(12,649,014)	6,559,235
Other Financing Sources (Uses)										
Issuance of debt	8,265,000	-	-	-	-	-	-	-	634,035	2,864,640
Debt premium	806,481	-	-	-	-	-	-	-	-	-
Issuance costs	(134,321)	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	1,591,936	-	-	-	-	-	-
Proceeds from insurance claim	-	-	-	-	-	111,391	5,298	121,050	-	-
Transfers in	5,968,865	8,468,804	8,389,399	8,526,484	5,731,072	6,628,830	4,998,512	5,549,163	5,613,893	4,550,000
Transfers out	(3,967,734)	(6,115,287)	(8,389,399)	(8,526,484)	(4,956,263)	(6,544,848)	(6,530,655)	(5,649,163)	(5,813,893)	(4,550,000)
Total Other Financing Sources (Uses)	10,938,291	2,353,517	-	1,591,936	774,809	195,373	(1,526,845)	21,050	434,035	2,864,640
Net Change in Fund Balances	$ 10,551,522	$ 117,941	$ 5,321,503	$ (2,157,968)	$ 5,959,213	$ 8,763,898	$ 4,257,721	$ 1,243,217	$ (12,214,979)	$ 9,423,875
Debt service as a percentage of noncapital expenditures	19.70%	8.50%	10.90%	14.10%	4.10%	4.90%	3.50%	2.80%	4.00%	4.10%

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

Year	General Property Tax*	Fire District Tax	Specific Ownership Tax	Sales Tax	Other Use Tax**	Franchise Tax	Excise Tax	Total General Tax Revenues
2025	$ 13,713,795	$ 5,300	$ 628,973	$ 24,870,018	$ 6,301,880	$ 1,382,405	$ 587,778	$ 47,490,149
2024	14,246,028	5,300	577,985	21,670,258	5,770,018	1,380,096	442,029	44,091,714
2023	11,091,963	5,300	513,069	21,796,576	5,479,984	1,396,112	565,481	40,848,485
2022	11,156,035	5,300	498,653	21,900,682	5,262,995	1,338,805	657,650	40,820,120
2021	10,340,982	5,300	519,846	17,362,457	6,525,097	1,242,389	775,956	36,772,027
2020	10,614,570	5,300	504,397	15,047,658	5,661,350	1,128,766	768,939	33,730,980
2019	9,462,728	5,300	515,452	14,781,930	4,927,521	1,147,437	648,815	31,489,183
2018	9,518,598	5,300	526,563	13,285,429	4,819,679	1,141,404	539,644	29,836,617
2017	7,941,715	5,300	455,589	12,739,227	3,902,203	1,132,143	487,125	26,663,302
2016	7,677,373	5,300	407,900	11,998,522	4,104,099	1,107,958	459,674	25,760,826

* Includes property taxes from general improvement districts.
** Includes taxes on building materials and motor vehicles.

Year	City of Lafayette	Overlapping Rates: State of Colorado	Boulder County	Regional Transportation District	Scientific & Cultural Facilities District	Total Overlapping Sales Tax Rate
2025	3.87%	2.90%	1.19%	1.00%	0.10%	9.06%
2024	3.87%	2.90%	1.19%	1.00%	0.10%	9.06%
2023	3.87%	2.90%	1.19%	1.00%	0.10%	9.06%
2022	3.50%	2.90%	0.99%	1.00%	0.10%	8.49%
2021	3.50%	2.90%	0.99%	1.00%	0.10%	8.49%
2020	3.50%	2.90%	0.99%	1.00%	0.10%	8.49%
2019	3.50%	2.90%	0.99%	1.00%	0.10%	8.49%
2018	3.50%	2.90%	0.99%	1.00%	0.10%	8.49%
2017	3.50%	2.90%	0.99%	1.00%	0.10%	8.49%
2016	3.50%	2.90%	0.99%	1.00%	0.10%	8.49%

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Aggregate top thirty filers*	$ 7,620,719	$ 7,682,414	$ 8,375,538	$ 8,931,483	$ 9,390,968	$ 10,737,800	$ 12,468,427	$ 12,947,190	$ 12,333,106	$ 11,858,755
Aggregate all other filers	4,377,803	5,056,813	4,909,891	5,850,447	5,656,690	6,624,657	9,432,255	8,849,386	9,337,152	13,011,263
Total sales tax	$ 11,998,522	$ 12,739,227	$ 13,285,429	$ 14,781,930	$ 15,047,658	$ 17,362,457	$ 21,900,682	$ 21,796,576	$ 21,670,258	$ 24,870,018
Top thirty filers as a percentage of total sales tax	63.5%	60.3%	63.0%	60.4%	62.4%	61.8%	56.9%	59.4%	56.9%	47.7%

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

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

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Bonded Debt Outstanding										
Sales tax revenue bonds	$ 2,820,000	$ 1,915,000	$ 975,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Limited tax revenue bonds	4,030,000	3,820,000	3,615,000	3,470,000	3,315,000	2,910,000	2,730,000	2,535,000	2,325,000	2,105,000
General obligation bonds*	9,071,481	8,100,833	7,245,185	6,374,537	5,483,889	4,566,575	3,631,594	2,671,615	1,686,631	661,649
Demand bonds	3,955,000	3,955,000	3,630,000	-	-	-	-	-	-	-
Financed purchases	251,625	109,903	-	-	-	-	-	-	-	-
Leases Payable**	-	-	-	-	-	-	972,047	1,574,486	1,389,173	3,754,333
Subscription-Based IT Arrangements***	-	-	-	-	-	-	-	453,579	589,959	292,806
Business-Type Activities										
Water revenue bonds*	13,135,560	12,107,674	11,044,788	9,961,902	8,839,016	7,689,997	6,521,688	5,308,379	4,060,070	2,756,760
Water reclamation revenue bonds*	-	-	-	-	-	46,927,077	45,941,129	44,925,179	43,869,235	42,773,284
Term loan payable	2,917,322	2,362,398	1,805,703	1,228,089	628,801	-	-	-	-	-
Leases Payable**	-	-	-	-	-	-	1,853	27,661	21,756	15,750
Subscription-Based IT Arrangements***	-	-	-	-	-	-	-	2,539	133,314	106,330
Total Primary Government	$ 36,180,988	$ 32,370,808	$ 28,315,676	$ 21,034,528	$ 18,266,706	$ 62,093,649	$ 59,798,311	$ 57,498,438	$ 54,075,138	$ 52,465,912
Per Capita	$ 1,279	$ 1,130	$ 951	$ 712	$ 617	$ 2,003	$ 1,948	$ 1,875	$ 1,768	$ 1,661
Percentage of Personal Income	2.92%	2.34%	1.86%	1.47%	1.19%	4.02%	3.65%	3.16%	2.68%	2.67%

*Includes related issuance premium

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

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

See Schedule 12 for population and personal income figures.

City of Lafayette, Colorado

Ratio of General Bonded Debt Outstanding and Legal Debt Limit

Last Ten Fiscal Years

Schedule 9

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities	$ 33,012,041	$ 29,898,507	$ 26,509,973	$ 19,806,439	$ 17,637,905	$ 62,093,649	$ 58,824,411	$ 55,440,173	$ 51,940,936	$ 48,296,693
Less										
Sales tax revenue bonds	2,820,000	1,915,000	975,000	-	-	-	-	-	-	-
Limited tax revenue bonds	4,030,000	3,820,000	3,615,000	3,470,000	3,315,000	2,910,000	2,730,000	2,535,000	2,325,000	2,105,000
Demand bonds	3,955,000	3,955,000	3,630,000	-	-	-	-	-	-	-
Water revenue bonds	13,135,560	12,107,674	11,044,788	9,961,902	8,839,016	7,689,997	6,521,688	5,308,379	4,060,070	2,756,760
Water reclamation revenue bonds	-	-	-	-	-	46,927,077	45,941,129	44,925,179	43,869,235	42,773,284
Total Net Debt Applicable to Debt Limit	9,071,481	8,100,833	7,245,185	6,374,537	5,483,889	4,566,575	3,631,594	2,671,615	1,686,631	661,649
Estimated Actual Property Tax Values*	4,131,951,237	5,270,411,840	5,412,207,877	6,030,016,835	6,128,680,458	6,673,623,372	6,760,401,480	9,369,054,363	9,463,278,913	9,506,576,703
Legal Debt Limit**	123,958,537	158,112,355	162,366,236	180,900,505	183,860,414	200,208,701	202,812,044	281,071,631	283,898,367	285,197,301
Legal Debt Margin***	$ 114,887,056	$ 150,011,522	$ 155,121,051	$ 174,525,968	$ 178,376,525	$ 195,642,126	$ 199,180,450	$ 278,400,016	$ 282,211,736	$ 284,535,652
Outstanding Debt as a Percentage of Debt Limit	7.90%	5.40%	4.67%	3.65%	3.07%	2.33%	1.82%	0.96%	0.60%	0.23%
Per Capita	$ 4,063	$ 5,238	$ 5,209	$ 5,909	$ 6,029	$ 6,311	$ 6,488	$ 9,077	$ 9,227	$ 9,010
Percentage of Personal Income	9.27%	10.86%	10.16%	12.22%	11.65%	12.68%	12.16%	15.30%	14.00%	14.47%

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

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

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

	Debt Outstanding	Percentage Applicable to Government	Estimated Share of Overlapping Debt
Direct Debt			
City of Lafayette	$ 6,813,788	100%	$ 6,813,788
Overlapping			
Boulder Valley School District RE-2	917,862,655	8.80%	80,746,027
Total	$ 924,676,443		$ 87,559,815

Lafayette Corporate Campus GID

Year	Gross Resources*	Expenses**	Net Available Revenue	Scheduled Debt Service**** Principal	Interest	Coverage***
2025	$ 290,815	$ 4,603	$ 286,212	$ 145,000	$ 83,200	1.25
2024	279,041	4,481	274,560	135,000	94,000	1.20
2023	296,312	4,600	291,712	125,000	104,000	1.27
2022	260,355	4,533	255,822	115,000	113,200	1.12
2021	514,307	5,007	509,300	105,000	140,800	2.07
2020	283,424	18,864	264,560	95,000	148,400	1.09
2019	344,599	19,693	324,906	90,000	155,963	1.32
2018	333,383	19,637	313,746	85,000	162,730	1.27
2017	266,748	18,737	248,011	80,000	168,800	1.00
2016	267,865	18,776	249,089	70,000	174,400	1.02

Lafayette Tech Center GID

Year	Gross Resources*	Expenses**	Net Available Revenue	Scheduled Debt Service Principal	Interest	Coverage***
2025	$ 180,545	$ 2,724	$ 177,821	$ 75,000	$ 77,100	1.17
2024	163,120	2,473	160,647	75,000	81,600	1.03
2023	173,129	5,270	167,859	70,000	85,800	1.08
2022	159,115	3,091	156,024	65,000	89,700	1.01
2021	185,942	3,595	182,347	60,000	93,300	1.19
2020	370,848	45,586	325,262	60,000	96,900	2.07
2019	144,800	1,990	142,810	55,000	100,200	0.92
2018	190,777	2,634	188,143	50,000	103,503	1.23
2017	147,470	2,065	145,405	50,000	106,200	0.93
2016	128,097	11,881	116,216	45,000	108,900	0.76

* Gross resources include all operating revenues plus interest and other non-operating revenues. Included are tap fees and cash received in lieu of water rights, both of which are classified as capital contributions. Not included are non-cash revenues.
** Includes all operating expenses less depreciation and amortization, plus transfers out.
*** Net available revenue divided by total bond principal and interest.
**** In 2021 the GID decided to make an additional special assessment in order to prepay principal payments for 2021-2023. Principal and interest presented in the table reflect the original scheduled amounts.

2012 Water Revenue Bonds

Year	Gross Resources*	Expenses**	Net Available Revenue	Scheduled Debt Service Principal	Scheduled Debt Service Interest	Coverage***
2025	$ 18,523,683	$ 7,649,660	$ 10,874,023	$ 1,185,000	$ 173,900	8.00
2024	18,480,103	6,818,075	11,662,028	1,130,000	230,400	8.57
2023	19,973,037	6,482,352	13,490,685	1,095,000	263,250	9.93
2022	14,240,545	5,528,311	8,712,234	1,050,000	305,250	6.43
2021	12,623,031	5,438,078	7,184,953	1,015,000	345,850	5.28
2020	18,595,191	6,330,594	12,264,597	995,000	365,750	9.01
2019	12,102,122	5,632,458	6,469,664	955,000	403,950	4.76
2018	15,315,712	6,182,531	9,133,181	935,000	422,648	6.73
2017	13,268,230	6,185,026	7,083,204	900,000	458,650	5.21
2016	11,194,286	4,833,741	6,360,545	890,000	472,000	4.67

2021 Water Reclamation Revenue Bonds

Year	Gross Resources*	Expenses**	Net Available Revenue	Scheduled Debt Service**** Principal	Scheduled Debt Service**** Interest	Coverage***
2025	$ 10,098,557	$ 4,185,006	$ 5,913,551	$ 1,020,000	$ 1,117,088	2.77
2024	9,509,435	3,091,604	6,417,831	980,000	1,156,287	3.00
2023	10,562,984	3,171,478	7,391,506	940,000	1,193,888	3.46
2022	8,125,891	2,689,611	5,436,280	910,000	1,226,870	2.54
2021	6,992,300	2,765,770	4,226,530	1,525,000	613,806	1.98
2020	-	-	-	-	-	N/A
2019	-	-	-	-	-	N/A
2018	-	-	-	-	-	N/A
2017	-	-	-	-	-	N/A
2016	-	-	-	-	-	N/A

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

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

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

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

Year	Estimated Population	Personal Income (thousands of dollars)	Per Capita Income	Median Age	School Enrollment	Unemployment Rate
2025	31,579	$ 1,966,140	62,261	39.1	5,471	2.80%
2024	30,587	2,015,775	62,309	39.4	5,424	3.90%
2023	30,670	1,819,896	59,338	38.7	4,887	3.10%
2022	30,699	1,637,638	53,345	39.1	5,394	4.70%
2021	31,002	1,543,280	49,780	39.3	5,223	5.20%
2020	29,587	1,531,038	51,747	39.7	5,876	5.00%
2019	29,538	1,428,044	48,346	38.8	5,538	2.50%
2018	29,782	1,526,417	51,253	39.7	5,286	2.40%
2017	28,641	1,381,499	48,235	39.7	5,183	2.90%
2016	28,278	1,239,312	43,826	39.3	5,297	3.10%

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

City of Lafayette, Colorado

Principal Employers

Current Year and Nine Years Prior

Schedule 13

2025		2016	
Employer	Estimated Number Employees	Employer	Estimated Number Employees
Good Samaritan Hospital-Intermountain Healthcare	1,099	Exempla/Kaiser Medical Complex	1,500
BVSD Lafayette Schools	640	Epsilon/ Abacus	405
Medtronic	583	City of Lafayette	398
Walmart	350	Universal Forest Products	285
City of Lafayette	328	Wal-Mart	189
HospiceCare of Boulder and Broomfield	200	Rocky Mountain Instruments	150
Flatirons Community Church	200	Ball Aerospace	150
Imagine!	150	GE Dharmacon	140
Rocky Mountain Instrument Co.	130	King Soopers	120
Alexander Dawson School	110	Thermo Fisher Scientific	102

City of Lafayette, Colorado

Full and Part-Time Equivalent County Government Employees by Function

Last Ten Fiscal Years

Schedule 14

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function/Program										
City Council	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.1	0.1	0.1
City administration										
City administration	1.5	3.0	3.0	4.0	2.0	2.0	2.0	2.0	3.0	3.0
City attorney	-	-	-	-	-	-	-	-	-	2.0
City clerk	2.4	2.2	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Communications	-	-	-	-	2.0	2.0	2.0	3.0	3.0	3.0
Economic development	-	-	-	-	1.0	1.0	1.0	2.2	2.0	2.0
Finance	6.0	6.3	7.0	9.0	9.0	10.0	11.0	12.0	12.0	8.0
Human resources	3.0	3.3	3.9	4.6	4.5	5.0	5.0	6.0	7.5	6.5
Information technologies	3.0	3.0	3.0	4.0	4.0	5.0	7.0	7.0	7.3	7.0
Municipal court	2.8	1.8	2.0	2.1	2.3	2.1	2.0	2.1	2.5	2.5
Sustainability	-	-	-	-	1.0	1.2	1.2	1.8	2.0	2.0
Planning and building	7.1	9.1	9.1	8.0	9.0	11.0	11.0	12.0	13.0	12.0
Public safety										
Police department	50.5	50.5	50.5	50.5	50.5	51.5	56.2	60.0	60.5	57.0
Fire department	3.5	2.8	2.8	2.1	32.5	36.5	39.6	39.6	41.0	39.0
Public works & utilities	45.0	45.5	45.5	51.1	44.2	45.0	46.9	56.0	57.7	55.5
Parks, open space & golf course										
Parks & open space	15.7	16.7	16.7	17.2	17.7	17.2	15.0	17.6	16.3	15.0
Golf course	22.3	24.5	24.5	25.6	22.8	26.6	26.2	23.9	20.1	20.1
Recreation & facility management	58.0	52.7	53.0	64.1	36.6	34.1	35.1	52.3	49.5	66.5
Arts and cultural resources	3.0	2.0	2.8	3.2	3.5	3.7	4.7	10.0	8.4	5.0
Library	18.2	18.7	18.7	17.9	16.7	19.8	19.8	17.7	20.1	19.5
Total	242.7	242.8	245.2	266.1	262.0	276.4	288.4	327.3	328.0	327.7

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

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Fiscal Year									
Police										
Physical arrests	1,080	1,136	932	842	564	578	536	733	846	636
Municipal Citations	4,197	5,580	5,353	3,910	1,641	950	1,675	3,173	2,793	3,327
Fire										
Emergency responses	2,935	3,030	3,324	3,753	3,221	3,505	3,922	2,812	4,117	4,335
Inspections conducted	431	388	145	50	523	652	633	905	901	1,016
Parks, Open Space, Golf Course										
Golf Course rounds played	$ 37,159	$ 40,397	$ 36,493	$ 37,146	$ 45,399	$ 49,456	$ 46,278	$ 47,100	$ 49,641	$ 52,693
% Resident Play	13%	11%	12%	11%	1%	10%	9%	12%	11%	11%
Cemetery plot opening/ closings	28	29	27	32	24	39	33	18	21	22
Recreation and Facility Mgmt										
Individual Annual Passes sold	759	823	778	772	113	156	348	155	485	563
Couple or Family Annual Passes	354	474	341	356	66	161	99	285	148	157
Punch Cards sold	1,962	2,131	2,012	2,047	590	1,005	2,626	1,966	3,072	4,081
Total Attendance	244,944	245,946	244,324	228,375	56,538	70,898	106,728	148,967	205,351	341,029
Facilities and services not included in the reporting entity:*										
Number of public elem. schools	4	4	4	4	4	4	4	4	4	4
Number of public middle schools	1	1	1	1	1	1	1	1	1	1
Charter schools (K through 12)	1	1	1	1	1	1	1	1	2	2
Number of public high schools	1	1	1	1	1	1	1	1	1	1

* Source: Boulder Valley School District

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

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function/Program										
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	2	2	2	2	2	2	2	2	2	2
Public Works										
Centerline miles of streets*	195	n/a	n/a	n/a	n/a	154	154	154	154	154
Recreation and Culture										
Recreation center	1	1	1	1	1	1	1	1	1	1
Outdoor water park	-	-	1	1	1	1	1	1	1	1
Parks - number	19	19	19	20	20	21	21	21	21	24
Parks/ Developed acres	224	239	195	195	235	235	235	235	235	196
Open space/ Undeveloped acres	1,300	1,300	1,300	1,465	1,640	1,640	1,640	1,640	1,640	1,640
Libraries	1	1	1	1	1	1	1	1	1	1
Senior Center	1	1	1	1	1	1	1	1	1	1
Cemeteries	2	2	2	2	2	2	2	2	2	2
Utilities										
Water treatment facilities	1	1	1	1	1	1	1	1	1	1
Wastewater treatment plant	1	1	1	1	1	1	1	1	1	1
Water mains (miles) **	164	174	174	174	180	180	180	180	189	191
Sanitary sewer (miles) **	118	118	118	118	116	116	116	116	120	121
Water connections	9,275	9,341	9,538	9,677	9,694	9,694	9,967	9,706	10,001	9,978
Wastewater connections	8,761	8,824	8,982	9,114	9,123	9,123	9,335	9,085	9,318	9,986

* Data for 2016-2020 not available.

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

Compliance Section
Year Ended December 31, 2025

City of Lafayette, Colorado

History of City's Mill Levy

Levy/Collection Year	General Fund	Fire and Ambulance	Bond Redemption Fund	Total Mill Levy
2025/2026	10.184	4.500	0.49	15.174
2024/2025	10.184	4.500	1.189	15.873
2023/2024	10.184	4.500	1.199	15.883
2022/2023	10.184	4.500	1.532	16.216
2021/2022	10.184	4.500	1.528	16.212
2020/2021	10.184	4.500	1.646	16.330

History of City's Assessed Valuation

Levy/Collection Year	Gross Assessed Valuation	Tax Increment Valuation	Net Assessed Valuation	Percent Change
2025/2026	$ 864,892,189	$ -	$ 864,892,189	2.3%
2024/2025	855,746,928	10,554,460	845,192,468	1.1%
2023/2024	846,811,965	10,562,132	836,249,833	27.7%
2022/2023	662,716,191	7,906,082	654,810,109	0.0%
2021/2022	661,913,951	6,862,928	655,051,023	7.7%
2020/2021	615,049,865	6,864,071	608,185,794	1.9%

Property Tax Collections for the City

		Taxes Collected				Percent
Levy/Collection Year	Total Taxes Levied	General Fund	Debt Service Fund	Fire and Ambulance	Total	of Levy Collected
2024/2025	$ 13,415,740	$ 8,534,621	$ 994,604	$ 3,761,838	$ 13,291,063	99.1%
2023/2024	13,281,892	9,072,569	996,954	3,740,433	13,809,956	104.0%
2022/2023	10,618,401	6,677,785	1,001,769	2,942,378	10,621,932	100.0%
2021/2022	10,619,687	6,785,622	1,001,566	2,839,329	10,626,517	100.1%
2020/2021	9,931,674	6,164,993	996,339	2,724,123	9,885,455	99.5%

Largest Taxpayers Within the City

Name	Type of Business	Assessed Valuation	Percent of Assessed Valuation
RCS-MEDT Facility LLC	Real Estate investment	$ 64,800,000	7.49%
Lafayette Boulder, LLC	Real Estate investment	30,892,266	3.57%
Kaiser Foundation Health Plan	Healthcare Corporation	30,093,498	3.48%
Avalon Flatirons LLC	Real Estate investment	14,135,406	1.63%
329 Exempla Circle Co Owner LLC	Skilled Nursing/Assisted Living	13,429,800	1.55%
Public Service Co. of Colorado	Utilities	13,328,374	1.54%
Bell Value-Add Fund VIII Lafayette I	Real Estate investment	10,972,500	1.27%
Walmart Real Estate Business Trust	Commercial Corporation	9,774,000	1.13%
GL Lafayette LLC	Real Estate investment	9,351,189	1.08%
HSC Lafayette LLC	Real Estate investment	9,159,426	1.06%
Total		$ 205,936,459	23.80%
Gross Assessed Valuation:		$ 864,892,189	

History of City Base Sales & Use Tax Collections

Year	Sales Tax Collections	Use Tax Collections	Motor Vehicle Tax Collections	Total Sales & Use Tax Collections	Percent Change
2025	$ 17,582,772	$ 3,729,649	$ 2,224,273	$ 23,536,694	11.0%
2024	16,733,936	2,101,761	2,371,121	21,206,818	0.2%
2023	16,911,617	1,819,356	2,428,694	21,159,667	1.1%
2022	16,897,271	1,837,967	2,198,841	20,934,079	2.2%
2021	14,882,101	3,371,375	2,221,566	20,475,042	15.4%

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

	2021	2022	2023	2024	2025
Revenues					
Taxes	$ 31,885,269	$ 33,218,796	$ 33,374,961	$ 36,526,779	$ 39,223,803
Intergovernmental	574,915	512,096	338,741	230,628	1,555,932
Charges for services	8,707,583	5,572,361	5,816,335	5,882,608	8,227,365
Licenses and permits	1,123,655	808,033	617,092	624,685	816,841
Fines and forfeits	185,789	296,080	567,212	515,252	623,861
Net investment income	(104,196)	(399,484)	1,468,677	1,612,116	1,616,364
Leases	-	389,182	(375,159)	248,283	171,137
Special assessments	-	11,491	-	-	-
Miscellaneous	1,584,702	1,761,979	1,236,811	754,654	1,101,984
Total revenues	43,957,717	42,170,534	43,044,670	46,395,005	53,337,287
Expenditures					
Current					
General government	11,269,538	10,974,498	14,893,142	15,167,523	18,030,188
Judicial	646,977	594,239	724,456	674,106	1,047,396
Public safety	13,002,895	14,378,277	15,963,368	17,479,627	18,860,436
Public works	4,651,133	2,824,323	3,031,265	3,140,668	4,000,142
Culture and recreation	4,743,159	5,698,025	6,808,270	7,444,417	7,903,752
Capital outlay	1,477,788	761,678	1,107,572	1,843,195	3,749,466
Debt service					
Principal	-	-	-	511,718	653,216
Total expenditures	35,791,490	35,231,040	42,528,073	46,261,254	54,327,838
Excess (Deficiency) of Revenues over (und	8,166,227	6,939,494	516,597	133,751	(990,551)
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	(6,544,848)	(5,555,391)	(5,334,670)	(5,193,893)	(2,600,000)
Issuance of long-term debt	-	-	-	607,675	2,864,640
Total other financing sources (uses)	(6,544,848)	(5,555,391)	(5,334,670)	(4,586,218)	264,640
Net Change in Fund Balance	1,621,379	1,384,103	(4,818,073)	(4,452,467)	(725,911)
Fund Balance, Beginning of Year	40,132,306	41,753,685	43,137,788	38,319,715	33,867,248
Adjustments	-	-	-	-	-
Fund Balance, End of Year	$ 41,753,685	$ 43,137,788	$ 38,319,715	$ 33,867,248	$ 33,141,337

Water Customer Information

	2021		2022		2023		2024		2025	
Customer Class	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers
Residential	8,370	342	8,184	403	8,254	398	8,654	404	8,983	422
Multi- family	463	1	539	1	553	1	567	1	577	1
Commercial/Industrial	346	-	396	9	348	1	362	1	364	1
Irrigation	180	6	166	5	218	6	229	6	227	6
Other	62	8	71	-	101	8	104	8	105	8
Total by Location	9,421	357	9,356	418	9,474	414	9,916	420	10,256	438
Total Customers		9,778		9,774		9,888		10,336		10,694

2025 Water Consumption and Revenue by Customer Class

Customer Class	Consumption (Thousands of Gallons)	Percent of Total Consumption	Total Revenues Collected	Percent of Total Billed
Residential	585,047	49.5%	$ 8,628,658	53.2%
Multi- family	199,518	16.9%	2,771,023	17.1%
Commercial/ Industria	147,934	12.5%	1,873,321	11.6%
Irrigation	156,623	13.2%	1,996,132	12.3%
Other	92,956	7.9%	940,485	5.8%
Total	1,182,078	100.0%	$ 16,209,619	100.0%

History of Water Tap Revenue

Year	Water Taps Issued	Tap Fee Revenue Collected
2025	10	$ 87,825
2024	18	204,087
2023	77	1,192,548
2022	86	1,012,022
2021	49	1,897,693

	2021	2022	2023	2024	2025
Revenues					
Metered water sales	$ 9,659,867	$ 11,611,141	$ 10,331,899	$ 15,622,702	$ 16,209,620
Other	47,793	40,196	44,046	67,544	70,252
Total revenues	9,707,660	11,651,337	10,375,945	15,690,246	16,279,872
Expenditures					
Personnel	1,744,256	1,858,453	2,129,346	2,507,894	2,660,764
Operations	3,693,822	3,436,274	4,310,406	4,310,181	4,988,896
Depreciation/amortization	2,350,049	2,127,194	2,712,608	2,481,618	2,368,093
Total expenditures	7,788,127	7,421,921	9,152,360	9,299,693	10,017,753
Operating Income	1,919,533	4,229,416	1,223,585	6,390,553	6,262,119
Nonoperating Revenues (Expenses)					
Net investment income	(128,511)	(372,618)	1,694,602	1,753,715	1,908,283
Intergovermental operating grants	-	-	-	66,102	34,692
Interest expense	(298,034)	(250,259)	(197,136)	(185,165)	(131,784)
Bond Fees	(303)	(303)	(334)	(334)	(334)
Lease revenue	-	35,007	48,775	71,142	70,205
Subscription revenue	-	-	16,608	-	-
(Loss) Gain on disposal of assets	16,341	-	25,450	79,599	29,656
Income (loss) from equity interest in component	78,511	100,647	67,415	(83,987)	161,758
Total nonoperating revenues (expenses)	(331,996)	(487,526)	1,655,380	1,701,072	2,072,476
Income before Transfers and Capital Contributions	1,587,537	3,741,890	2,878,965	8,091,625	8,334,595
Transfers and Capital Contributions					
Tap and development fees	1,897,693	1,114,629	1,192,548	204,087	87,825
Payments in lieu of water	1,129,848	1,785,766	6,540,151	430,308	317,955
Developer dedications	-	61,431	169,791	401,747	699,551
Transfers out	-	(233,584)	-	-	(2,500,000)
Total transfers and capital contributions	3,027,541	2,728,242	7,902,490	1,036,142	(1,394,669)
Change in Net Position	4,615,078	6,470,132	10,781,455	9,127,767	6,939,926
Total Net Position, Beginning of Year	135,560,756	140,765,876	147,236,008	158,017,463	167,145,230
Adjustments	590,042	-	-	-	-
Fund Balance, End of Year	$ 140,765,876	$ 147,236,008	$ 158,017,463	$ 167,145,230	$ 174,085,156

Water Reclamation Customer Information

	2021		2022		2023		2024		2025	
Customer Class	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers	Inside City Customers	Outside City Customers
Residential	8,299	44	8,279	62	8,239	56	8,638	58	8,966	58
Multi-family	464	1	556	-	551	-	565	-	575	-
Commercial/Industrial	344	-	400	-	342	-	354	-	356	-
Irrigation	3	-	3	-	-	-	-	-	-	-
Other	67	1	13	-	80	-	83	-	87	-
Total by Location	9,177	46	9,251	62	9,212	56	9,640	58	9,984	58
Total Customers		9,223		9,313		9,268		9,698		10,042

Historical Revenue by Customer Class

	2021		2022		2023		2024		2025	
Customer Class	Total Revenues Collected	Percent of Total Billed	Total Revenues Collected	Percent of Total Billed	Total Revenues Collected	Percent of Total Billed	Total Revenues Collected	Percent of Total Billed	Total Revenues Collected	Percent of Total Billed
Residential	$ 3,795,010	57.4%	$ 3,693,125	53.4%	$ 3,952,909	52.2%	$ 4,363,877	53.4%	$ 4,563,545	55.8%
Multi-family	1,698,570	25.7%	2,160,595	31.3%	2,145,207	28.3%	2,314,538	28.3%	2,625,249	32.1%
Commercial/Industrial	584,538	8.9%	746,061	10.8%	665,166	8.9%	727,944	8.9%	790,482	9.7%
Irrigation	1,578	0.0%	1,601	0.0%	-	0.0%	-	0.0%	-	0.0%
Other	106,646	1.6%	13,384	0.2%	146,962	1.9%	160,612	2.0%	199,641	2.4%
Total	$ 6,186,342	93.6%	$ 6,614,766	95.7%	$ 6,910,244	91.3%	$ 7,566,971	92.6%	$ 8,178,917	100.0%

History of Water Reclamation Tap Revenue

Year	Water Reclamation Taps Issued	Tap Fee Revenue Collected
2025	11	$ 77,062
2024	9	56,551
2023	77	777,009
2022	86	661,218
2021	49	845,339

	2021	2022	2023	2024	2025
Revenues					
Metered water sales	$ 6,186,342	$ 6,614,766	$ 6,910,244	$ 7,566,971	$ 8,262,374
Other	8,388	-	31	2,142	511
Total revenues	6,194,730	6,614,766	6,910,275	7,569,113	8,262,885
Expenditures					
Personnel	1,174,940	1,171,922	1,355,614	1,544,382	1,645,971
Operations	1,590,830	1,300,520	1,810,945	1,547,222	2,539,035
Depreciation/amortization	1,124,991	1,045,072	1,329,025	2,152,621	3,169,379
Total expenditures	3,890,761	3,517,514	4,495,584	5,244,225	7,354,385
Operating Income	2,303,969	3,097,252	2,414,691	2,324,888	908,500
Nonoperating Revenues (Expenses)					
Net investment income	(47,769)	739,405	2,705,413	1,760,071	1,759,121
Intergovermental operating grants	-	-	-	-	-
Interest expense	(87,310)	(1,154,725)	(1,114,808)	(1,077,106)	(1,037,748)
Bond Fees	(425,877)	-	(330)	(330)	(330)
Subscription revenue	-	-	851	-	-
Gain on disposal of assets	-	-	2,250	26,224	26,000
Total nonoperating revenues (expenses)	(560,956)	(415,320)	1,593,376	708,859	747,043
Income before Transfers and Capital Contributions	1,743,013	2,681,932	4,008,067	3,033,747	1,655,543
Transfers and Capital Contributions					
Tap and development fees	845,339	702,969	777,009	56,551	77,062
Developer dedications	-	68,751	170,318	123,700	505,797
Transfers out	-	(217,169)	-	-	77,062
Total transfers and capital contributions	845,339	554,551	947,327	180,251	3,159,921
Change in Net Position	2,588,352	3,236,483	4,955,394	3,213,998	4,815,464
Total Net Position, Beginning of Year	40,342,400	43,191,654	46,428,137	51,383,531	54,597,529
Adjustments	260,902	-	-	-	-
Fund Balance, End of Year	$ 43,191,654	$ 46,428,137	$ 51,383,531	$ 54,597,529	$ 59,412,993

LOCAL HIGHWAY FINANCE REPORT

THIS INFORMATION FROM THE RECORDS OF:	PREPARED BY:		STATE: COLORADO
CITY OF LAFAYETTE	KATIE KUSSMANN	kathleen.kussman@lafayetteco.gov	REPORT YEAR ENDING DATE(mm/yyyy): 12/2025

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. Total (1 - (2 through 4))				

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 Assesments	69,271.00	a. Interest on investments	385,209.00
b. Non-property Taxes and Assessments Imposts	3,079,182.00	b. Other Misc. Local Receipts	438,609.00
c. Total (a + b)	$ 3,148,453.00	**c. Total (a + b)**	$ 823,818.00

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user Taxes (from Item I.C.5.)	1,043,706.00	1. FHWA (from Item I.D.5.)	
2. State General Funds		2. Other Federal Agencies:	0.00
3. Other State funds:			
a. State Bond Proceeds			
b. Non-State Bond Proceeds	0.00		
c. Total (a + b)	$ -		
4. Total (1 + 2 + 3c)	$ 1,043,706.00	**3. Total (1 + 2)**	$ -

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT
A.1. Capital outlay:	
a. Right-Of-Way Costs	0.00
b. Engineering Costs	106,570.00
c. Construction Costs	4,372,170.00
d. Total Capital Outlay (a+ b + c)	$ 4,478,740.00

Form FHWA-536 (Rev. 02-2025) Page2

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO REPORT YEAR ENDING DATE(mm/yyyy): 12/2025

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. Amount used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from Local Sources:	
1. Local Highway-user Taxes	
a. Motor Fuel (from Item I.A.1)	
b. Motor Vehicle (from Item I.B.1)	
c. Total (a + b)	
2. General Fund Appropriations	2,600,000.00
3. Other Local Imposts (from page 1, Item II.A3.c)	$ 3,148,453.00
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	$ 823,818.00
5. Transfers from Toll Facilities	0.00
6. Proceeds of Sale of Bonds and Notes:	
a. Bonds - Original Issues	0.00
b. Bonds - Refunding Issues	0.00
c. Notes	0.00
d. Total (a + b + c)	$ -
7. Total (1 through 6)	$ 6,572,271.00
B. Private Contributions	0.00
C. Receipts from State government (from page 1, Item II.C.4)	$ 1,043,706.00
D. Receipts from Federal government (from page 1, Item II.D.3)	$ -
E. Total receipts (A.7 + B + C + D)	$ 7,615,977.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital Outlay (from page 1, Item III.A1.d)	$ 4,478,740.00
2. Maintenance:	
3. Road and Street Services:	
a. Snow and Ice Removal	223,428.00
b. Other & Traffic Control Operations	709,254.00
c. Total (a + b)	$ 932,682.00
4. General Administration & Miscellaneous	
5. Highway Law Enforcement and Safety	1,978,990.00
6. Total (1 through 5)	$ 7,390,412.00
B. Debt Service on Local Obligations:	
1. Bonds:	
a. Interest	99,340.00
b. Redemption	126,225.00
c. Total (a + b)	$ 225,565.00
2. Notes:	
a. Interest	0.00
b. Redemption	0.00
c. Total (a + b)	$ -
3. Total (1c + 2c)	$ 225,565.00
C. Payments to State for Highways	
D. Payments to Toll Facilities	0.00
E. Total Expenditures (A6 + B3 + C + D)	$ 7,615,977.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

ITEM	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	1,840,815	$ -	$ 87,650.00	$ 1,753,165.00
1. Bonds (Refunding Portion)		$ -		
B. Notes (Total)		$ -	$ -	$ -