



Lakewood
Full of Possibilities.



2020

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For year ended December 31, 2020

Photo: Heritage Lakewood Belmar Park

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
OF
THE CITY OF LAKEWOOD
COLORADO**



**For The Year Ended
December 31, 2020**

**Prepared by:
Department of Finance**



THIS PAGE INTENTIONALLY LEFT BLANK

INTRODUCTORY SECTION



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF LAKEWOOD, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended December 31, 2020

TABLE OF CONTENTS

| | PAGE |
|---|-------------|
| INTRODUCTORY SECTION | |
| Table of Contents | i-iii |
| Letter of Transmittal | v-vii |
| Certificate of Achievement | ix |
| Organization Chart | x |
| City Officials and Administration | xi |
| FINANCIAL SECTION | |
| Independent Auditors' Report | a-c |
| Management's Discussion and Analysis | e-m |
| Basic Financial Statements | |
| Government-wide Financial Statements | |
| Statement of Net Position | 1 |
| Statement of Activities | 2-3 |
| Fund Financial Statements | |
| Governmental Funds Financial Statements | |
| Balance Sheet | 4-5 |
| Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position | 7 |
| Statement of Revenues, Expenditures and Changes in Fund Balances | 8-9 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 11 |
| Proprietary Funds Financial Statements | |
| Statement of Net Position | 13 |
| Statement of Revenues, Expenses and Changes in Net Position | 14 |
| Statement of Cash Flows | 15 |
| Fiduciary Funds Financial Statement | |
| Statement of Net Position | 16 |
| Statement of Changes in Net Position | 17 |
| Notes to Financial Statements | 21-54 |
| Required Supplementary Information | |
| Schedule of Changes in the City's Net Pension Liability and Related Ratios - Retired City Manager Pension Plan | 56-57 |
| Schedule of Changes in the City's Total OPEB Liability and Related Ratios | 58-59 |
| Budgetary Comparison Schedule - General Fund | 60-63 |
| Budgetary Comparison Schedule - Grants Fund | 64-65 |
| Notes to Required Supplementary Information | 67-68 |
| Supplementary Information - Combining and Individual Fund Financial Statements and Schedules | |
| Governmental Funds | |
| Governmental Fund Descriptions..... | 71-73 |
| Major Capital Projects Funds | |
| Budgetary Comparison Schedule - Capital Improvements Fund | 74-75 |
| Budgetary Comparison Schedule - Lakewood Reinvestment Authority Fund | 76 |
| Budgetary Comparison Schedule - TABOR Fund | 77 |

CITY OF LAKEWOOD, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended December 31, 2020

TABLE OF CONTENTS (Continued)

| | PAGE |
|---|-------------------------|
| FINANCIAL SECTION (Continued) | |
| Combining and Individual Fund Financial Statements and Schedules (Continued) | |
| Governmental Funds (Continued) | |
| Nonmajor Governmental Funds | |
| Combining Balance Sheet | 78-79 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | 80-81 |
| Budgetary Comparison Schedule - Conservation Trust Fund | 82 |
| Budgetary Comparison Schedule - Economic Development Fund | 83 |
| Budgetary Comparison Schedule - Heritage, Culture and Arts Fund | 84 |
| Budgetary Comparison Schedule - Open Space Fund | 85 |
| Budgetary Comparison Schedule - Lakewood Public Building Authority | 86 |
| Budgetary Comparison Schedule - Equipment Replacement Fund | 87 |
| Enterprise Funds | |
| Enterprise Fund Descriptions | 89 |
| Budgetary Comparison Schedule - Golf Course Enterprise Fund | 90 |
| Budgetary Comparison Schedule - Sewer Enterprise Fund | 91 |
| Budgetary Comparison Schedule - Stormwater Enterprise Fund | 92 |
| Budgetary Comparison Schedule - Water Enterprise Fund | 93 |
| Internal Service Funds | |
| Internal Service Fund Descriptions | 95 |
| Combining Statement of Net Position | 96 |
| Combining Statement of Revenues, Expenses and Changes in Net Position | 97 |
| Combining Statement of Cash Flows | 98 |
| Budgetary Comparison Schedule - Property and Casualty Self-Insurance Fund | 99 |
| Budgetary Comparison Schedule - Workers' Compensation Self-Insurance Fund..... | 100 |
| Budgetary Comparison Schedule - Medical and Dental Self-Insurance Fund | 101 |
| Budgetary Comparison Schedule - Retirees' Health Program Fund | 102 |
| | PAGE SCHEDULE |
| STATISTICAL SECTION | |
| Statistical Section Description | 103 0 |
| Financial Trends Information | |
| Net Position by Component | 104 1 |
| Changes in Net Position | 106 2 |
| Fund Balances, Governmental Funds | 108 3 |
| Changes in Fund Balances, Governmental Funds | 110 4 |
| Revenue Capacity Information | |
| Taxable Sales by Category | 112 5 |
| Direct and Overlapping General Sales and Use Tax Rates | 114 6 |
| Principal Sales/Use Taxpayers, by Category | 117 7 |
| Assessed Value and Actual Value of Taxable Property | 118 8 |
| Direct and Overlapping Property Tax Rates | 120 9 |
| Principal Property Taxpayers | 121 10 |
| Property Tax Levies and Collections | 122 11 |
| Debt Capacity Information | |
| Ratios of Outstanding Debt by Type | 123 12 |
| Ratios of General Bonded Debt Outstanding and Legal Debt Margin | 124 13 |

CITY OF LAKEWOOD, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended December 31, 2020

| TABLE OF CONTENTS (Continued) | PAGE | SCHEDULE |
|--|-------------|-----------------|
| STATISTICAL SECTION (Continued) | | |
| Debt Capacity Information (Continued) | | |
| Direct and Overlapping Governmental Activities Debt | 126 | 14 |
| Pledged Revenue Coverage..... | 127 | 15 |
| Demographic and Economic Information | | |
| Demographic and Economic Statistics..... | 128 | 16 |
| Principal Employers | 129 | 17 |
| Operating Information | | |
| Full-Time Equivalent City Government Employees by Department | 130 | 18 |
| Operating Indicators by Function/Program | 132 | 19 |
| Capital Asset Statistics by Function/Program | 134 | 20 |
| COMPLIANCE SECTION | | |
| Compliance Section Description | | 137 |
| Other Reports | | |
| Local Highway Finance Report..... | | 138-139 |



THIS PAGE INTENTIONALLY LEFT BLANK



July 8, 2021

Honorable Mayor Adam Paul,
Members of the City Council, and
Citizens of Lakewood, Colorado

TRANSMITTAL LETTER

Formal Transmittal

The Comprehensive Annual Financial Report of the City of Lakewood, Colorado (“the City”) for the fiscal year ended December 31, 2020 is hereby formally transmitted. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, resides with the City. We believe that the data, as presented, is accurate in all material respects, that it is reported in a manner designed to present fairly the financial position and the results of operations of the City and that all disclosures necessary to enable the reader to gain an understanding of the City’s financial position have been included.

City Profile

The City of Lakewood, Colorado was incorporated on June 24, 1969 and its present Home Rule Charter was adopted in November 1, 1983. The City functions under a Council-Manager form of government. The City Council is composed of eleven officials, including a mayor elected at large and ten council members elected two each from five wards. The City provides a full range of services including police, water, sewer and storm water utility services, construction and maintenance of highways, streets and infrastructure, recreational activities, cultural events and family programs.

The City’s Financial Condition

The Comprehensive Annual Financial Report includes all financial activities for which the City Council is accountable to the citizens of the City, either by Charter or Statute. All applicable funds, departments and offices are included in these financial statements as part of the Primary Government of the City. In addition, the Lakewood Reinvestment Authority and the Lakewood Public Building Authority, while legally separate entities, have significant financial and operational relationships with the City and are thus included in the Comprehensive Annual Financial Report.

Colorado statutes and the Lakewood City Charter require an annual financial statement audit of the City's accounts and financial records by an independent certified public accountant ("CPA"), as selected by the City Council. The CPA firm of BDO USA, LLP, conducted the audit of the City's financial statements for the year ended 2020. Their Independent Auditor's Report is presented in the front of the Financial Section of this report.

Governmental Accounting Standards Board's Statement Number 34 ("GASB 34") requires that management provide a narrative introduction, general overview and analysis to accompany the basic financial statements, in the form of the Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The MD&A can be found immediately behind the Independent Auditor's Report.

As mentioned above, the Comprehensive Annual Financial Report includes Management's Discussion and Analysis, which includes a general overview, and analysis of the City's financial condition. In addition to the MD&A the City recognizes several opportunities that will have an impact on the future economic prospects of the City. As such, the City Council's annual Planning Session includes a financial planning process that evaluates and organizes the strategic needs of the community and the related financial impacts and opportunities. The City's Long-Term Strategic Financial Plan is published in the annual budget, which forecasts 5 future years of financial activity.

The City's management is responsible for maintaining and assessing effective internal control over financial reporting. The City's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. As with any system of internal controls, the City's control over financial reporting is inherently limited. Because the cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements.

In 2018 voters approved ballot question 2D authorizing the City of Lakewood to keep and spend funds that exceed revenue limits in the Colorado Constitution. Question 2D further authorizes the City to retain funds in excess of the limits through and including 2025. For 2020, the City will retain an additional \$1,756,001 in funds for specific purposes outlined in Question 2D. These funds will facilitate significant investments into the Lakewood community.

The City annually prepares an operating budget of revenues and expenditures for the following year in accordance with the City Charter and the City Council's budget policies. The City's budget process includes the guidelines of the National Council on Governmental Accounting and the Government Finance Officers Association of the U.S. and Canada. Included as a part of the City's budget process, the City prepares a 5-year long-term financial plan. The plan encompasses both operating and capital revenues and spending. The long-term financial plan is used for current and future service and infrastructure decision making.

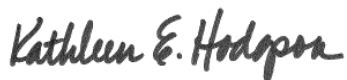
Awards and Acknowledgements

This report has been prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (“GFOA”). The GFOA has awarded its Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019. This is the thirtieth year that the City has been awarded this Certificate of Achievement. The Certificate of Achievement is valid for only one year. We believe that our current Comprehensive Annual Financial Report will meet the GFOA’s Certificate of Achievement requirements and we are submitting it to the GFOA to determine its eligibility. The GFOA has also awarded the City its Distinguished Budget Presentation Award for fiscal years 2001 through 2021.

We sincerely appreciate the assistance of the entire Finance Department both for their efforts throughout the year and especially for their help in preparing this report. Specifically, we would like to acknowledge Peggy Starr, and the entire Accounting Division for their direct contributions in preparing this report and facilitating the audit. Additionally, we thank BDO USA, LLP for their assistance and for the professional manner in which they conducted the audit. We also acknowledge the cooperation of each of the City’s departments as we work together to conduct the City’s financial operations.

We would finally like to recognize the Mayor and City Council as a whole, and in particular, the members of City Council’s Budget and Audit Board, for their support and continued desire to ensure the highest standards of professionalism in the management of the City’s financial affairs.

Respectfully submitted,



Kathleen E. Hodgson
City Manager



Holly Björklund
Chief Financial Officer



THIS PAGE INTENTIONALLY LEFT BLANK



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Lakewood
Colorado**

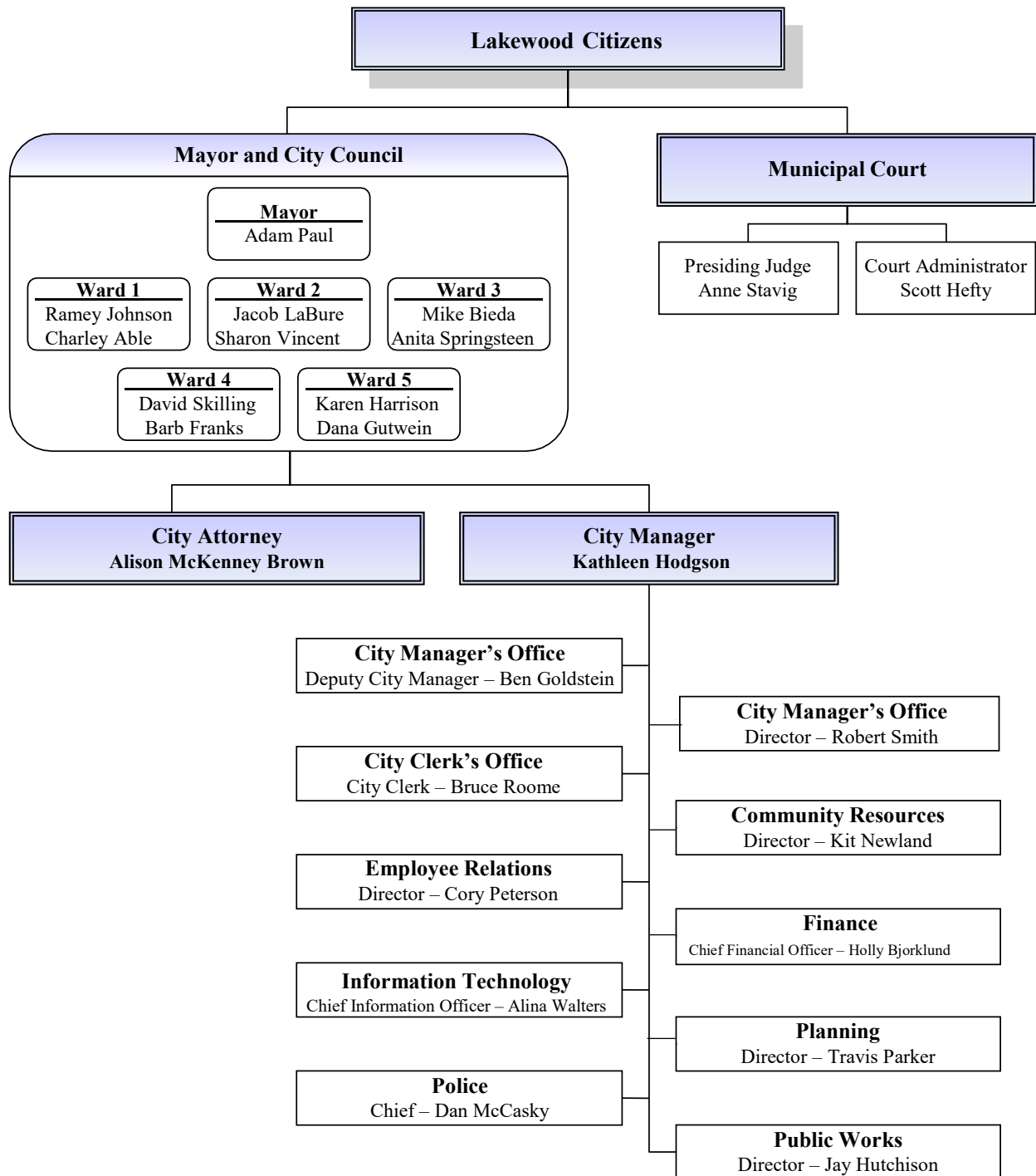
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrell

Executive Director/CEO

CITY OF LAKEWOOD, COLORADO ORGANIZATION CHART



**CITY OF LAKEWOOD, COLORADO
CITY OFFICIALS AND ADMINISTRATION**

| | | |
|----------------------------|----------|---------------------------------|
| Mayor: | At-Large | Adam Paul |
| Members of Council: | Ward I | Ramey Johnson Charley Able |
| | Ward II | Jacob LaBure Sharon Vincent |
| | Ward III | Mike Bieda Anita Springsteen |
| | Ward IV | David Skilling Barb Franks |
| | Ward V | Karen Harrison Dana Gutwein |

City Officials:

| | |
|---|--|
| City Manager | Kathleen Hodgson |
| Deputy City Manager | Ben Goldstein |
| Department of Mayor and City Manager's Office | Robert Smith, Director |
| City Attorney | Alison McKenney Brown |
| City Clerk | Bruce Roome |
| Department of Community Resources | Kit Newland, Director |
| Department of Employee Relations | Cory Peterson, Director |
| Department of Finance | Holly Björklund, Chief Financial Officer |
| Department of Information Technology | Alina Walters, Chief Information Officer |
| Municipal Court | Anne Stavig, Presiding Judge Scott Hefty, Court Administrator |
| Department of Planning | Travis Parker, Director |
| Police Department | Dan McCasky, Police Chief |
| Department of Public Works | Jay Hutchison, Director |



THIS PAGE INTENTIONALLY LEFT BLANK

FINANCIAL SECTION

The Financial Section constitutes the formal portion of the report. The Independent Auditor's Report relates only to the combined and individual fund statements within this section.



THIS PAGE INTENTIONALLY LEFT BLANK



Tel: 970-352-1700
Fax: 970-352-1708
www.bdo.com

2015 Clubhouse Drive, Suite 203
Greeley, CO 80634

Independent Auditor's Report

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

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Colorado (City) as of and for the year ended December 31, 2020, 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 present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Colorado, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City 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.

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 within one year after the date that the financial statements are issued or available to be issued.



Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, budgetary comparison information, and pension and OPEB schedules on pages e through m and 56 through 68 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance



with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, local highway finance report, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules and local highway finance report is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and local highway finance report is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

BDO USA, LLP

July 8, 2021



THIS PAGE INTENTIONALLY LEFT BLANK



This section of the City of Lakewood's Comprehensive Annual Financial Report offers readers a narrative overview and analysis of the financial activities of the City for the year ended December 31, 2020. Readers are encouraged to consider the information presented here, in conjunction with the letter of transmittal, the basic financial statements and the notes to the financial statements, contained in this report.

I. Financial Highlights

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the end of 2020 by \$635,348,781. Of this amount, \$73,334,499 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$32,649,174 over the prior year.
- At the end of 2020, the City's governmental funds reported combined fund balances of \$125,231,037, an increase of \$16.8 million in comparison with the prior year. Approximately 26% of this amount (\$32 million) is available for spending at the government's discretion.
- At the end of 2020, unassigned fund balance for the General Fund was \$35,310,017, or approximately 32.9% of total General Fund expenditures.
- The City's total outstanding long-term debt decreased by \$446,785 from 2019.

The City's diverse core revenues and strong operating reserves illustrate the stable financial condition of the City. The City's increase in net position and continued investments in infrastructure demonstrate the City's continued positive overall financial health. While the City is not immune to a volatile economic environment, conservative planning and robust economic development have enabled the City to maintain a strong financial position and a stable level of services to the community. Further information is available in Section IV below.

Total governmental fund revenues increased \$4.9 million or 2.7% in 2020. General Fund revenues decreased \$9.3 million or 7.1% in 2020, primarily due to the unanticipated impact of the pandemic causing closure of not only local businesses, but of City programs that typically generate revenue. The City also felt the impact of declines in intergovernmental revenue sharing derived from other taxing authorities that support normal government services provided in the General Fund.

Capital Improvement Fund revenues decreased \$1.3 million or 7.5 % in 2020, primarily due to the loss in sales and use tax due to the pandemic.



For 2020, total fund balance for the General Fund increased \$10.2 million or 9.0% as a percent of expenditures and transfers out, in large part due to significant federal Coronavirus Aid, Relief, and Economic Security Act stimulus funding that allowed for a substantial portion of safety salaries to be covered with federal grant funds.

As a result, the fund balance of the General Fund has increased from \$31,196,282 to \$41,348,984 an increase of 32.5%. The fund balance of the General Fund taken as a percent of 2020 expenditures and transfers out was 36.5% as of December 31, 2020.

General Fund sales and use taxes, which comprised 63.1% of General Fund revenues, decreased \$3.45 million or 4.3%. Sales and use tax revenues collected by the Capital Improvement Fund decreased \$574,902 or 3.8%. The Capital Improvement Fund receives one sixth of the City's 3.0% sales and use tax revenues, to be used for capital improvements. During 2020, General Fund property taxes increased by \$1,358,353 or 12.9%.

Total governmental fund expenditures decreased \$3.55 million or 2.0% in 2020. Total General Fund expenditures and transfers out decreased \$23.9 million or 17.4%.

City Management, City Council and City Council's Budget & Audit Board are continuing to monitor General Fund revenues and expenditures. Despite uncertain economic circumstances, the City maintains a competitive, well trained and sufficiently equipped workforce for the effective delivery of community services.

II. Overview of the Financial Statements

Management's Discussion and Analysis is intended to provide an introduction to the City's basic financial statements. The City's basic financial statements contain three components: government-wide financial statements, fund financial statements, and notes to the financial statements. Following these statements, in this report, the City provides additional other supplementary information. The basic financial statements include two types of statements that present unique views of the City's financial position.

1. Government-wide Financial Statements

The government-wide financial statements are intended to provide readers with a broad overview of the City's financial condition. They are presented using accounting methods very similar to a privately owned business, or the economic resources measurement focus, and full accrual accounting.

- *The Statement of Net Position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the balance reported as *Net Position*. Over time, increases or decreases in net position can serve as an indicator of the City's financial condition.
- *The Statement of Activities* presents information showing how the City's net position changed during the given 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. Capital expenditures are not included in this statement; however capital grant revenues are reported.

2. Fund Financial Statements

The fund financial statements focus on specific elements of the City's finances and report on fund-specific operations in more detail than the government-wide financial statements. A fund is a grouping of resources that are segregated for the purpose of carrying on a specific activity or attaining certain objectives in accordance with given regulations, restrictions or limitations. Section 12.6 of the Lakewood City Charter governs the creation and the purpose of certain funds.

Governmental Funds

The governmental funds presentation is different from the governmental activities section of the government-wide financial statements even though these two statements account for essentially the same activities. Governmental funds presented have a budgetary or *current financial resources* measurement focus and use the modified accrual basis of accounting. That is, the governmental funds presentation focuses on the City's near-term financial position and changes thereto.

Proprietary Funds

Proprietary funds are unlike governmental funds in that they report the business-type activities of the City.

- *Enterprise funds* account for the operation of governmental programs that are intended to be supported primarily by user fees. These funds are presented as business-type activities on the government-wide financial statements but are presented in greater detail in the fund financial statements. In both cases, enterprise funds are presented using the *economic resources* measurement focus and full accrual accounting.
- *Internal service funds* account for goods and services provided by specific programs on a fee basis to the City's other departments and programs.

Fiduciary Funds

Fiduciary funds account for activities where the City acts in the capacity of a trustee, or fiduciary of another party's assets. The City is responsible for ensuring that the assets reported in this fund are used for their intended purpose. The City's fiduciary activities of the Retired City Manager's Pension Trust are reported in a separate statement of fiduciary net position.

3. Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a thorough understanding of the data provided in the government-wide and the fund financial statements.



III. Government-wide Financial Statement Analysis

Statement of Net Position

As noted earlier, the Statement of Net Position can serve as an indicator of the overall financial condition of the City. As of December 31, 2020, the City had total assets of \$712,322,270. As of December 31, 2020, the City's net position was \$635,526,847.

| | Governmental Activities | | Business-Type Activities | | Total Primary Government | |
|--------------------------------------|-------------------------|----------------|--------------------------|---------------|--------------------------|----------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Assets | | | | | | |
| Current and Other Assets | \$ 197,521,601 | \$ 174,648,496 | \$ 22,745,239 | \$ 18,854,264 | \$ 220,266,840 | \$ 193,502,760 |
| Capital Assets | 464,181,754 | 458,792,413 | 27,873,676 | 27,308,451 | 492,055,430 | 486,100,864 |
| Total Assets | 661,703,355 | 633,440,909 | 50,618,915 | 46,162,715 | 712,322,270 | 679,603,624 |
| Total Deferred Outflows of Resources | 5,983,336 | 6,263,348 | - | - | 5,983,336 | 6,263,348 |
| Liabilities | | | | | | |
| Long-term Liabilities | 31,822,170 | 32,310,770 | - | - | 31,822,170 | 32,310,770 |
| Other Liabilities | 23,265,297 | 23,186,416 | 1,468,223 | 1,583,196 | 24,733,520 | 24,769,612 |
| Total Liabilities | 55,087,467 | 55,497,186 | 1,468,223 | 1,583,196 | 56,555,690 | 57,080,382 |
| Total Deferred Inflows of Resources | 26,401,135 | 26,086,983 | - | - | 26,401,135 | 26,086,983 |
| Net Position | | | | | | |
| Net Investment in Capital Assets | 447,176,590 | 441,082,405 | 27,873,676 | 27,308,451 | 475,050,266 | 468,390,856 |
| Restricted | 86,964,016 | 77,041,106 | - | - | 86,964,016 | 77,041,106 |
| Unrestricted | 52,057,483 | 39,996,577 | 21,277,016 | 17,271,068 | 73,334,499 | 57,267,645 |
| Total Net Position | \$ 586,198,089 | \$ 558,120,088 | \$ 49,150,692 | \$ 44,579,519 | \$ 635,348,781 | \$ 602,699,607 |

Capital Assets make up the largest portion of the City's Net Position. Capital assets include items such as infrastructure, buildings, equipment, machinery, land and other tangible items. Infrastructure includes streets, traffic signals, buildings and sidewalks. The City uses capital assets to provide services to the community and thus they are not available for immediate spending. During 2020, the City added to its capital assets.

- Capital Assets represent \$492,055,430 or 72.4% of Total Assets. Governmental capital assets added in 2020 included various park, street, technology and building improvements. The City undertook major investments in its Alameda Streetscape, Sheridan Boulevard sidewalks, Lakewood Heritage Center's Caretaker's cottage, a multi-use path, multiple traffic signal improvements, Glennon Heights Pool replacement, a license plate reading system, as well as, acquisition of additional Walker Branch park land.
- The City has continued to invest in its fleet of vehicles during 2020 replacing various heavy-duty trucks, police vehicles, a grader, a sewer cleaner and other light duty trucks and automobiles. Additional information on the City's capital assets can be found in the Capital Assets Note 4 on page 30, in the Notes to the Financial Statements section.
- The City retired long-term debt and increased reserves in some funds. In 2020, the City's overall long-term debt decreased by \$446,785 or 1.2%. During 2020 a portion of 2006A debt was refunded and an additional COP in the amount of \$4.5 million was issued to fund the replacement of the failing irrigation system at Fox Hollow. The City has appropriated funds in its 2021 budget to retire an additional \$3.04 million in long-term debt. This retirement of debt contributes to the City's positive overall financial health. Additional



information on the City's long-term debt can be found in the Long-Term Debt Note 5 on page 32 in the Notes to the Financial Statements section.

- Of the City's \$635,348,781 in net position, \$86,964,016 or 13.7% was restricted for various purposes, including emergencies, parks and open space, economic development, debt service, capital improvements and urban renewal. Additional information on net position restrictions may be found below under Governmental Fund Balances.

Statement of Activities

This statement presents information showing how the City's net position changed during the given fiscal year. The following reflects the City's change in net position:

| | Governmental Activities | | Business-Type Activities | | Total Primary Government | |
|---|-------------------------|----------------|--------------------------|---------------|--------------------------|----------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Revenues | | | | | | |
| Program Revenues- | | | | | | |
| Charges for Services | \$ 18,194,667 | \$ 24,786,650 | \$ 17,456,990 | \$ 15,246,562 | \$ 35,651,657 | \$ 40,033,212 |
| Operating Grants and Contributions | 34,374,614 | 16,051,999 | - | - | 34,374,614 | 16,051,999 |
| Capital Grants and Contributions | 6,547,728 | 7,456,864 | 1,093,550 | 2,172,564 | 7,641,278 | 9,629,428 |
| General Revenues- | | | | | | |
| Property & Specific Ownership Taxes | 25,633,928 | 22,941,102 | - | - | 25,633,928 | 22,941,102 |
| Sales and Use Taxes | 90,913,614 | 94,964,762 | - | - | 90,913,614 | 94,964,762 |
| Franchise & Other Taxes | 10,786,294 | 11,459,287 | - | - | 10,786,294 | 11,459,287 |
| Intergovernmental Revenue | 371,894 | 297,242 | - | - | 371,894 | 297,242 |
| Investment Income | 3,811,743 | 4,800,751 | 230,143 | 271,231 | 4,041,886 | 5,071,982 |
| Miscellaneous | 196,910 | 232,635 | 2,540 | 16,035 | 199,450 | 248,670 |
| TABOR Revenue Refund | - | - | - | - | - | - |
| Total Revenues | 190,831,392 | 182,991,292 | 18,783,223 | 17,706,392 | 209,614,615 | 200,697,684 |
| Expenses | | | | | | |
| General Government | 50,330,898 | 39,927,557 | - | - | 50,330,898 | 39,927,557 |
| Public Safety | 60,147,939 | 65,644,796 | - | - | 60,147,939 | 65,644,796 |
| Public Works | 15,848,463 | 3,831,135 | - | - | 15,848,463 | 3,831,135 |
| Culture and Recreation | 17,232,070 | 25,305,871 | - | - | 17,232,070 | 25,305,871 |
| Urban Development and Housing | 15,073,803 | 17,229,186 | - | - | 15,073,803 | 17,229,186 |
| Economic Opportunity | 4,106,686 | 4,974,827 | - | - | 4,106,686 | 4,974,827 |
| Interest on Long-term Debt | 775,564 | 1,107,604 | - | - | 775,564 | 1,107,604 |
| Golf Course | - | - | 4,951,024 | 4,731,740 | 4,951,024 | 4,731,740 |
| Sewer | - | - | 4,420,953 | 4,420,324 | 4,420,953 | 4,420,324 |
| Stormwater | - | - | 2,916,510 | 2,640,772 | 2,916,510 | 2,640,772 |
| Water | - | - | 1,161,531 | 1,142,962 | 1,161,531 | 1,142,962 |
| Total Expenses | 163,515,423 | 158,020,976 | 13,450,018 | 12,935,798 | 176,965,441 | 170,956,774 |
| Increase (Decrease) Before Transfers | 27,315,969 | 24,970,316 | 5,333,205 | 4,770,594 | 32,649,174 | 29,740,910 |
| Transfers | 762,032 | 663,654 | (762,032) | (663,654) | - | - |
| Increase (Decrease) in Net Position | 28,078,001 | 25,633,970 | 4,571,173 | 4,106,940 | 32,649,174 | 29,740,910 |
| Net Position, Beginning of Year | 558,120,088 | 532,486,118 | 44,579,519 | 40,472,579 | 602,699,607 | 572,958,697 |
| Cumulative adjustment-accounting standard | - | - | - | - | - | - |
| Net Position, End of Year | \$ 586,198,089 | \$ 558,120,088 | \$ 49,150,692 | \$ 44,579,519 | \$ 635,348,781 | \$ 602,699,607 |



IV. Fund Financial Statement Analysis

As noted earlier, the City uses fund accounting so as to segregate resources for the purpose of carrying on a specific activity or attaining certain objectives in accordance with regulations, restrictions or other limitations on the use of the funds.

Governmental Fund Balances

As mentioned in the Financial Highlights, General Fund fund balance increased by \$10.1 million or 9.0% of expenditures and transfers out in 2020, an increase from \$31,196,282 to \$41,348,984 or 32.5%. As of December 31, 2020, the Fund Balance of the General Fund taken as a percent of 2020 expenditures and transfers out was 36.5 %.

City Council has set forth a strategic target for General Fund balance to be 10.0% of expenditures plus transfers out, or greater. Additionally, City Council has adopted a General Fund budget policy that requires revenues to exceed expenditures excluding the use of fund balance. Should special circumstances necessitate the use of General Fund fund balance, the City Manager is required by policy to present an alternative to using fund balance by way of reduced expenditures.

During strong economic conditions the City has had the opportunity to increase fund balances, which provides financial flexibility during economic downturns and in emergencies. Until 2016, the City had not had a year when it had reduced its General Fund balance since 2003. In the last four decades, during each decade, the City has experienced at least two years with a decrease in its General Fund balance. The City's 5-year Strategic Financial Plan currently anticipates a decreasing fund balance during the forecasted years. During unfavorable economic cycles, the City has made conservatively low estimates of future revenues and conservatively high estimates of future expenditures. The current fund balance level will give the City resources to weather economic challenges and make pay-as-you-go investments in capital infrastructure, as was done in 2020.

The Capital Improvement Fund had an increase in fund balance of \$535,764 or 3.2% during 2020.

The Lakewood Reinvestment Authority had an increase in fund balance of \$1.1 million or 19.6% during 2020. Capital Outlay decreased from \$14.6M in 2019 to \$12.6M in 2020 largely due to a decrease in construction as a result of the pandemic.

At December 31, 2020, the City's Grants Fund had a negative fund balance of \$2.5 million. This is due to receiving the reimbursements for several large construction/traffic grants after the recognition period for 2020. Amounts were received in 2021, and we anticipate a positive fund balance moving forward.

Beginning in the 2010 Comprehensive Annual Financial Report, the City reported fund balance classifications as required by Governmental Accounting Standards Board Statement No. 54 ("GASB 54"). The objective of GASB 54 reporting is to enhance the usefulness of fund balance information by providing fund balance classifications that can be applied more consistently across governments. The classifications are based on the relative strength of the constraints that control



how specific amounts can be spent, or in the case of inventories, the inability to be spent. This reporting does not present any changes in the strategic initiatives of the City, and enhances public disclosure of the City's financial condition.

- *Nonspendable* - generally for inventories and prepaid expenses that are a part of fund balance but are not available for spending.
- *Restricted* - includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Under the Colorado Constitution, the City has restricted fund balance for emergencies and other fund balances for which the funds may only be used for a specific purpose.
- *Assigned* - is for those funds for which the City intends to spend on specific purposes, while maintaining the flexibility to change these intentions without the elements present in the *restricted* classification. The City has made a commitment via its budgetary process to fund the replacement of equipment and cultural programming under these auspices.
- *Unassigned* - is the residual classification for the City's General Fund only and includes all spendable amounts not contained in other classifications.

| | General Fund | Grants Fund | Capital Improvements Fund | Lakewood Reinvestment Authority Fund | TABOR Fund | Other Governmental Funds | Total Governmental Funds |
|--|----------------------|-----------------------|---------------------------------|---|----------------------|--------------------------------|--------------------------------|
| Nonspendable: | | | | | | | |
| Inventories | \$ 381,884 | \$ - | \$ - | \$ - | \$ - | \$ 29,480 | \$ 411,364 |
| Prepays | <u>737,822</u> | - | - | - | - | 11,000 | <u>748,822</u> |
| Total Nonspendable | <u>1,119,706</u> | - | - | - | - | 40,480 | <u>1,160,186</u> |
| Restricted for: | | | | | | | |
| Emergencies | 4,453,679 | - | - | - | - | - | 4,453,679 |
| Parks and Open Space | - | - | - | - | - | 13,148,235 | 13,148,235 |
| Economic Development | - | - | - | - | - | 9,254,090 | 9,254,090 |
| Debt Service | 465,582 | - | - | - | - | 7,371,894 | 7,837,476 |
| Capital Improvements | - | - | 17,495,675 | - | - | - | 17,495,675 |
| TABOR Spending | - | - | - | - | 28,272,723 | - | 28,272,723 |
| Urban Renewal | - | - | - | 6,502,138 | - | - | 6,502,138 |
| Total Restricted | <u>4,919,261</u> | - | <u>17,495,675</u> | <u>6,502,138</u> | <u>28,272,723</u> | <u>29,774,219</u> | <u>86,964,016</u> |
| Assigned to: | | | | | | | |
| Cultural Activities | - | - | - | - | - | 323,376 | 323,376 |
| Capital Improvements | - | - | - | - | - | 4,022,326 | 4,022,326 |
| Subsequent year's budget approp. of fund balance | <u>4,603,838</u> | - | - | - | - | - | <u>4,603,838</u> |
| Total Assigned | <u>4,603,838</u> | - | - | - | - | 4,345,702 | <u>8,949,540</u> |
| Unassigned | <u>30,706,179</u> | <u>(2,548,884)</u> | - | - | - | - | <u>28,157,295</u> |
| Total Fund Balances | <u>\$ 41,348,984</u> | <u>\$ (2,548,884)</u> | <u>\$ 17,495,675</u> | <u>\$ 6,502,138</u> | <u>\$ 28,272,723</u> | <u>\$ 34,160,401</u> | <u>\$ 125,231,037</u> |



Revenues

As discussed in the financial highlights, General Fund revenues had an overall decrease in 2020 compared to 2019 of \$9.3M. As previously noted, this was due to the pandemic.

- Taxes decreased by \$3.5M over 2019 as a result of the pandemic.
- Investment income decreased \$0.9M in 2020 over 2019 due to the influx of the federal investment in the economy affecting returns on the City's holdings.
- General Fund sales and use tax revenues decreased \$3.5M or 4.3% during 2020 as a result of the pandemic. Conversely, building materials use tax revenues increased \$1.0M or 29.8% as a result of the increase in overall building activity in the City.
- During 2020, General Fund property tax receipts increased \$1.4M or 12.9%. Property taxes are assessed and collected in arrears. As such, the 2020 receipts reflect the 2019 property assessment values, which indicates a growing market.
- The Lakewood Reinvestment Authority had an increase in 2020 revenue in the amount of \$1.2 million or 9.5%. This is reflective of the same change and improvement in property tax values and assessments in revitalized areas and reflects some new construction in the revitalized areas of the City.

Expenditures

Due to the COVID-19 pandemic and 2020 retail restrictions, sales tax revenues were down. The City is substantially reliant on sales tax revenues driven by consumer purchases which are unpredictable and discretionary. However, the increase in property tax revenues mitigated some of this decrease.

Because of this, it's prudent for the City to pursue operational efficiencies and plan new initiatives cautiously. In the face of this, the City has made thoughtful decisions regarding its spending.

- The City continued a strategic hiring process whereby departments sought alternatives to filling vacant positions and was only filling positions upon an evaluation and approval by the City Manager.
- General Fund expenditures and transfers out decreased \$23.9 million or 17.4% over 2019. This was largely due to the correlating reduction in expenditures due to limiting of services provided during the pandemic. Additionally, public safety salaries were transferred out of the General Fund, into the Grants Fund as they were allowable expenses under the Coronavirus Aid, Relief, and Economic Security Act stimulus funding.



General Fund Budgetary Highlights

Over the course of the year the City Council revised the City's budget. These revisions were made primarily for additional grant funding opportunities that arose after the initial budget was approved.

Economic Factors and Next Year's Budget

In preparing both the 2020 revised budget as well as the 2021 budget, the City seeks guidance from many sources for an overall economic outlook. Those sources include the State Governor's Office of Planning & Budgeting and the State Legislative Council's economics staff.

V. Requests for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning the information provided in this report or other financial information should be addressed to the Chief Financial Officer, City of Lakewood, 480 South Allison Parkway, Lakewood, Colorado 80226, or via telephone at (303) 987-7600 or via e-mail at finance@lakewood.org.



THIS PAGE INTENTIONALLY LEFT BLANK

BASIC FINANCIAL STATEMENTS



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF LAKEWOOD, COLORADO
STATEMENT OF NET POSITION
December 31, 2020

| | Primary Government | | Total |
|---|-------------------------|--------------------------|----------------|
| | Governmental Activities | Business-Type Activities | |
| Assets | | | |
| Cash and Investments | \$ 115,751,477 | \$ 19,554,526 | \$ 135,306,003 |
| Restricted Cash and Investments | 36,220,494 | - | 36,220,494 |
| Receivables | | | |
| Accounts | 10,128,129 | 3,072,407 | 13,200,536 |
| Interest | 276,640 | - | 276,640 |
| Taxes | 33,984,675 | - | 33,984,675 |
| Inventories | 411,364 | 118,306 | 529,670 |
| Prepays | 748,822 | - | 748,822 |
| Capital Assets, Not Being Depreciated | 157,432,126 | 11,964,800 | 169,396,926 |
| Capital Assets, Net of Accumulated Depreciation | 306,749,628 | 15,908,876 | 322,658,504 |
| Total Assets | 661,703,355 | 50,618,915 | 712,322,270 |
| Deferred Outflows of Resources | | | |
| Loss on Debt Refunding, Net of Accumulated Amortization | 57,478 | - | 57,478 |
| Deferred Outflows - Retired City Manager and OPEB | 5,925,858 | - | 5,925,858 |
| Total Deferred Outflows of Resources | 5,983,336 | - | 5,983,336 |
| Total Assets and Deferred Outflows of Resources | \$ 667,686,691 | \$ 50,618,915 | \$ 718,363,084 |
| Liabilities | | | |
| Accounts Payable | \$ 8,633,315 | \$ 1,255,551 | \$ 9,888,866 |
| Accrued Liabilities | 5,892,224 | 56,871 | 5,949,095 |
| Accrued Interest Payable | 76,818 | - | 76,818 |
| Refundable Deposits | 4,889,286 | - | 4,889,286 |
| Retainage Payable | 106,972 | - | 106,972 |
| Unearned Revenues | 1,111,152 | 155,801 | 1,266,953 |
| Claims Payable | 2,555,530 | - | 2,555,530 |
| Noncurrent Liabilities | | | |
| Due Within One Year | 3,260,583 | - | 3,260,583 |
| Due In More Than One Year | 28,561,587 | - | 28,561,587 |
| Total Liabilities | 55,087,467 | 1,468,223 | 56,555,690 |
| Deferred Inflows of Resources | | | |
| Property Taxes | 24,973,506 | - | 24,973,506 |
| Deferred Inflows - Retired City Manager and OPEB | 1,427,629 | - | 1,427,629 |
| Total Deferred Inflows of Resources | 26,401,135 | - | 26,401,135 |
| Net Position | | | |
| Net Investment in Capital Assets | 447,176,590 | 27,873,676 | 475,050,266 |
| Restricted for | | | |
| Emergencies | 4,453,679 | - | 4,453,679 |
| Parks and Open Space | 13,148,235 | - | 13,148,235 |
| Economic Development | 9,254,090 | - | 9,254,090 |
| Debt Service | 7,837,476 | - | 7,837,476 |
| Capital Improvements | 17,495,675 | - | 17,495,675 |
| TABOR Spending | 28,272,723 | - | 28,272,723 |
| Urban Renewal | 6,502,138 | - | 6,502,138 |
| Unrestricted | 52,057,483 | 21,277,016 | 73,334,499 |
| Total Net Position | 586,198,089 | 49,150,692 | 635,348,781 |
| Total Liabilities, Deferred Inflows of Resources and Net Position | \$ 667,686,691 | \$ 50,618,915 | \$ 718,305,606 |

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

CITY OF LAKEWOOD, COLORADO
STATEMENT OF ACTIVITIES
Year Ended December 31, 2020

| Functions/Programs | Expenses | Program Revenues | | |
|--|----------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| PRIMARY GOVERNMENT | | | | |
| Governmental Activities | | | | |
| General Government | \$ 50,330,898 | \$ 6,348,491 | \$ 11,954,964 | \$ - |
| Public Safety | 60,147,939 | 6,246,127 | 3,555,960 | 23,576 |
| Public Works | 15,848,463 | 554,725 | 4,009,999 | 5,096,498 |
| Culture and Recreation | 17,232,070 | 3,332,325 | 12,908,762 | 2,285 |
| Urban Development and Housing | 15,073,803 | 1,037,197 | 480,424 | 1,425,369 |
| Economic Opportunity | 4,106,686 | 675,802 | 1,464,505 | - |
| Interest and Fees on Long-Term Debt | 775,564 | - | - | - |
| Total Governmental Activities | 163,515,423 | 18,194,667 | 34,374,614 | 6,547,728 |
| Business-Type Activities | | | | |
| Golf Course | 4,951,024 | 6,565,267 | - | - |
| Sewer | 4,420,953 | 4,387,290 | - | 1,013,150 |
| Stormwater | 2,916,510 | 5,187,219 | - | - |
| Water | 1,161,531 | 1,317,214 | - | 80,400 |
| Total Business-Type Activities | 13,450,018 | 17,456,990 | - | 1,093,550 |
| Total Primary Government | \$ 176,965,441 | \$ 35,651,657 | \$ 34,374,614 | \$ 7,641,278 |
| General Revenues | | | | |
| Taxes | | | | |
| Property and Specific Ownership | | | | |
| General Sales and Use | | | | |
| Building Materials and Motor Vehicle Use | | | | |
| Franchise | | | | |
| Business and Occupational | | | | |
| Hotel Accommodation | | | | |
| Intergovernmental Revenues not Restricted to | | | | |
| Specific Programs | | | | |
| Investment Income | | | | |
| Gain on Sale of Capital Assets | | | | |
| Miscellaneous | | | | |
| Transfers | | | | |
| Total General Revenues and Transfers | | | | |
| Change in Net Position | | | | |
| NET POSITION, Beginning of Year | | | | |
| NET POSITION, End of Year | | | | |

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

Net (Expense) Revenue and Change in Net Position

| Governmental Activities | Business-Type Activities | Total |
|------------------------------------|-------------------------------------|-----------------|
| \$ (32,027,443) | \$ - | \$ (32,027,443) |
| (50,322,276) | - | (50,322,276) |
| (6,187,241) | - | (6,187,241) |
| (988,698) | - | (988,698) |
| (12,130,813) | - | (12,130,813) |
| (1,966,379) | - | (1,966,379) |
| (775,564) | - | (775,564) |
| (104,398,414) | - | (104,398,414) |
| - | 1,614,243 | 1,614,243 |
| - | 979,487 | 979,487 |
| - | 2,270,709 | 2,270,709 |
| - | 236,083 | 236,083 |
| - | 5,100,522 | 5,100,522 |
| (104,398,414) | 5,100,522 | (99,297,892) |
| 25,633,928 | - | 25,633,928 |
| 77,791,872 | - | 77,791,872 |
| 13,121,742 | - | 13,121,742 |
| 5,984,312 | - | 5,984,312 |
| 3,861,558 | - | 3,861,558 |
| 940,424 | - | 940,424 |
| 371,894 | - | 371,894 |
| 3,811,743 | 230,143 | 4,041,886 |
| 196,910 | - | 196,910 |
| - | 2,540 | 2,540 |
| 762,032 | (762,032) | - |
| 132,476,415 | (529,349) | 131,947,066 |
| 28,078,001 | 4,571,173 | 32,649,174 |
| 558,120,088 | 44,579,519 | 602,699,607 |
| \$ 586,198,089 | \$ 49,150,692 | \$ 635,348,781 |

CITY OF LAKEWOOD, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2020

| | General Fund | Grants Fund | Capital Improvements Fund | Lakewood Reinvestment Authority Fund |
|---|----------------------|---------------------|---------------------------------|---|
| ASSETS | | | | |
| Cash and Investments | \$ 36,143,293 | \$ - | \$ 22,514,251 | \$ 6,736,203 |
| Restricted Cash and Investments | 465,582 | - | - | - |
| Accounts Receivable | 3,053,279 | 4,329,422 | 1,174,271 | 98,756 |
| Property Taxes Receivable | 11,981,424 | - | - | 13,114,712 |
| Sales Taxes Receivable | 7,397,456 | - | 1,436,028 | 55,055 |
| Interest Receivable | 276,640 | - | - | - |
| Interfund Receivable | 1,565,492 | - | - | - |
| Inventories | 381,884 | - | - | - |
| Prepays | 737,822 | - | - | - |
| Total Assets | <u>\$ 62,002,872</u> | <u>\$ 4,329,422</u> | <u>\$ 25,124,550</u> | <u>\$ 20,004,726</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ 2,696,376 | \$ 1,646,388 | \$ 2,482,242 | \$ 387,118 |
| Interfund Payable | - | 1,565,492 | - | - |
| Accrued Liabilities | 5,772,186 | 34,380 | 18,153 | 758 |
| Refundable Deposits | 150,030 | - | 4,737,956 | - |
| Retainage Payable | - | 91,465 | - | - |
| Unearned Revenues | 176,502 | 364,167 | 390,524 | - |
| Total Liabilities | <u>8,795,094</u> | <u>3,701,892</u> | <u>7,628,875</u> | <u>387,876</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Grants | - | 3,176,414 | - | - |
| Property Taxes | 11,858,794 | - | - | 13,114,712 |
| Total Deferred Inflows of Resources | <u>11,858,794</u> | <u>3,176,414</u> | <u>-</u> | <u>13,114,712</u> |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Inventories | 381,884 | - | - | - |
| Prepays | 737,822 | - | - | - |
| Restricted for: | | | | |
| Emergencies | 4,453,679 | - | - | - |
| Parks and Open Space | - | - | - | - |
| Economic Development | - | - | - | - |
| Debt Service | 465,582 | - | - | - |
| Capital Improvements | - | - | 17,495,675 | - |
| TABOR Spending | - | - | - | - |
| Urban Renewal | - | - | - | 6,502,138 |
| Assigned to: | | | | |
| Cultural Activities | - | - | - | - |
| Capital Improvements | - | - | - | - |
| Subsequent year's budget: approp. of fund balance | 4,603,838 | - | - | - |
| Unassigned | 30,706,179 | (2,548,884) | - | - |
| Total Fund Balances | <u>41,348,984</u> | <u>(2,548,884)</u> | <u>17,495,675</u> | <u>6,502,138</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 62,002,872</u> | <u>\$ 4,329,422</u> | <u>\$ 25,124,550</u> | <u>\$ 20,004,726</u> |

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

| TABOR Fund | Other Governmental Funds | Total Governmental Funds |
|-----------------------|---|---|
| \$ - | \$ 26,934,584 | \$ 92,328,331 |
| 28,276,332 | 7,478,580 | 36,220,494 |
| 1,407 | 1,470,994 | 10,128,129 |
| - | - | 25,096,136 |
| - | - | 8,888,539 |
| - | - | 276,640 |
| - | - | 1,565,492 |
| - | 29,480 | 411,364 |
| - | 11,000 | 748,822 |
| <u>\$ 28,277,739</u> | <u>\$ 35,924,638</u> | <u>\$ 175,663,947</u> |
| \$ - | \$ 1,305,976 | \$ 8,518,100 |
| - | - | 1,565,492 |
| 5,016 | 53,261 | 5,883,754 |
| - | 1,300 | 4,889,286 |
| - | 15,507 | 106,972 |
| - | 179,959 | 1,111,152 |
| <u>5,016</u> | <u>1,556,003</u> | <u>22,074,756</u> |
| - | 208,234 | 3,384,648 |
| - | - | 24,973,506 |
| <u>-</u> | <u>208,234</u> | <u>28,358,154</u> |
| - | 29,480 | 411,364 |
| - | 11,000 | 748,822 |
| - | - | 4,453,679 |
| - | 13,148,235 | 13,148,235 |
| - | 9,254,090 | 9,254,090 |
| - | 7,371,894 | 7,837,476 |
| - | - | 17,495,675 |
| 28,272,723 | - | 28,272,723 |
| - | - | 6,502,138 |
| - | 323,376 | 323,376 |
| - | 4,022,326 | 4,022,326 |
| - | - | 4,603,838 |
| - | - | 28,157,295 |
| <u>28,272,723</u> | <u>34,160,401</u> | <u>125,231,037</u> |
| <u>\$ 28,277,739</u> | <u>\$ 35,924,638</u> | <u>\$ 175,663,947</u> |



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF LAKEWOOD, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
December 31, 2020

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

| | |
|--|-----------------------|
| Fund Balances - Governmental Funds | \$ 125,231,037 |
| Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in governmental funds. | 464,181,754 |
| In governmental funds, revenue is not recognized until it is available to liquidate current year liabilities and it is deferred. | 3,384,648 |
| Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. | 20,743,931 |
| Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds. These include long-term debt (\$31,822,170), accrued interest payable (\$76,818), loss on debt refunding \$57,478, deferred outflows of resources relating to OPEB \$4,604,172, deferred outflows of resources relating to Retired City Manager Pension \$1,321,686, deferred inflows of resources relating to OPEB (\$1,168,714), and deferred inflows of resources relating to Retired City Manager Pension (\$258,915). | <u>(27,343,281)</u> |
| Total Net Position of Governmental Activities | <u>\$ 586,198,089</u> |

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

CITY OF LAKEWOOD, COLORADO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2020

| | General Fund | Grants Fund | Capital Improvements Fund | Lakewood Reinvestment Authority Fund |
|--|-------------------------|------------------------|--|---|
| REVENUES | | | | |
| Taxes | \$ 98,791,468 | \$ - | \$ 14,534,867 | \$ 13,067,077 |
| Licenses and Permits | 4,111,663 | - | - | - |
| Charges for Services | 8,094,617 | - | - | - |
| Fines and Forfeitures | 1,339,908 | - | - | - |
| Intergovernmental | 5,272,597 | 19,420,977 | 1,921,790 | - |
| Miscellaneous | | | | |
| Investment Income | 2,388,942 | 2,756 | 315,666 | 18,752 |
| Other | 547,421 | - | - | 966,814 |
| Total Revenues | 120,546,616 | 19,423,733 | 16,772,323 | 14,052,643 |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | 32,047,673 | 12,114,986 | 2,056,262 | - |
| Public Safety | 54,611,927 | 2,434,398 | 514,125 | - |
| Public Works | 7,169,108 | 35,679 | 810,419 | - |
| Culture and Recreation | 11,260,541 | 25,124 | - | - |
| Urban Development and Housing | 525,682 | 1,044,633 | 21,791 | 282,548 |
| Economic Opportunity | 922,892 | 1,574,992 | - | - |
| Capital Outlay | | | | |
| General Government | 356,138 | 516,386 | 567,083 | - |
| Public Safety | 111,330 | 858,318 | 1,129,595 | - |
| Public Works | 548 | 3,842,996 | 6,806,458 | - |
| Culture and Recreation | - | - | - | - |
| Urban Development and Housing | - | - | - | 12,551,973 |
| Economic Opportunity | - | - | 1,582,247 | - |
| Debt Service | | | | |
| Principal | 311,054 | 335,000 | - | 115,648 |
| Interest and Fiscal Charges | 104,721 | 33,988 | - | 37,073 |
| Bond Issuance Costs | - | - | - | - |
| Total Expenditures | 107,421,614 | 22,816,500 | 13,487,980 | 12,987,242 |
| Excess (Deficiency) of Revenues Over Expenditures | 13,125,002 | (3,392,767) | 3,284,343 | 1,065,401 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Gain on Sale of Capital Asset | - | - | - | - |
| Payment to Escrow Agent for COP refunding | - | - | - | - |
| Proceeds from COP Refunding | - | - | - | - |
| Transfers In | 3,038,000 | 1,178,927 | 1,770,000 | - |
| Transfers Out | (6,010,300) | (7,582) | (4,518,579) | - |
| Total Other Financing Sources (Uses) | (2,972,300) | 1,171,345 | (2,748,579) | - |
| Net Change in Fund Balances | 10,152,702 | (2,221,422) | 535,764 | 1,065,401 |
| FUND BALANCES, Beginning of Year | 31,196,282 | (327,462) | 16,959,911 | 5,436,737 |
| FUND BALANCES, End of Year | \$ 41,348,984 | \$ (2,548,884) | \$ 17,495,675 | \$ 6,502,138 |

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

| TABOR Fund | Other Governmental Funds | Total Governmental Funds |
|-----------------------|---|---|
| \$ - | \$ 940,424 | \$ 127,333,836 |
| - | - | 4,111,663 |
| - | 2,289,977 | 10,384,594 |
| - | - | 1,339,908 |
| - | 12,660,513 | 39,275,877 |
| 385,484 | 399,123 | 3,510,723 |
| - | 25,638 | 1,539,873 |
| 385,484 | 16,315,675 | 187,496,474 |
| - | 65,327 | 46,284,248 |
| 585,053 | - | 58,145,503 |
| 16,750 | - | 8,031,956 |
| - | 5,945,014 | 17,230,679 |
| - | 626,367 | 2,501,021 |
| - | - | 2,497,884 |
| - | 2,889,409 | 4,329,016 |
| 591,341 | - | 2,690,584 |
| 65,427 | - | 10,715,429 |
| 961,668 | 2,503,112 | 3,464,780 |
| - | - | 12,551,973 |
| - | - | 1,582,247 |
| - | 4,605,000 | 5,366,702 |
| - | 528,632 | 704,414 |
| - | 69,359 | 69,359 |
| 2,220,239 | 17,232,220 | 176,165,795 |
| (1,834,755) | (916,545) | 11,330,679 |
| - | 196,910 | 196,910 |
| - | (1,161,391) | (1,161,391) |
| - | 5,660,000 | 5,660,000 |
| 1,756,001 | 6,257,374 | 14,000,302 |
| - | (2,701,809) | (13,238,270) |
| 1,756,001 | 8,251,084 | 5,457,551 |
| (78,754) | 7,334,539 | 16,788,230 |
| 28,351,477 | 26,825,862 | 108,442,807 |
| \$ 28,272,723 | \$ 34,160,401 | \$ 125,231,037 |



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF LAKEWOOD, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2020

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

| | |
|--|----------------------|
| Net Change in Fund Balances - Governmental Funds | \$ 16,788,230 |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital asset additions \$17,066,106 exceeded depreciation expense (\$11,622,631) and net book value of capital asset disposals (\$54,134) in the current year. | 5,389,341 |
| The change in other post-employment benefit (OPEB) related deferred inflows \$164,234, Retired City Manager Pension deferred inflows (\$258,915), OPEB deferred outflows of (\$1,486,171), and Retired City Manager Pension deferred outflows \$1,321,686 are not reported in the fund financial statements. | (259,166) |
| The issuance of long-term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities. Repayment of long-term principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not affect the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items: issuance of COPs (\$5,660,000), COP payments of \$5,695,000 including COP defeasement of (\$1,090,000), payment to escrow agent of \$1,161,391 including COP interest of (\$389), note payments of \$450,648, capital lease payments of \$311,054, amortization of premium \$130,641, and amortization of loss on refunding of (\$186,529). | 811,816 |
| Revenues in the statement of activities that do not provide current financial resources are deferred in governmental funds. | 2,836,988 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This includes the change in accrued interest payable \$54,486, compensated absences (\$182,871), net pension liability \$168,420, net pension prior year correction of \$41,815, and the OPEB liability (\$466,107). | (384,257) |
| Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The activities of the internal service funds are reported with governmental activities in the statement of activities. | 2,895,049 |
| Change in Net Position of Governmental Activities | <u>\$ 28,078,001</u> |

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



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF LAKEWOOD, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2020

| | Business-Type Activities - Enterprise Funds | | | | | Governmental Activities |
|-------------------------------------|---|--------------|-----------------|---------------------|------------------------|-------------------------|
| | Golf Course Fund | Sewer Fund | Stormwater Fund | Nonmajor Water Fund | Total Enterprise Funds | Internal Service Funds |
| ASSETS | | | | | | |
| Current Assets | | | | | | |
| Cash and Investments | \$ 855,033 | \$ 8,514,882 | \$ 8,127,909 | \$ 2,056,702 | \$19,554,526 | \$ 23,423,146 |
| Accounts Receivable | 11,387 | 1,508,283 | 1,260,803 | 291,934 | 3,072,407 | - |
| Inventories | 118,306 | - | - | - | 118,306 | - |
| Total Current Assets | 984,726 | 10,023,165 | 9,388,712 | 2,348,636 | 22,745,239 | 23,423,146 |
| Noncurrent Assets | | | | | | |
| Land | 6,921,465 | 149,437 | 331,863 | 75,459 | 7,478,224 | - |
| Construction in Progress | 13,501 | - | 4,473,075 | - | 4,486,576 | - |
| Infrastructure | - | 14,279,296 | 16,205,853 | 1,744,488 | 32,229,637 | - |
| Buildings | 4,732,305 | - | - | - | 4,732,305 | - |
| Improvements | 3,217,062 | 419,766 | - | 20,600 | 3,657,428 | - |
| Machinery, Furniture and Equipment | 2,374,808 | 89,674 | 559,445 | - | 3,023,927 | - |
| Less Accumulated Depreciation | (8,559,733) | (10,824,641) | (6,856,019) | (1,494,028) | (27,734,421) | - |
| Total Noncurrent Assets | 8,699,408 | 4,113,532 | 14,714,217 | 346,519 | 27,873,676 | - |
| Total Assets | \$ 9,684,134 | \$14,136,697 | \$24,102,929 | \$ 2,695,155 | \$50,618,915 | \$ 23,423,146 |
| LIABILITIES AND NET POSITION | | | | | | |
| Current Liabilities | | | | | | |
| Accounts Payable | \$ 28,019 | \$ 1,141,922 | \$ 15,607 | \$ 70,003 | \$ 1,255,551 | \$ 115,215 |
| Accrued Liabilities | 29,585 | 7,022 | 18,494 | 1,770 | 56,871 | 8,470 |
| Unearned Revenues | 155,801 | - | - | - | 155,801 | - |
| Claims Payable | - | - | - | - | - | 2,555,530 |
| Total Current Liabilities | 213,405 | 1,148,944 | 34,101 | 71,773 | 1,468,223 | 2,679,215 |
| NET POSITION | | | | | | |
| Net Investment in Capital Assets | 8,699,408 | 4,113,532 | 14,714,217 | 346,519 | 27,873,676 | - |
| Unrestricted | 771,321 | 8,874,221 | 9,354,611 | 2,276,863 | 21,277,016 | 20,743,931 |
| Total Net Position | 9,470,729 | 12,987,753 | 24,068,828 | 2,623,382 | 49,150,692 | 20,743,931 |
| Total Liabilities and Net Position | \$ 9,684,134 | \$14,136,697 | \$24,102,929 | \$ 2,695,155 | \$50,618,915 | \$ 23,423,146 |

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

CITY OF LAKEWOOD, COLORADO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2020

| | Business-Type Activities - Enterprise Funds | | | | | Governmental Activities |
|---|---|----------------------|----------------------|---------------------|----------------------|-------------------------|
| | Golf Course Fund | Sewer Fund | Stormwater Fund | Nonmajor Water Fund | Total | Internal Service Funds |
| OPERATING REVENUES | | | | | | |
| Charges for Services | \$ 6,565,267 | \$ 4,387,290 | \$ 5,187,219 | \$ 1,317,214 | \$ 17,456,990 | \$ 14,360,180 |
| Miscellaneous | 2,540 | - | - | - | 2,540 | 2,082,062 |
| Total Operating Revenues | 6,567,807 | 4,387,290 | 5,187,219 | 1,317,214 | 17,459,530 | 16,442,242 |
| OPERATING EXPENSES | | | | | | |
| Cost of Goods Sold | 325,280 | - | - | - | 325,280 | - |
| Personnel Services | 2,870,890 | 673,457 | 1,372,547 | 142,480 | 5,059,374 | 534,586 |
| Services and Supplies | 1,480,657 | 398,854 | 871,191 | 55,213 | 2,805,915 | 760,045 |
| Sanitation Treatment | - | 2,847,252 | - | - | 2,847,252 | - |
| Water Purchased | - | - | - | 952,542 | 952,542 | - |
| Claims | - | - | - | - | - | 9,549,739 |
| Premiums | - | - | - | - | - | 3,003,843 |
| Capital Maintenance | 7,689 | 3,349 | 1,350 | 1,764 | 14,152 | - |
| Depreciation | 266,508 | 498,041 | 671,422 | 9,532 | 1,445,503 | - |
| Total Operating Expenses | 4,951,024 | 4,420,953 | 2,916,510 | 1,161,531 | 13,450,018 | 13,848,213 |
| Operating Income (Loss) | 1,616,783 | (33,663) | 2,270,709 | 155,683 | 4,009,512 | 2,594,029 |
| NONOPERATING REVENUES | | | | | | |
| Investment Income | 643 | 101,108 | 102,602 | 25,790 | 230,143 | 301,020 |
| Income Before Contributions and Transfers | 1,617,426 | 67,445 | 2,373,311 | 181,473 | 4,239,655 | 2,895,049 |
| System Investment Fees | - | 1,013,150 | - | 80,400 | 1,093,550 | - |
| Transfers In | - | - | - | - | - | 1,200,000 |
| Transfers Out | (762,032) | - | - | - | (762,032) | (1,200,000) |
| Change in Net Position | 855,394 | 1,080,595 | 2,373,311 | 261,873 | 4,571,173 | 2,895,049 |
| NET POSITION, Beginning of Year | 8,615,335 | 11,907,158 | 21,695,517 | 2,361,509 | 44,579,519 | 17,848,882 |
| NET POSITION, End of Year | <u>\$ 9,470,729</u> | <u>\$ 12,987,753</u> | <u>\$ 24,068,828</u> | <u>\$ 2,623,382</u> | <u>\$ 49,150,692</u> | <u>\$ 20,743,931</u> |

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

CITY OF LAKEWOOD, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2020

| | Business-Type Activities - Enterprise Funds | | | | | Governmental Activities |
|--|---|---------------------|---------------------|---------------------|----------------------|-------------------------|
| | Golf Course Fund | Sewer Fund | Stormwater Fund | Nonmajor Water Fund | Total | Internal Service Funds |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | |
| Cash Received from Customers | \$ 6,587,537 | \$ 4,021,383 | \$ 5,125,829 | \$ 1,238,538 | \$ 16,973,287 | \$ 14,485,577 |
| Other Receipts | 2,540 | - | - | - | 2,540 | 2,082,062 |
| Cash Paid to Suppliers | (1,771,932) | (3,223,221) | (908,477) | (1,017,667) | (6,921,297) | (13,531,548) |
| Cash Paid to Employees | (2,926,352) | (692,660) | (1,411,060) | (144,832) | (5,174,904) | (548,137) |
| Net Cash Provided by Operating Activities | 1,891,793 | 105,502 | 2,806,292 | 76,039 | 4,879,626 | 2,487,954 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | | |
| Transfers Out | (762,032) | - | - | - | (762,032) | - |
| Net (Payments) from Other Funds | (196,203) | - | - | - | (196,203) | - |
| Net Cash Provided by Noncapital Financing Activities | (958,235) | - | - | - | (958,235) | - |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | | |
| Purchases of Capital Assets | (79,168) | (329,032) | (1,602,528) | - | (2,010,728) | - |
| System Investment Fees Received | - | 1,013,150 | - | 80,400 | 1,093,550 | - |
| Net Cash Provided (Used) by Capital and Related Financing Activities | (79,168) | 684,118 | (1,602,528) | 80,400 | (917,178) | - |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | |
| Investment Income | 643 | 101,108 | 102,602 | 25,790 | 230,143 | 301,020 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 855,033 | 890,728 | 1,306,366 | 182,229 | 3,234,356 | 2,788,974 |
| CASH AND INVESTMENTS, Beginning of Year | - | 7,624,154 | 6,821,543 | 1,874,473 | 16,320,170 | 20,634,172 |
| CASH AND INVESTMENTS, End of Year | <u>\$ 855,033</u> | <u>\$ 8,514,882</u> | <u>\$ 8,127,909</u> | <u>\$ 2,056,702</u> | <u>\$ 19,554,526</u> | <u>\$ 23,423,146</u> |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES | | | | | | |
| Operating Income (Loss) | \$ 1,616,783 | \$ (33,663) | \$ 2,270,709 | \$ 155,683 | \$ 4,009,512 | \$ 2,594,029 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities | | | | | | |
| Depreciation | 266,508 | 498,041 | 671,422 | 9,532 | 1,445,503 | - |
| Accounts Receivable | 7,781 | (365,907) | (61,390) | (78,676) | (498,192) | 125,397 |
| Inventories | 37,776 | - | - | - | 37,776 | - |
| Accounts Payable | 3,919 | 71,762 | (4,290) | (8,148) | 63,243 | (185,733) |
| Retainage Payable | - | (45,528) | (31,646) | - | (77,174) | (20,419) |
| Accrued Liabilities | (55,463) | (19,203) | (38,513) | (2,352) | (115,531) | (13,551) |
| Unearned Revenues | 14,489 | - | - | - | 14,489 | - |
| Claims Payable | - | - | - | - | - | (11,769) |
| Net Cash Provided By Operating Activities | <u>\$ 1,891,793</u> | <u>\$ 105,502</u> | <u>\$ 2,806,292</u> | <u>\$ 76,039</u> | <u>\$ 4,879,626</u> | <u>\$ 2,487,954</u> |

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

CITY OF LAKEWOOD, COLORADO
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
December 31, 2020

| | Pension Trust Funds |
|--------------------------------------|--------------------------------|
| ASSETS | |
| Pooled Cash | \$ 50,119 |
| Mutual Funds | <u>2,604,773</u> |
| Total Assets | <u><u>\$ 2,654,892</u></u> |
| LIABILITIES | |
| Payables | |
| Accounts Payable | <u>\$ -</u> |
| Total Liabilities | <u>-</u> |
| NET POSITION | |
| Restricted for Pensions | <u>2,654,892</u> |
| Net Position Restricted for Pensions | <u><u>\$ 2,654,892</u></u> |

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

CITY OF LAKEWOOD, COLORADO
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
Year Ended December 31, 2020

| | Pension Trust Funds |
|--|--------------------------------|
| ADDITIONS | |
| Contributions | |
| Employer | \$ 240,000 |
| Miscellaneous | |
| Investment Income | 147,529 |
| | <hr/> |
| Total Additions | 387,529 |
| | <hr/> |
| DEDUCTIONS | |
| Benefit Payments | 230,360 |
| Administrative Expenses | 1,372 |
| | <hr/> |
| Total Deductions | 231,732 |
| | <hr/> |
| Net Increase in Net Position Restricted for Pensions | 155,797 |
| NET POSITION RESTRICTED FOR PENSIONS | |
| Beginning of Year | <hr/> 2,499,095 |
| End of Year | <hr/> \$ 2,654,892 <hr/> |

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



THIS PAGE INTENTIONALLY LEFT BLANK

NOTES TO FINANCIAL STATEMENTS



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Lakewood (the City) is part of the Denver Metropolitan area and was incorporated on June 24, 1969. On November 1, 1983, the citizens voted to become a Home Rule City, as authorized by Article 20 of the Colorado State Constitution. The City operates under a Council/Manager form of government with the City Council consisting of ten members, two elected from each of five wards, and a mayor elected at large.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

Reporting Entity

The financial reporting entity consists of the City and organizations for which the City is financially accountable. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the City. In addition, any legally separate organizations for which the City is financially accountable are considered part of the reporting entity. Financial accountability exists if the City appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization has the potential to provide benefits to, or impose financial burdens on, the City.

Based on the application of these criteria, the following component units are included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

The Lakewood Public Building Authority (LPBA) is an entity that is legally separate from the City. For financial reporting purposes, the LPBA consists of a single fund and is blended into the City's financial statements because it was formed to construct, finance and lease municipal and recreation facilities exclusively to the City. Separate financial statements for the LPBA are not prepared.

The Lakewood Reinvestment Authority (LRA), a legally separate entity, was established to undertake urban renewal plans, projects, programs, works, or activities with the City. All members of the LRA's governing body are City Council members and management of the City has operational responsibility for the LRA. Thus, for financial reporting purposes, the LRA is blended into the City's financial statements and is reported in a single fund. Separate financial statements for the LRA are not prepared.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

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

Separate financial statements are provided for governmental funds, proprietary funds, and the fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. Major funds are those funds whose activities are considered significant to the City based on economic or other factors.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and trust fund financial statements. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities are included in the statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

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 City's enterprise funds and internal service funds are charges to customers or other funds for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

In the fund financial statements, the City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The *Grants Fund* was established to maintain separate accounting for federal, state, and other restricted grants.

The *Capital Improvements Fund* was established pursuant to an election to finance the acquisition, construction, improvement, and maintenance of capital assets. The primary revenue source is 17 percent of the City's sales and use tax.

The *Lakewood Reinvestment Authority Fund* accounts for the activities of the City's urban renewal areas, which include West Colfax and Wadsworth, Alameda Corridor, and West Colfax Avenue Corridor. These activities are financed primarily with property and sales tax increments.

The *TABOR Fund* was established to account for the excess revenue collected above the TABOR limit that voters have authorized the City to retain and spend according to the ballot measure (see Note 11 for more information). The revenues were moved from other funds through transfers.

The City reports the following major proprietary funds:

The *Golf Course Fund* accounts for all activities related to the City golf courses.

The *Sewer Fund* accounts for all activities necessary for providing sewer services to certain areas within the City.

The *Stormwater Fund* accounts for user fees collected from property owners to maintain existing storm water facilities, meet federal requirements for storm water quality, and to build new drainage facilities.

Additionally, the City reports the following fund types:

The *Internal Service Funds* are used to account for financing of the City's insurance needs.

Trust Funds are used to account for assets held by the City in a trustee capacity. The City reports the Retired City Manager Pension Fund as a trust fund.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position /Fund Balances

Cash and Investments - Cash equivalents include investments with original maturities of three months or less. Investments are reported at fair value, pursuant to GASB Statement No. 72, *Fair Value Measurement and Application*. Cash and investments are pooled and not segregated by fund.

Receivables - Receivables are reported net of an allowance for uncollectible accounts, where applicable.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position /Fund Balances (Continued)

Property Taxes Receivable - Property taxes earned but collected in the subsequent year are recorded as receivables and deferred inflows of resources at year end. Taxes are due in the subsequent year on April 30, or in two installments on the last day of February and June 15. Taxes are collected by the County Treasurer and remitted to the City on a monthly basis.

Inventories - Inventories in the General Fund consist of expendable supplies held for consumption and are valued at average cost. Inventory in the Golf Course and Heritage, Culture, and Arts Funds consists of goods held for resale and is priced at the lower of cost or market, using the first-in, first-out method. The cost is recorded as an asset at the time individual inventory items are purchased, and as an expenditure or expense when consumed or sold.

Prepaid Items - Certain payments to vendors reflect costs applicable to future years and are reported as prepaids, thus utilizing the consumption method.

Capital Assets - Capital assets, which include property, equipment, and infrastructure constructed or acquired since 1980, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary funds in the fund financial statements. Purchases or construction of capital assets are recorded as expenditures in the governmental funds.

Capital assets are defined by the City as assets that have a value greater than the *capitalization threshold* (as shown below) and have an estimated useful life of at least two years following the date of acquisition. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, works of art and capital assets received in a service concession arrangement are recorded at estimated acquisition value at the date of donation. Interest accrued during construction is not capitalized.

| Type of Asset | Threshold |
|--|-----------|
| Land/land improvements | \$ 50,000 |
| Building/building improvements | 50,000 |
| Park facilities and other improvements | 5,000 |
| Infrastructure | 100,000 |
| Rights of way and easements | 50,000 |
| Leasehold improvements | 50,000 |
| Personal property (i.e., machinery, furniture and fixtures, computer equipment, vehicles, software, street lights) | 5,000 |
| Works of art/historical treasures (capitalized but not depreciated) | 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. In the proprietary funds, these costs are reported as capital maintenance expenses.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position /Fund Balances (Continued)

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

| | |
|----------------------------|---------------|
| Buildings and Improvements | 20 - 50 years |
| Machinery and Equipment | 2 - 15 years |
| Infrastructure | 20 - 75 years |
| Solar Power Capacity | 20 years |

Unearned Revenues - Unearned revenues include grants that have been collected but the corresponding expenditures have not been incurred, and fees received in advance.

Deferred Outflows/Inflows of Resources - Deferred outflows of resources include losses on debt refunding's resulting from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred inflows of resources include property taxes earned but levied for a subsequent year. Revenues not available as current financial resources are deferred inflows in the governmental fund financial statements. In addition, the City reports deferred outflows and deferred inflows of resources relating to its net Retired City Manager Pension and OPEB liabilities. See Note 9 for additional information.

Compensated Absences - Accumulated unpaid vacation and sick pay is recorded when earned in the government-wide financial statements and when due in the governmental fund financial statements.

It is the City's policy to allow the accumulation of sick and vacation leave to a maximum, depending on the employee class and hire date. Accrued vacation is paid to employees upon termination of employment.

Payment for unused sick leave ranges from 0 percent to 100 percent depending on the employee class, hire date, and reason for termination.

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

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

Debt issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position /Fund Balances (Continued)

Net Position/Fund Balances – In the government-wide financial statements and the proprietary funds in the fund financial statements, net position is restricted when constraints placed on the use of resources is externally imposed. Net position invested in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowing attributable to the acquisition, construction, or improvement of those assets. In the fund financial statements, governmental funds report fund balances based on financial reporting standards that establish criteria for classifying fund balances into specifically defined classifications to make the nature and extent of constraints more useful and understandable. The classifications comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances may be classified as nonspendable, restricted, committed, assigned, or unassigned.

- Nonspendable Fund Balance – amounts that cannot be spent because they are either not in spendable form, or legally or contractually required to be maintained intact. Examples are items that are not expected to be converted to cash including inventories and prepaids.
- Restricted Fund Balance – amounts that are restricted to specific purposes. The spending constraints placed on the use of fund balance amounts are externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation that are legally enforceable.
- Committed Fund Balance - amounts that can only be used for specific purposes pursuant to constraints imposed by ordinance of the City Council. The committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same action it employed to previously commit those amounts. This classification also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- Assigned Fund Balance - amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. City Council, as the governing board, is authorized to informally assign amounts to a specific purpose and has assigned certain amounts through various policies.
- Unassigned Fund Balance - the remaining General Fund fund balance after amounts are set aside for other classifications. Other funds may report negative balances in this category.

The City of Lakewood has not established a formal policy for its use of restricted and unrestricted (committed, assigned, unassigned) fund balance. However, if expenditures are incurred for a specific purpose, the City uses restricted fund balance first if the expenditure meets the restricted purpose, followed by committed amounts, assigned amounts, and finally, by unassigned amounts.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

At December 31, 2020, the Grants Fund had a negative fund balance of \$2,548,884. The negative fund balance will be eliminated once deferred grant revenue of \$3,176,414 is collected.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 3 – CASH AND INVESTMENTS

The City, through its Charter and Investment Policy, maintains a cash and investment pool that is available for use by City administered funds. In addition, deposits and investments are separately held by several of the City's funds.

Cash deposits and investments, except for proceeds of bond issues accounted for in the appropriate funds, are pooled throughout the year into the General Fund for cash management purposes. Investment income is allocated to the individual funds quarterly, based on monthly balances and each month's weighted average yield. For financial statement purposes, all cash is recorded as "cash and investments" of the respective individual funds.

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

| | |
|------------------------------------|-----------------------|
| Unrestricted cash and investments: | |
| Governmental activities | \$ 115,751,477 |
| Business-type activities | 19,554,526 |
| Fiduciary fund | 2,654,892 |
| Restricted cash and investments: | |
| Governmental activities | 36,220,494 |
| Total | <u>\$ 174,181,389</u> |

At December 31, 2020, cash and investments consisted of the following:

| | |
|--------------|-----------------------|
| Cash on hand | \$ 27,964 |
| Deposits | 83,132,154 |
| Investments | 91,021,271 |
| Total | <u>\$ 174,181,389</u> |

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2020, the City had bank deposits of \$71,767,065 collateralized with securities held by the financial institutions' agents but not in the City's name.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 3 – CASH AND INVESTMENTS (Continued)

Investments

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

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

The City Treasurer is authorized to invest funds of the City as allowed by State statutes. State statutes do not apply to public funds held or invested as part of any pension plan, full or supplemental retirement plan, or deferred compensation plan. The City's policy does not govern the investments of the pension trust fund or the investments of the Lakewood Public Building Authority.

At December 31, 2020, the City's investment balances were as follows:

| Investment Type | Measurement | S&P Rating | Less than 1 | 1-5 | Pension Trust | Fair Value |
|------------------------|--------------------------------|---------------|----------------------|----------------------|---------------------|----------------------|
| US Treasury Securities | Fair Value Level 1 | A-1+ | \$ 1,198,704 | \$ - | \$ - | \$ 1,198,704 |
| US Treasury Securities | Fair Value Level 1 | AA+ | - | 4,673,632 | - | 4,673,632 |
| US Agency Securities | Fair Value Level 2 | NR | - | 250,733 | - | 250,733 |
| US Agency Securities | Fair Value Level 2 | NA | - | 3,149,537 | - | 3,149,537 |
| US Agency Securities | Fair Value Level 2 | NR | - | 2,052,451 | - | 2,052,451 |
| US Agency Securities | Fair Value Level 2 | AA+ | 11,734,748 | 55,155,148 | - | 66,889,896 |
| Commercial Backed Mtg | Fair Value Level 2 | NA | - | 3,897,863 | - | 3,897,863 |
| Corporate Bonds | Fair Value Level 2 | AA+ | 201,527 | - | - | 201,527 |
| Corporate Bonds | Fair Value Level 2 | AA | 202,741 | - | - | 202,741 |
| Commercial Paper | Fair Value Level 2 | A-1+ | 2,756,465 | - | - | 2,756,465 |
| Mutual Funds | Fair Value Level 1 | NA | - | - | 2,604,773 | 2,604,773 |
| | Subtotal | | 16,094,185 | 69,179,364 | 2,604,773 | 87,878,322 |
| Money Market Funds | Net Asset Value | AAA | 1,055,518 | - | - | 1,055,518 |
| Colotrust | Net Asset Value | AAAm | 2,087,431 | - | - | 2,087,431 |
| | Investments at Net Asset Value | | 3,142,949 | - | - | 3,142,949 |
| Total | | | <u>\$ 19,237,134</u> | <u>\$ 69,179,364</u> | <u>\$ 2,604,773</u> | <u>\$ 91,021,271</u> |

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 3 – CASH AND INVESTMENTS (Continued)

Investments (Continued)

Level 2 inputs include prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, and others. Debt securities are valued in accordance with the evaluated bid price supplied by the pricing service and generally categorized as Level 2 in the hierarchy. Securities that are categorized as Level 2 in the hierarchy include, but are not limited to, repurchase agreements, U.S government agency securities, corporate securities, and commercial paper. Level 3 inputs are significant unobservable inputs.

Interest Rate Risk - The City's investment policy limits the maturity of investment instruments or fixed-income securities to a maximum of five years and corporate bonds to a maximum of three years, except for investments matched to a specific cash flow.

Credit Risk - State statutes limit investments in commercial paper to a rating category of A1, P1, F1 or their equivalents, by at least two nationally recognized statistical rating organizations (NRSROs). State statutes limit investments in corporate bonds to a minimum rating category of AA- or Aa3 or their equivalents by at least two NRSROs. 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 Securities 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.

Concentration of Credit Risk - The City's investment policy requires that investments in any U.S. dollar denominated corporate or bank debt may comprise up to 30% of the book value of the City's total investments at the time of purchase with no more than 5% concentrated in any single obligor. Any investment in commercial paper may not exceed 50% of the total par value of the City's portfolio with no greater than 7.5% exposure to any single issuer. Furthermore, general obligation and revenue bonds of U.S. local government entities shall not exceed 50% of the total par value of the City's portfolio. At December 31, 2020, the City's investment in the Federal Home Loan Bank, Federal Farm Credit Bank, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Commercial Mortgage-Backed Securities, and Federal Agricultural Mortgage Corporation represented 5%, 43%, 12%, 10%, 4% and 9%, respectively, of total investments.

Local Investment Pools - At December 31, 2020, the City had invested \$2,087,431 in the Colorado Local Government Liquid Asset Trust (the "Trust"), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. COLOTRUST PRIME invests only in U.S. Treasury and government agencies. COLOTRUST PLUS+ can invest in U.S. Treasury, government agencies, and in the highest-rate commercial paper. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as a safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. The Trust is rated AAAM by Standard and Poor's and is measured at net asset value. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 3 – CASH AND INVESTMENTS (Continued)

Investments (Continued)

Restricted Cash and Investments

The General Fund has restricted cash and investments of \$465,582 representing the required HUD Section 108 deposit reserve account of \$390,018 (See Note 5) and \$75,564 for the Energy Improvement Escrow. The Lakewood Public Building Authority Fund has cash and investments of \$7,478,580 restricted for debt service. The TABOR Fund has cash and investments of \$28,276,332 restricted for voter approved capital spending.

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2020:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|--|----------------------|--------------|----------------|-------------------|
| Governmental activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 144,465,288 | \$ 2,416,514 | \$ - | \$ 146,881,802 |
| Construction in progress | 5,100,694 | 8,022,523 | (3,120,746) | 10,002,471 |
| Works of art/historical treasures | 540,182 | 7,671 | - | 547,853 |
| Total capital assets, not being depreciated | 150,106,164 | 10,446,708 | (3,120,746) | 157,432,126 |
| Capital assets, being depreciated: | | | | |
| Infrastructure | 232,676,146 | 2,781,657 | - | 235,457,803 |
| Park buildings, facilities and improvements | 120,692,680 | 3,309,761 | - | 124,002,441 |
| Buildings | 72,312,027 | 43,405 | - | 72,355,432 |
| Improvements other than buildings | 1,287,431 | - | - | 1,287,431 |
| Machinery and equipment | 51,640,972 | 3,605,321 | (1,406,153) | 53,840,140 |
| Solar power capacity | 933,232 | - | - | 933,232 |
| Total capital assets, being depreciated | 479,542,488 | 9,740,144 | (1,406,153) | 487,876,479 |
| Less accumulated depreciation for: | | | | |
| Infrastructure | (50,688,413) | (3,659,700) | - | (54,348,113) |
| Park buildings, facilities and improvements | (44,555,400) | (2,511,265) | - | (47,066,665) |
| Buildings | (34,565,527) | (1,918,482) | - | (36,484,009) |
| Improvements other than buildings | (32,256) | (64,513) | - | (96,769) |
| Machinery and equipment | (40,757,953) | (3,421,908) | 1,352,019 | (42,827,842) |
| Solar power capacity | (256,690) | (46,763) | - | (303,453) |
| Total accumulated depreciated | (170,856,239) | (11,622,631) | 1,352,019 | (181,126,851) |
| Total capital assets, being depreciated, net | 308,686,249 | (1,882,487) | (54,134) | 306,749,628 |
| Governmental activities capital assets, net | \$ 458,792,413 | \$ 8,564,221 | \$ (3,174,880) | \$ 464,181,754 |

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 4 - CAPITAL ASSETS (Continued)

| | Beginning Balance | Additions | Deletions | Ending Balance |
|--|----------------------|--------------|----------------|-------------------|
| Business-type activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 7,478,224 | \$ - | \$ - | \$ 7,478,224 |
| Construction in progress | 7,715,346 | 1,138,501 | (4,367,271) | 4,486,576 |
| Total capital assets, not being depreciated | 15,193,570 | 1,138,501 | (4,367,271) | 11,964,800 |
| Capital assets, being depreciated: | | | | |
| Infrastructure | 27,505,577 | 4,724,060 | - | 32,229,637 |
| Buildings | 4,732,305 | - | - | 4,732,305 |
| Improvements | 3,657,428 | - | - | 3,657,428 |
| Machinery and equipment | 2,508,489 | 515,438 | - | 3,023,927 |
| Total capital assets, being depreciated | 38,403,799 | 5,239,498 | - | 43,643,297 |
| Less accumulated depreciation for: | | | | |
| Infrastructure | (17,464,140) | (1,071,085) | - | (18,535,225) |
| Buildings | (3,240,659) | (157,309) | - | (3,397,968) |
| Improvements | (3,650,471) | (3,256) | - | (3,653,727) |
| Machinery and equipment | (1,933,648) | (213,853) | - | (2,147,501) |
| Total accumulated depreciation | (26,288,918) | (1,445,503) | - | (27,734,421) |
| Total capital assets, being depreciated, net | 12,114,881 | 3,793,995 | - | 15,908,876 |
| Total business-type activities capital assets, net | \$ 27,308,451 | \$ 4,932,496 | \$ (4,367,271) | \$ 27,873,676 |

Depreciation expense was charged to functions of the City, as follows:

Governmental Activities:

| | |
|--|---------------|
| General government | \$ 2,512,993 |
| Public safety | 1,692,968 |
| Public works | 4,615,283 |
| Culture and recreation | 2,754,023 |
| Economic development | 20,809 |
| Economic opportunity | 26,555 |
| Total depreciation expense - governmental activities | \$ 11,622,631 |

Business-type Activities:

| | |
|---|--------------|
| Golf course | \$ 266,508 |
| Sewer | 498,041 |
| Stormwater | 671,422 |
| Water | 9,532 |
| Total depreciation expense - business-type activities | \$ 1,445,503 |

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 5 - LONG-TERM DEBT

Governmental Activities

Following is a summary of long-term debt transactions for the year ended December 31, 2020:

| | Beginning Balance | Additions | Retirements | Ending Balance | Due Within One Year |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|
| Governmental activities: | | | | | |
| Certificates of participation | | | | | |
| Certificates of participation, 2006A | \$ 10,005,000 | \$ - | \$ 3,365,000 | \$ 6,640,000 | \$ 1,670,000 |
| 2006A COPs premium | 130,641 | - | 130,641 | - | - |
| Certificates of participation, 2006B | 2,330,000 | - | 2,330,000 | - | - |
| Certificates of participation, 2020A | - | 1,160,000 | - | 1,160,000 | - |
| Certificates of participation, 2020B | - | 4,500,000 | - | 4,500,000 | - |
| Capital leases payable | | | | | |
| Police facility building | 1,481,031 | - | 129,352 | 1,351,679 | 137,338 |
| Solar power capacity lease | 530,857 | - | 100,490 | 430,367 | 103,254 |
| Energy performance improvements lease | 1,432,363 | - | 81,212 | 1,351,151 | 84,028 |
| Notes payable | | | | | |
| HUD section 108 notes payable | 679,000 | - | 335,000 | 344,000 | 344,000 |
| LRA station betterments loan | 1,294,121 | - | 115,648 | 1,178,473 | 121,963 |
| Compensated absences | | | | | |
| Sick leave | 2,438,099 | 1,626,672 | 1,878,663 | 2,186,108 | 300,000 |
| Vacation | 4,208,473 | 4,035,030 | 3,600,168 | 4,643,335 | 500,000 |
| Postemployment benefits | | | | | |
| Postemployment benefits | 7,021,875 | 709,707 | 243,600 | 7,487,982 | - |
| Net pension liability | | | | | |
| Net pension liability | 717,495 | 387,529 | 555,949 | 549,075 | - |
| Total | <u>\$ 32,268,955</u> | <u>\$ 12,418,938</u> | <u>\$ 12,865,723</u> | <u>\$ 31,822,170</u> | <u>\$ 3,260,583</u> |

2006A Certificates of Participation

On March 15, 2006, the LPBA issued certificates of participation in the amount of \$26,180,000 to advance refund a portion of the LPBA's outstanding Series 2000 certificates of participation. The Series 2006A certificates of participation bear interest at rates of 5.00%, payable semi-annually, and mature serially through May 2022. On September 1, 2020, a portion of the 2006A that was allocated to the City's Golf Enterprise Fund was refinanced. Of the 2006A COP, \$1,090,000 was defeased and a loss of \$71,002 was recognized and will be amortized over 21 months. The certificates of participation are not redeemable prior to maturity.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 5 - LONG-TERM DEBT (Continued)

2006A Certificates of Participation (Continued)

Following are the future principal and interest requirements:

| Year | Principal | Interest | Total |
|-------|--------------|------------|--------------|
| 2021 | \$ 1,670,000 | \$ 290,250 | \$ 1,960,250 |
| 2022 | 4,970,000 | 124,250 | 5,094,250 |
| Total | \$ 6,640,000 | \$ 414,500 | \$ 7,054,500 |

Payment of principal and interest is secured by various pledged properties and is also guaranteed under a financial guaranty insurance policy, issued concurrently with the certificates of participation. The agreement contains a provision that in the event of default, the City must vacate the premises.

2006B Certificates of Participation

On March 15, 2006, the LPBA issued certificates of participation in the amount of \$26,510,000 to advance refund a portion of the LPBA's outstanding Series 1998 certificates of participation. The Series 2006B certificates of participation bear interest at 3.925%, payable semi-annually matured in December 2020.

2020A Certificate of Participation

On September 1, 2020, the LPBA issued certificates of participation in the amount of \$1,160,000 to advance refund a portion of the LPBA's outstanding Series 2006A certificates of participation. The Series 2020A certificates of participation bear interest at rates of 1.95%, per annum, and mature on June 1, 2026. The transaction provided an economic gain (net present value savings) of \$16,825 or 1.55% savings on refunded bonds. The certificates of participation are not redeemable prior to maturity.

Following are the future principal and interest requirements:

| Year | Principal | Interest | Total |
|-------|--------------|-----------|--------------|
| 2021 | \$ - | \$ 22,620 | \$ 22,620 |
| 2022 | 260,000 | 20,085 | 280,085 |
| 2023 | 265,000 | 14,966 | 279,966 |
| 2024 | 275,000 | 9,701 | 284,701 |
| 2025 | 280,000 | 4,290 | 284,290 |
| 2026 | 80,000 | 780 | 80,780 |
| Total | \$ 1,160,000 | \$ 72,442 | \$ 1,232,442 |

Payment of principal and interest is secured by various pledged properties and is also guaranteed under a financial guaranty insurance policy, issued concurrently with the certificates of participation. The agreement contains a provision that in the event of default, the City must vacate the premises.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 5 - LONG-TERM DEBT (Continued)

2020B Certificate of Participation

On September 1, 2020, the LPBA, issued certificates of participation in the amount of \$4,500,000 to finance the irrigation system project at Fox Hollow Golf Course. Series 2020B certificates of participation bear interest at rates of 2.15%, per annum, and mature on June 1, 2039. The certificates of participation are not redeemable prior to maturity.

Following are the future principal and interest requirements:

| Year | Principal | Interest | Total |
|-----------|---------------------|---------------------|---------------------|
| 2021 | \$ - | \$ 96,750 | \$ 96,750 |
| 2022 | - | 96,750 | 96,750 |
| 2023 | - | 96,750 | 96,750 |
| 2024 | - | 96,750 | 96,750 |
| 2025 | - | 96,750 | 96,750 |
| 2026-2030 | 1,400,000 | 413,230 | 1,813,230 |
| 2031-2035 | 1,650,000 | 246,068 | 1,896,068 |
| 2036-2039 | 1,450,000 | 63,210 | 1,513,210 |
| Total | <u>\$ 4,500,000</u> | <u>\$ 1,206,258</u> | <u>\$ 5,706,258</u> |

Payment of principal and interest is secured by various pledged properties and is also guaranteed under a financial guaranty insurance policy, issued concurrently with the certificates of participation. The agreement contains a provision that in the event of default, the City must vacate the premises.

Capital Leases

Police Facility Building Lease - On September 30, 2009, the City entered into a lease purchase agreement for \$2,330,000 to purchase property for public safety use. Land, buildings and equipment recorded in the City's capital assets are \$381,775, \$1,957,650 and \$13,703, respectively, which includes interest income on the lease proceeds.

On November 5, 2019, the City paid off the September 30, 2009 lease, and entered into a new lease purchase agreement for \$1,481,031. Annual payments of \$167,345, including principal and interest accruing at 2.22% are due on December 31, through 2029. The agreement contains provisions that in the event of default, the lessor may take possession of the property and/or declare the note to be due and payable immediately.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 5 - LONG-TERM DEBT (Continued)

Capital Leases (Continued)

Police Facility Building Lease (continued)

Following is a schedule of the future minimum lease payments under this capital lease, and the present value of the net minimum lease payments at December 31, 2020:

| <u>Year</u> | <u>Amount</u> |
|--|---------------------|
| 2021 | \$ 167,345 |
| 2022 | 167,345 |
| 2023 | 167,345 |
| 2024 | 167,345 |
| 2025 | 167,345 |
| 2026-2029 | <u>669,381</u> |
| Total future minimum payments | 1,506,106 |
| Less: discount for interest | <u>(154,427)</u> |
| Present value of future minimum payments | <u>\$ 1,351,679</u> |

Solar Power Capacity Lease - On March 20, 2014, the City entered into an agreement to purchase electric generating capacity in a solar garden. The purchase agreement was funded on August 1, 2014, with a lease agreement for \$957,000. The solar power capacity is recorded as capital assets in the amount of \$933,232. A portion of the loan proceeds was used to pay issuance costs of \$23,768. The agreement contains a provision that in the event of default, the lessor may repossess the equipment.

On November 1, 2019, the first amendment to the Solar Power Capacity Lease was executed which lowered the interest rate from 4.61% to 2.75% which lowered the annual payments due on August 1, through 2024.

Following is a schedule of the future minimum lease payments under this capital lease, and the present value of the net minimum lease payments at December 31, 2020:

| <u>Year</u> | <u>Amount</u> |
|--|-------------------|
| 2021 | \$ 115,089 |
| 2022 | 115,089 |
| 2023 | 115,089 |
| 2024 | <u>115,089</u> |
| Total future minimum payments | 460,356 |
| Less: discount for interest | <u>(29,989)</u> |
| Present value of future minimum payments | <u>\$ 430,367</u> |

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 5 - LONG-TERM DEBT (Continued)

Capital Leases (Continued)

Energy Performance Improvements Lease – On April 6, 2018, the City entered into an agreement to finance the acquisition of certain energy conservation improvements, equipment, and controls intended to result in energy conservation savings in certain buildings. The purchase agreement was funded with a lease agreement for \$1,510,854. The energy performance improvements are recorded as capital assets in the amount of \$933,232. Annual payments of \$130,872, including principal and interest accruing at 3.467%, are due on April 6, through 2033. The agreement contains a provision that in the event of default, the lessor may repossess the equipment.

Following is a schedule of the future minimum lease payments under this capital lease, and the present value of the net minimum lease payments at December 31, 2020:

| <u>Year</u> | <u>Amount</u> |
|--|----------------------------|
| 2021 | \$ 130,872 |
| 2022 | 130,872 |
| 2023 | 130,872 |
| 2024 | 130,872 |
| 2025 | 130,872 |
| 2026-2030 | 654,361 |
| 2031-2033 | <u>392,620</u> |
| Total future minimum payments | 1,701,341 |
| Less: discount for interest | <u>(350,190)</u> |
| Present value of future minimum payments | <u><u>\$ 1,351,151</u></u> |

HUD Section 108 Notes Payable

In December 2007, the City entered into a variable/fixed rate note agreement in the amount of \$3,742,000 with a bank to finance the Ray Ross Park redevelopment project and a new Head Start building. On June 12, 2008, the City converted the loan to a fixed rate obligation. The interest rate on the loan ranges from 2.62% to 5.42%. The loan matures on August 1, 2021.

The loan is collateralized by future City grant allocations, program income derived from the original loan proceeds, and all funds or investments in the accounts established for the proceeds. The City is also required to establish and maintain a deposit reserve account in the amount equal to the greatest amount of principal and interest projected to be due on the loan during any year as calculated as of the date of the note. The required deposit reserve account balance at December 31, 2020, was \$390,018 (See Note 3). The note is guaranteed by the U. S. Department of Housing and Urban Development under Section 108 of the Housing and Community Development Act of 1974.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 5 - LONG-TERM DEBT (Continued)

HUD Section 108 Notes Payable (Continued)

Future debt service requirements are as follows:

| Year | Principal | Interest | Total |
|-------|-------------------|------------------|-------------------|
| 2021 | \$ 344,000 | \$ 17,372 | \$ 361,372 |
| Total | <u>\$ 344,000</u> | <u>\$ 17,372</u> | <u>\$ 361,372</u> |

Lakewood Reinvestment Authority Station Betterments Loan

In September 2008, the Lakewood Reinvestment Authority entered into a fixed rate loan agreement in the amount of \$2,975,000 with a bank to finance betterments to the Regional Transportation District's Light Rail Stations at Oak Street and at Wadsworth Boulevard located in the Colfax Avenue Corridor urban renewal area.

On October 31, 2019, the City paid off the September 2008 lease, and entered into a new lease purchase agreement for \$1,294,121. Under the terms of the agreement, principal and interest are at a fixed rate of 2.7% and are payable semi-annually on the first day of each June and December through December 1, 2029. The agreement contains provisions that in the event of default, the lessor may take possession of the collateral (tax increment revenue) and/or declare the note to be due and payable immediately.

For the year ended December 31, 2020, incremental property tax revenues of \$1,470,056 and sales tax revenues of \$195,457 were available to pay annual debt service.

Remaining debt service at December 31, 2020, was as follows:

| Year | Principal | Interest | Total |
|-----------|---------------------|-------------------|---------------------|
| 2021 | \$ 121,963 | \$ 30,995 | \$ 152,958 |
| 2022 | 125,325 | 27,680 | 153,005 |
| 2023 | 128,780 | 24,273 | 153,053 |
| 2024 | 132,268 | 20,772 | 153,040 |
| 2025 | 135,976 | 17,176 | 153,152 |
| 2026-2029 | <u>534,161</u> | <u>31,030</u> | <u>565,191</u> |
| Total | <u>\$ 1,178,473</u> | <u>\$ 151,926</u> | <u>\$ 1,330,399</u> |

Compensated Absences, Pension Liabilities, and Postemployment Benefits

Compensated absences, pension liabilities, and postemployment benefits are expected to be liquidated primarily with revenues of the General Fund.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 6 - FUND BALANCE

The TABOR Amendment (See Note 11) requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3 percent or more of fiscal year spending (as defined by TABOR). The amount required to be restricted at December 31, 2020, totaled \$4,453,679 and is reported as restricted fund balance in the General Fund.

NOTE 7 – INTERFUND BALANCES AND TRANSFERS

Transfers between funds during the year ended December 31, 2020, were as follows:

| Transfers In | Transfers Out | Amount |
|------------------------------------|-----------------------------|---------------|
| Capital Improvement Fund | General Fund | \$ 120,000 |
| Grants Fund | General Fund | 334,348 |
| TABOR | General Fund | 1,756,001 |
| Nonmajor Funds | General Fund | 3,799,951 |
| | | 6,010,300 |
| Grants Fund | Capital Improvement Fund | 844,579 |
| General Fund | Capital Improvement Fund | 3,038,000 |
| Nonmajor Funds | Capital Improvement Fund | 636,000 |
| | | 4,518,579 |
| Nonmajor Funds | Grants Fund | 7,582 |
| | | 7,582 |
| Capital Improvement Fund | Nonmajor Funds | 1,650,000 |
| Lakewood Public Building Authority | Nonmajor Funds | 1,051,809 |
| | | 2,701,809 |
| Lakewood Public Building Authority | Golf Course Enterprise Fund | 762,032 |
| Property Casualty | Medical & Dental | 600,000 |
| Workers Compensation | Medical & Dental | 600,000 |
| | | 1,962,032 |
| Total | | \$ 15,200,302 |

The General Fund annually provides funding for capital projects to the Capital Improvements Fund. The General, Capital Improvements, Conservation Trust, Equipment Replacement, Open Space and Golf Course Funds annually transfer the required lease payments to the Lakewood Public Building Authority.

The General Fund subsidized the operations of the Heritage, Culture and Arts Fund. In addition, the Capital Improvements Fund provided funds for public works of art.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 8 – EMPLOYEE RETIREMENT PLANS

The City's employees are covered under three separate retirement plans and two retiree benefit plans.

Lakewood Employees Pension Plan

The City offers its full-time employees and key management officials, except sworn police officers, a retirement plan created in accordance with Internal Revenue Code (IRC) Section 401(a). Employees are required to participate in the Lakewood Employees Pension Plan on the first day of employment as a full-time or regular part-time employee.

This plan is a defined contribution plan administered by a third party trustee, Great West Life & Annuity Insurance Company. Since a third party trustee holds the plan assets in trust, the plan is not reflected in the City's financial statements.

Under the terms of this plan, the employee contributes a mandatory percentage of base salary. The City is the only non-employee contributor and contributes a mandatory percentage of the employee's base salary. The contributions were amended in 2018; contributions increase for employee and employer over a five year period, ending in 2022. Below is a table with the mandatory percentages for both employee and employer:

| Date of Contribution | Employee percentage | Employer percentage |
|----------------------|---------------------|---------------------|
| 4/1/2018 | 8.6% | 10.6% |
| 4/1/2019 | 9.2% | 11.2% |
| 4/1/2020 | 9.8% | 11.8% |
| 4/1/2021 | 10.4% | 12.4% |
| 4/1/2022 | 11.0% | 13.0% |

In 2014, the City contributed the 18% of the City Manager's contribution, which includes the employer and employee portion. Employee voluntary after-tax contributions to the plan are allowed to the extent allowed by law. Contribution requirements of the City and the participants are established and may be amended by the City Council. During the year ended December 31, 2020, the City and employees made contributions to the plan of \$4,653,885 and \$3,814,436 (including voluntary contributions of \$6,371), respectively.

An employee shall have immediate vesting in their contributions and non-forfeitable interest in the percentage of the employer contribution account determined pursuant to the following vesting schedule.

| <u>Years of Continuous Service</u> | <u>Percentage Vested</u> |
|---|---------------------------------|
| Less than 3 | 0% |
| 3 - 3.99 | 60% |
| 4 - 4.99 | 80% |
| 5 or more | 100% |

The City has a forfeiture account that is funded by the forfeiture of City contributions made on behalf of an employee who terminates employment before becoming fully vested. During 2020, \$233,951 was used from this account to fund a portion of the City's contribution, and \$192,765 was available to fund future City contributions.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 8 – EMPLOYEE RETIREMENT PLANS (Continued)

Police Pension Plan

The City offers its sworn police officers a retirement plan created in accordance with IRC Section 401(a). Employees are eligible to participate in the Police Pension Plan on the first day of employment as a full-time or regular part-time police officer. This plan is a defined contribution plan administered by the International City/County Management Association – Retirement Corporation (ICMA-RC) until December of 2020 when it was transferred to a third-party trustee, Great West Life & Annuity Insurance Company which is administered by Empower Retirement Services.

The City is the only non-employee contributor and contributes 10% of the participants' base salary, and the participant is required to contribute 8% of base salary. Employee voluntary after-tax contributions to the plan are allowed to the extent allowed by law. Contribution requirements of the City and the participants are established and may be amended by the City Council. During the year ended December 31, 2020, the City and employees made contributions to the plan of \$3,100,098 and \$2,616,633 (including voluntary contributions of \$14,235), respectively.

The City has a forfeiture account that is funded by the forfeiture of City contributions made on behalf of a police employee who terminates employment before becoming fully vested. During 2020, \$184,072 was used from this account to fund a portion of the City's contribution, and \$27,029 was available to fund future City contributions.

An employee shall have immediate vesting in their contributions and non-forfeitable interest in the percentage of the employer contribution account determined pursuant to the following vesting schedule.

| <u>Years of Continuous Service</u> | <u>Percentage Vested</u> |
|---|---------------------------------|
| Less than 1 | 0% |
| 1 - 1.99 | 20% |
| 2 - 2.99 | 40% |
| 3 - 3.99 | 60% |
| 4 - 4.99 | 80% |
| 5 or more | 100% |

Since a third party trustee holds the plan assets in trust, the plan is not reflected in the City's financial statements.

City Manager Severance Plan

The City will provide a severance payment to the City Manager if employment is terminated without cause, or due to a permanent disability. The severance payment begins at an amount equivalent to two year's total compensation and increases in yearly increments up to five year's total compensation. The City Manager becomes vested in the Severance Payment on the 8th anniversary of the agreement and shall be entitled to a life annuity benefit in lieu of any severance payment.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 8 – EMPLOYEE RETIREMENT PLANS (Continued)

City Manager Pension Plan

The City contributes to a 412(e)(3) plan on behalf of the City Manager. A 412(e)(3) plan uses a combination of guaranteed pension annuity contracts and pension life insurance policies specifically designed for insured pension plans. The City is required to make sufficient contributions to generate a guaranteed income stream for the City Manager during retirement. During the year ended December 31, 2020, the City did not make the annual required contribution to the plan by year-end; however, on January 25, 2021, the required 2020 contribution of \$238,777 was made. The guaranteed pension annuity of the plan is administered by the City, and the life insurance policy is administered by Massachusetts Mutual Life Insurance Company.

Retired City Manager Pension Plan

Summary of Significant Accounting Policies

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan and additions to, and deductions from, fiduciary net position have been determined on the same basis as reporting by the plan. As such, benefit payments are recognized when due and payable in accordance with the benefit terms.

Investments – Investments are reported at fair value.

Plan Information

Plan Description - In April 2000 (amended September 2009), the City Council approved and established a pension plan for the now retired City Manager, known as the Retired City Manager Defined Benefit Pension Plan, qualified under the Internal Revenue Code of 1986, as amended, Section 401(a). The plan is a single-employer defined benefit pension plan. The plan does not issue a separate stand-alone report, and is included in these financial statements as a Pension Trust Fund.

Administration of the plan is vested with a Board of Trustees consisting of the City's Director of Employee Relations, Director of Finance, and City Clerk. The authority to establish and amend contributions rests with the City Council. Benefits shall not be amended pursuant to the City Manager's employment contract.

Plan Membership – Plan membership consists solely of the retired City Manager currently receiving benefits. The plan is closed to new entrants.

Benefits Provided - The retired City Manager began receiving a bi-weekly benefit of 60% of his salary upon his retirement at the age of 61. The retired City Manager's surviving spouse is eligible to receive a survivor benefit of two-thirds of the bi-weekly benefit paid to the retired City Manager. The City Manager retired in September 2009 with bi-weekly benefit payments of \$6,444 beginning in October 2009. The benefit payments increase by 3% cost of living adjustment each year. The expected payment for calendar year 2021 is \$237,146.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 8 – EMPLOYEE RETIREMENT PLANS (Continued)

Retired City Manager Pension Plan (Continued)

Contributions - The plan was initially funded through a \$767,000 contribution from the City of Lakewood and a \$300,000 contribution from the City Manager. As established by City Council, the City will make all future contributions to the plan. The contributions are based on an actuarially determined amount recommended by an independent actuary. The actuarially determined amount is the estimated amount necessary to finance the costs of benefits earned during the year, with an additional amount to finance any unfunded accrued liability. Contributions were determined as part of the December 31, 2020 actuarial valuation, with additional contributions in excess of the actuarially determined amount approved by the City Council. Total contributions for the year ended December 31, 2020, were \$240,000.

Investments

AXA Equitable invests the plan's assets with the approval of the Board of Trustees (trustee), who have the authority to invest all plan assets in accordance with the established rules and regulations, as follows:

Real property and all interests therein, in bonds, notes, debentures, mortgages, commercial paper, preferred stocks, common stocks, or other securities, rights, obligations or property, real or personal, including shares or certificates of participation issued by regulated investment companies or regulated investment trusts and shares or units of participation in qualified common trust funds or qualified pooled funds.

In making investments or reinvestments, the trustee shall not be limited by the proportion which the investments to be made, either alone or with any property of the same or similar character then held or acquired, may bear on the entire amount of the trust fund, and the trustee shall not be bound as to the character of any investment provided by any constitutional provisions, statute, rule of court, or custom governing the investment of trust funds, providing only that the trustee shall exercise the judgment and care, under the circumstances then prevailing, that men of prudence, discretion and intelligence exercise in the management of their own affairs.

Rate of Return – During the year ended December 31, 2020, plan investments consisted solely of mutual funds. The annual money-weighted rate of return on plan investments, net of pension plan investment expense, was 4.24%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

The net pension liability was measured at December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020.

Actuarial Assumptions – The total pension liability in the actuarial valuation as of December 31, 2020, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate - 6.75%

Inflation - N/A

Benefits Expected Fixed COLA Increases - 3% Per Annum Compounded Annually

Investment Rate of Return - 6.75% Per Annum Compounded Annually, Net of Expenses

Mortality Rates - Modified 1994 Group Annuity Mortality Table Uni-Sex Rates

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 8 – EMPLOYEE RETIREMENT PLANS (Continued)

Retired City Manager Pension Plan (Continued)

Discount Rate - The discount rate of 6.75% used to measure the total pension liability was determined by recent investment return experience. The projection of cash flows used to determine the discount rate assumes that contributions will be made at the current contribution level. The plan's net position is projected to be available to make all projected future benefit payments. Therefore, the long-term expected rate of return on plan investments of 6.75% was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

| | Increase (Decrease) | | |
|--|----------------------------|--------------------------------|--------------------------|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| Balances at December 31, 2019 | \$ 3,216,590 | \$ 2,499,095 | \$ 717,495 |
| Changes for the year: | | | |
| Interest | 209,644 | - | 209,644 |
| Differences between expected and actual experience | 8,093 | - | 8,093 |
| Contributions - Employer | - | 240,000 | (240,000) |
| Net investment income | - | 147,529 | (147,529) |
| Benefit payments | (230,360) | (230,360) | - |
| Administrative expense | - | (1,372) | 1,372 |
| Net changes | (12,623) | 155,797 | (168,420) |
| Balances at December 31, 2020 | \$ 3,203,967 | \$ 2,654,892 | \$ 549,075 |

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following table presents the net pension liability of the City at December 31, 2020, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate, as follows:

| | 1% decrease (5.75%) | Current discount rate (6.75%) | 1% increase (7.75%) |
|-----------------------|------------------------|----------------------------------|------------------------|
| Net pension liability | \$ 852,302 | \$ 549,074 | \$ 287,276 |

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

For the year ended December 31, 2020, the City recognized pension expense of \$9,559. The net difference between projected and actual earnings on plan investments of \$8,093 was recorded in pension expense.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 8 – EMPLOYEE RETIREMENT PLANS (Continued)

Retired City Manager Pension Plan (Continued)

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to the Retired City Manager Pension Plan from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ 1,321,686 | \$ 258,915 |
| Total | <u>\$ 1,321,686</u> | <u>\$ 258,915</u> |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Retired City Managers plan will be recognized in the plans expense as follows:

Year ended December 31:

| | |
|------------|---------------------|
| 2021 | \$ 58,440 |
| 2022 | 58,440 |
| 2023 | 58,440 |
| 2024 | 58,440 |
| 2025 | 58,440 |
| Thereafter | 770,571 |
| | <u>\$ 1,062,771</u> |

Duty Death and Disability Plan

The City has established the Police Duty Death and Disability Plan under the provisions of a trust agreement to provide benefits to officers or their surviving spouses and children if an officer is disabled or killed in the line of duty. The plan was initially established through a contribution from the State of Colorado, and may be, but is not required to be, supplemented by contributions from the City. All officers employed by the City will make an equal contribution to the Trust; the current contribution is \$10 per pay period.

The plan assets are held in trust by Charles Schwab Institutional. The Duty Death and Disability Board exercises discretionary authority and control over management of the trust and, along with a registered investment advisor, renders investment advice with respect to the assets of the trust.

Disabled officers receive 100% of their salary for the first 90 days of the disability, 60% for the 10-year period following. Benefits to disabled officers cease once they return to employment, recover from the disability or upon death. If an officer is killed in the line of duty, their surviving spouse shall receive 50% of the officer's salary. The surviving spouse shall receive this benefit for 96 months, or until remarriage,

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 8 – EMPLOYEE RETIREMENT PLANS (Continued)

Duty Death and Disability Plan (Continued)

whichever occurs first. If there is no surviving spouse or if the surviving spouse should die or remarry, any surviving children of the officer shall receive an equal proportionate share of the benefits. When the surviving child of an officer reaches the age of 18, or 96 months of benefits are paid, whichever occurs first, benefits shall cease.

At December 31, 2020, an actuarial valuation was performed to determine projected benefits estimated to be payable in the future as a result of employee service to date. The valuation was intended to help users assess, on a going-concern basis, the funding status of the plan and assess progress made in accumulating sufficient assets to pay benefits when due. Significant actuarial assumptions used in the valuation included (a) a real rate of return on the investment of present and future assets of 2%, (b) projected annual salary increases of 4.75%, (c) a mortality rate in accordance with the group annuity tables of 1994, (d) expected inflation of 3.00%, and (e) Duty Death and Disability rates based on experience of similar organizations with similar circumstances. To further test the Plan's funded status, Best-Estimate, Optimistic and Pessimistic scenarios were developed for duty-related deaths and disabilities.

Based on this valuation, the Best-Estimate Entry-Age Actuarial Liability totaled \$2,428,520. During the year ended December 31, 2020, benefit payments totaling \$64,556 were paid. At December 31, 2020, assets totaling \$4,828,663 were available for benefits. Under the plan document, there is no provision for benefits to be paid if sufficient assets are not available.

During 2020, the City and employees contributed \$123,306 and \$78,180, respectively, to the Police Duty Death and Disability Plan. Since a third party trustee holds the assets in trust, the plan is not reflected in the City's financial statements.

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Information

Plan Description - The City's single-employer defined benefit OPEB plan, Retiree Health Care Plan, provides retirees access to group medical, dental, and vision coverage while retired until eligible for Medicare or any other group plan. The Plan was put into effect April 1, 2000 and revised effective December 31, 2019. No assets were accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

The authority to establish and amend benefit provisions rests with the City Council. The City does not issue a stand-alone financial report for the plan. The City has reported transactions related to these postemployment benefits in the Retirees' Health Internal Service Fund since no assets are held in a qualified trust.

Benefits Provided - Retirees must meet the following eligibility requirements effective January 1, 2010: 1) are at least age 55, and have a combination of age and years of service that equals at least 75, or 2) qualify for a disability benefit through the City's long term disability program, provided they have completed five full consecutive years of service, and 3) are a member of one of the City's medical insurance plans immediately prior to retirement. Benefits cease upon becoming eligible for other medical benefits.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

The City subsidizes retirees who were full time active employees at a monthly rate of \$32.50 per year of active service to a maximum of \$650 per month (part-time employees receive one half of the full time subsidy). Retirees are responsible for the difference between the active employee premium and the City contribution. The contribution requirements of plan members and the City are established and may be amended by the City Council. The City is currently funding the plan on a pay-as-you-go basis.

Additionally, the City provides a lump sum payment to certain employees. There are 65 employees that are eligible for this payment. The one-time payment is based on years of service and is calculated at a rate of \$50 (\$25 for part-time employees) per year of service to a maximum benefit of \$1,000 (\$500 part-time). The benefit is indexed to the City's average monthly investment earnings rates (current maximum lump sum of \$3,966).

Employees Covered By Benefit Terms – As of December 31, 2020, the following employees were covered by the benefit terms:

| | |
|--|-----|
| Inactive employees or beneficiaries currently receiving benefit payments | 33 |
| Inactive employees entitled to but not yet receiving benefit payments | - |
| Active employees | 816 |

Total OPEB Liability

The City's total OPEB liability of \$7,487,982 was measured as of December 31, 2020 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs –The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|--|--|
| Inflation | 3.0 percent |
| Salary increases | not applicable as benefits are not based on pay increases |
| Discount rate | 4.5 percent |
| Healthcare cost trend rates | 10.0 percent for 2012, decreasing to 6.0 percent for 2020 with an estimated ultimate rate of 4.6% in 2024 and thereafter |
| Retirees' share of benefit-related costs | 39.6 percent of projected health insurance premiums for retirees |

The discount rate was based on three mutual funds that invest exclusively in Colorado: Franklin CO Tax Free Income, Colorado BondsShares A Tax Exempt, and Segall Bryant and Hamill Colorado Tax Free.

Mortality rates were not used.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period 2012 through 2017.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Changes in the Total OPEB Liability

| | Total OPEB Liability |
|--|-------------------------|
| Balance at 12/31/19 | \$ 7,021,875 |
| Changes for the year: | |
| Service cost | 261,647 |
| Interest | 321,821 |
| Changes of benefit terms | - |
| Differences between expected and actual experience | 126,239 |
| Changes in assumptions or other inputs | - |
| Changes in actuarial methods | - |
| Benefit payments | (243,600) |
| Net changes | 466,107 |
| Balance at 12/31/20 | \$ 7,487,982 |

Changes of assumptions and other inputs reflect a change in turnover and retirement rates.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.5%) or 1-percentage-point higher (5.5%) than the current discount rate:

| | 1% Decrease (3.5%) | Discount Rate (4.5%) | 1% Increase (5.5%) |
|-------------------------|-----------------------|-------------------------|-----------------------|
| Total OPEB liability \$ | 7,625,722 | \$ 7,487,982 | \$ 7,355,004 |

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that is 1-percentage-point lower (5.0%) or 1-percentage-point higher (7.0%) than the current healthcare cost trend rates:

| | 1% Decrease (5.0%) | Healthcare Cost Trend Rates (6.0%) | 1% Increase (7.0%) |
|-------------------------|-----------------------|--|-----------------------|
| Total OPEB liability \$ | 7,071,365 | \$ 7,487,982 | \$ 7,963,025 |

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

For the year ended December 31, 2020, the City expensed \$1,303,346 of expenses and recognized negative OPEB expense of \$270,522. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between Experience Deviation | \$ 532,817 | \$ 1,031,316 |
| Differences between Plan Asset Resources | 4,071,355 | 137,398 |
| Total | <u>\$ 4,604,172</u> | <u>\$ 1,168,714</u> |

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

| | | |
|-------------------------|------------|---------------------|
| Year ended December 31: | | |
| | 2021 | \$ 155,355 |
| | 2022 | 155,355 |
| | 2023 | 155,355 |
| | 2024 | 155,355 |
| | 2025 | 185,952 |
| | Thereafter | 2,628,086 |
| | | <u>\$ 3,435,458</u> |

NOTE 10 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; health costs of employees; or natural disasters. For these risks of loss, the City has established self-insurance programs for property and casualty, worker's compensation, medical, and dental claims. The City accounts for these risk management activities in three internal service funds.

Premiums for the property and casualty and worker's compensation programs are paid by the General Fund. Excess coverage insurance policies cover individual workers' compensation claims in excess of \$750,000 for sworn employees and \$500,000 for all other employees. The City secures excess liability coverage for any insured liability claim that exceeds \$350,000. There has been no reduction in insurance coverage from the prior year. Additionally, no settlements have exceeded the City's insurance coverage in each of the past three fiscal years.

In 2015, the City established a self-insurance program for the medical portion of some employee health benefits. Premiums for the medical and dental programs are paid by employee payroll deductions and City contributions. These plans follow the employee benefit plan fiscal year of April 1st through March 31st.

Transactions of the health benefits self-insurance program are reported in the Medical and Dental Internal Service Fund. Excess coverage insurance policies cover individual claims in excess of \$100,000, and an additional aggregate stop loss protection provides total group claim liability protection. The aggregate corridor is set at 125% of expected claim costs and the City is indemnified if total group claims exceed the 125% aggregate stop loss corridor.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 10 – RISK MANAGEMENT (Continued)

The City has established a reserve for incurred but not reported (IBNR) claims based on claims experience and actuarial estimates. The IBNR reserves are included in claims payable and include a provision for incremental claim adjustment expenses as well as estimated recoveries, if applicable. Other than current amounts, the City does not believe that IBNR can be reasonably estimated. Therefore, no long-term liability is reported in the financial statements.

The following represents the changes in claims payable from January 1, 2019 to December 31, 2020:

| | Property and Casualty | Workers' Compensation | Medical and Dental | Total |
|-----------------------------------|--------------------------|--------------------------|-----------------------|---------------------|
| Claims payable, December 31, 2018 | \$ 1,264,241 | \$ 1,711,556 | \$ 607,589 | \$ 3,583,386 |
| Claims and changes in provisions | 1,687,283 | 349,569 | 8,088,526 | 10,125,378 |
| Claims payments | (1,994,333) | (878,628) | (8,268,504) | (11,141,465) |
| Claims payable, December 31, 2019 | 957,191 | 1,182,497 | 427,611 | 2,567,299 |
| Claims and changes in provisions | 1,288,275 | 802,863 | 7,458,601 | 9,549,739 |
| Claims payments | (1,280,824) | (861,433) | (7,419,251) | (9,561,508) |
| Claims payable, December 31, 2020 | <u>\$ 964,642</u> | <u>\$ 1,123,927</u> | <u>\$ 466,961</u> | <u>\$ 2,555,530</u> |

NOTE 11 - CONTINGENCIES

TABOR Amendment

The City is required to comply with a 1992 amendment to the State Constitution, Article X, Section 20 (TABOR), which has several limitations, including revenue raising, spending limits, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The City believes it is in compliance with the requirements of the amendment. However, the City has made certain interpretations of the amendment's language in order to determine its compliance.

On November 1, 2005, the City submitted a ballot issue to a vote of the registered electors for a one percent increase to the City's sales and use tax rate beginning January 1, 2006, which would also be exempt from the revenue limitations of the amendment. The ballot issue was passed.

On November 7, 2006, the City submitted a ballot issue to a vote of the registered electors for exemption from the revenue limitations of the amendment. The ballot issue was passed and permitted the City to collect, retain, and spend Open Space revenues and grants for streets, public safety, parks, recreation and cultural opportunities received by the City during 2007 and all subsequent years thereafter, notwithstanding any revenue or expenditure limitations including those contained in Article X, Section 20 of the Colorado Constitution.

On November 6, 2018, the City passed a ballot issue which would allow the City to collect, retain, and spend all revenues in excess of the revenue and spending limitations for the years 2017 through 2025. The excess is to be spent on open space, capital improvements, and equipment replacement.

At December 31, 2020, the City had TABOR revenues of \$1,756,001 and total fund balance of \$28,272,723.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 11 – CONTINGENCIES (Continued)

TABOR Amendment (Continued)

Before the 2018 ballot issue was passed, the City refunded the excess TABOR collected. The following table summarizes the City of Lakewood's TABOR refunds:

| Year | Refunding Mechanism | Funded by | TABOR Calculated Refund |
|-------|----------------------------------|------------------------------------|-------------------------|
| 2008 | Rebated Stormwater fees | Stormwater Management Utility Fund | \$ 240,642 |
| 2010 | Rebated Stormwater fees | General Fund | 67,800 |
| 2013 | Rebated Stormwater fees | General Fund | 1,277,365 |
| 2014 | Property tax mill levy reduction | General Fund | 5,200,119 |
| 2015 | Property tax mill levy reduction | General Fund | 4,535,650 |
| 2016 | Property tax mill levy reduction | General Fund | 5,823,934 |
| Total | | | <u>\$ 17,145,510</u> |

Grants

The City receives revenue from various federal and state grant programs, which are subject to final review and approval as to the allowability of expenditures by the respective grantor agencies.

Litigation

The City is named in numerous lawsuits. In the opinion of the City Attorney, none of these lawsuits are expected to result in a material liability which would not be covered by the excess insurance coverage available in the self-insurance programs (see Note 10), or have a material effect on the City's financial statements.

Operating Leases

Golf Equipment Leases – The City entered into the following operating leases with PNC Equipment Finance, LLC for the rental of golf carts and other equipment at Homestead and Fox Hollow Golf Courses:

| Lease Date | Term of Lease | Monthly Payment Amount | Monthly Payment Beginning Date | Monthly Payment Ending Date |
|-------------------|---------------|------------------------|--------------------------------|-----------------------------|
| September 2, 2020 | 52 months | \$15,080 | October 2020 | March 2025 |
| June 16, 2018 | 48 months | \$2,172 | October 2018 | September 2022 |

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 11 – CONTINGENCIES (Continued)

Operating Leases (Continued)

Remaining payments required by the leases are as follows:

| Year | | Amount |
|-------------|----|----------------|
| 2021 | \$ | 207,024 |
| 2022 | | 200,508 |
| 2023 | | 180,960 |
| 2024 | | 180,960 |
| 2025 | | 45,240 |
| | \$ | <u>814,692</u> |

For all leases, the City may, at its option, purchase the equipment at the end of the term of the lease at a price equal to fair market value. The lease agreements require the City to return the equipment at the end of the lease term if the City does not exercise the purchase option.

NOTE 12 – TAX ABATEMENTS

The City has entered into certain agreements in an effort to promote economic development and re-development within the City. While the parties to the agreements and the various components therein are different, there are certain fundamentals that are consistent within each of the agreements.

1. Within each project, the City has agreed to either forego a portion of its sales tax, or pay a portion of its sales tax, in order to reimburse the property owners for construction and maintenance of public improvements.
2. In an effort to promote immediate economic development, the property owners have paid for and installed the improvements in advance.
3. Within each project agreement, the City has only committed to foregoing or reimbursing sales and use taxes generated within the given project area. The City has not committed to foregoing or reimbursing property developers from revenues not directly generated within the given project area.
4. In each project area, the revenues to the City were either zero or declining. As such, the City was in a position to both enhance its economic base and improve overall economic vitality in areas surrounding the specific projects.
5. Each financial agreement is set to terminate at either a date certain, or when a given amount of funds has been paid to reimburse the project developers, whichever occurs first.
6. In no instance has the City incurred or credit enhanced any debts or entered into any lease/purchase arrangements related to these agreements and project areas.
7. Since the reimbursements are payable solely from the sales tax revenue increments generated by each project area, long-term debt is not required to be reported on the City's financial statements.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 12 – TAX ABATEMENTS (Continued)

The transactions related to the following agreements are reported in the Capital Improvements Fund:

| Project Name | Maximum Amount Committed To Be Reimbursed Or Waived ⁽¹⁾ | Termination Of Reimbursement Obligation ⁽²⁾ | Description Of Sharing Arrangement | 2020 Amount Of Tax Shared With Developer | Future Contingent Payments Required By Agreement |
|---|---|---|---|---|---|
| Stevinson I ⁽³⁾ Annexation | Not Limited | 9/26/2029 | 1/4 th of 2% Sales Tax | \$1,388,323 | N/A |
| Stevinson II ⁽³⁾ Annexation | Not Limited | 10/9/2026 | 1/4 th of 2% Sales Tax | \$193,924 | N/A |

⁽¹⁾ Does not include interest and ancillary hard and soft costs.

⁽²⁾ The reimbursement will be terminated on the termination date, or whenever the reimbursement obligation has been satisfied, whichever occurs first.

⁽³⁾ The revenue reimbursements were approved by the voters.

Lakewood Reinvestment Authority and Economic Development Agreements

In 1997, Lakewood voters approved the formation of the Lakewood Reinvestment Authority. As required by Colorado statutes, the Lakewood Reinvestment Authority receives revenue from incremental sales and property taxes that are collected from a designated geographical area as defined in an urban renewal plan approved by the City. Incremental sales taxes represent the increase in municipal sales taxes collected within the same area for each twelve-month period beginning on the date the urban renewal plan is approved. Incremental sales taxes are collected by the City and remitted to the Lakewood Reinvestment Authority. Property tax revenue is earned from the same geographical area based upon the increase in assessed valuation of taxable property, attributable to redevelopment, within the area. Incremental property taxes are collected by Jefferson County and remitted to the Authority.

The Lakewood Reinvestment Authority has agreed to reimburse certain developers for costs incurred in the redevelopment of retail projects within certain urban renewal areas. These reimbursements are payable solely from the property and sales tax increment revenues generated by each project, and are not reported as liabilities in the financial statements. Certain fundamentals that are consistent within each of the agreements are noted above under “Economic Development Agreements.”

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 12 – TAX ABATEMENTS (Continued)

Lakewood Reinvestment Authority and Economic Development Agreements (Continued)

The sales and use tax revenue and expenditure transactions related to the following agreements are reported in the Lakewood Reinvestment Authority Capital Projects Fund:

| Project Name | Maximum Amount Committed To Be Reimbursed Or Waived ⁽¹⁾ | Termination Of Reimbursement Obligation ⁽²⁾ | Description Of Sharing Arrangement | 2020 Amount Of Tax Shared With Developer | Future Contingent Payments Required By Agreement |
|--------------------------------------|---|---|--|---|---|
| Belmar | \$120,000,000 | 9/10/2025 | 2/3 ^{rds} . of 3% Sales Tax Rate Waived | \$0 | N/A |
| Creekside Shopping Center (Wal-Mart) | \$24,320,435 ⁽³⁾ | 8/9/2024 | 100% of Sales Tax increment in excess of \$1,000,000 | \$1,737,616 | \$6,933,955 |

⁽¹⁾ In addition to the sales tax reimbursement or waiver for these projects, a public improvement fee (instituted privately by the developer) contributes to the overall reimbursement amount.

⁽²⁾ The reimbursement will be terminated on the termination date, or whenever the reimbursement

⁽³⁾ Does not include interest and ancillary hard and soft costs.

NOTE 13 – ADOPTION OF RECENT ACCOUNTING PRONOUNCEMENTS

For the year ended 2019, the City implemented Governmental Accounting Standards Board Statement No. 84 (GASB 84), *Fiduciary Activities*. This statement improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how these activities should be reported. The City reports one fiduciary fund – a Pension Trust Fund for the City Manager Pension Plan. Following the guidance of GASB 84 and related statements, there are no other fiduciary funds to report.

The City is electing to defer implementation of recently issued standards, per the allowance given by Governmental Accounting Standards Board Statement No. 95 (GASB 95), *Postponement of the Effective dates of Certain Authoritative Guidance*, in which the statement postponed effective dates for provisions in the Statements and Implementation guides that were effective or scheduled to become effective for periods beginning after June 15, 2018, and later.

NOTE 14 – COVID PANDEMIC

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency due to a new strain of coronavirus originating in Wuhan, China (COVID-19 outbreak), creating risks to the international community as the virus spreads globally beyond its point of origin. On March 11, 2020, the WHO declared the COVID-19 outbreak a worldwide pandemic, based on the rapid increase in exposure globally.

CITY OF LAKEWOOD, COLORADO
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

NOTE 14 – COVID PANDEMIC (Continued)

The City has evaluated the impact of COVID-19 through July 8, 2021, the date which the financial statements were available to be issued. As such, it is uncertain as to the full magnitude that the pandemic will have on the City's financial condition, liquidity, and future results of operations. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. Therefore, while the City expects this matter to negatively impact the City's results of operations and financial position, the weight of financial impact cannot be reasonably estimated at this time. Management is actively monitoring the global situation and the impact on the City.

On March 27, 2020, the "Coronavirus Aid, Relief, and Economic Security (CARES) Act" was signed into law. The City received \$12,288,070, from the CARES Act stimulus funding which is properly recorded in the City's financial reports.

NOTE 15 – SUBSEQUENT EVENTS

In 2021, the City of Lakewood is approved to receive \$21,581,066 from the American Reinvestment Plan funding to replace revenue loss as a result of the COVID pandemic.

No additional events requiring recognition or disclosure were identified.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF LAKEWOOD, COLORADO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
RETIRED CITY MANAGER PENSION PLAN
Last Ten Fiscal Years

| | 2020 | 2019 | 2018 | 2017 |
|---|---------------------|-------------------|-------------------|---------------------|
| Total Pension Liability | | | | |
| Interest Cost | \$ 209,644 | \$ 210,354 | \$ 210,706 | \$ 210,714 |
| Actuarial Variations | 8,093 | 6,010 | 4,343 | 2,593 |
| Benefits Paid | (230,360) | (223,648) | (217,138) | (210,000) |
| Net Change in Pension Liability | (12,623) | (7,284) | (2,089) | 3,307 |
| Total Pension Liability - Beginning | 3,216,590 | 3,223,874 | 3,225,963 | 3,222,656 |
| Total Pension Liability - Ending | 3,203,967 | 3,216,590 | 3,223,874 | 3,225,963 |
| Plan Fiduciary Net Position | | | | |
| Contributions - Employer | 240,000 | 250,000 | 225,000 | 210,000 |
| Net Investment Income | 147,529 | 139,361 | 131,302 | 123,758 |
| Benefit Payments | (230,360) | (223,648) | (217,138) | (210,810) |
| Administrative Expenses | (1,372) | (731) | (485) | (486) |
| Net Change in Plan Fiduciary Net Position | 155,797 | 164,982 | 138,679 | 122,462 |
| Plan Fiduciary Net Position - Beginning | 2,499,095 | 2,334,113 | 2,195,434 | 2,072,972 |
| Plan Fiduciary Net Position - Ending | 2,654,892 | 2,499,095 | 2,334,113 | 2,195,434 |
| Net Pension Liability - Ending | \$ 549,075 | \$ 717,495 | \$ 889,761 | \$ 1,030,529 |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 82.86% | 77.69% | 72.40% | 68.06% |
| Covered Payroll | No Active Employees | | | |
| Net Pension Liability as a Percentage of Covered Payroll | NA | NA | NA | NA |
| City Contributions | | | | |
| Actuarially Determined Contribution | \$ 52,810 | \$ 65,490 | \$ 75,851 | \$ 84,621 |
| Contribution in Relation to the Actuarially Determined Contribution | 230,230 | 223,522 | 217,138 | 210,810 |
| Contribution Deficiency (Excess) | \$ (177,420) | \$ (158,032) | \$ (141,287) | \$ (126,189) |
| Investment Returns | | | | |
| Annual Money-Weighted Rate of Return, Net of Investment Expense | 5.85% | 5.92% | 5.96% | 5.96% |

See the accompanying Independent Auditors' Report.

| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---------------------|--------------|--------------|--------------|--------------|--------------|
| \$ 210,500 | \$ 215,196 | \$ 208,748 | \$ 224,215 | \$ 221,620 | \$ 218,860 |
| (2,517) | (88,399) | 79,686 | (263,475) | 1,171 | 1,017 |
| (200,000) | (193,008) | (192,803) | (187,181) | (181,734) | (176,433) |
| 7,983 | (66,211) | 95,631 | (226,441) | 41,057 | 43,444 |
| 3,214,673 | 3,280,884 | 3,185,253 | 3,411,694 | 3,370,637 | 3,327,193 |
| 3,222,656 | 3,214,673 | 3,280,884 | 3,185,253 | 3,411,694 | 3,370,637 |
| 210,000 | 193,008 | 292,803 | 190,516 | 182,132 | 176,885 |
| 116,860 | 107,041 | 240,727 | 124,369 | 45,482 | 58,094 |
| (204,664) | (193,008) | (192,803) | (187,181) | (181,734) | (176,433) |
| (547) | (1,918) | (1,903) | (3,335) | (398) | (452) |
| 121,649 | 105,123 | 338,824 | 124,369 | 45,482 | 58,094 |
| 1,951,323 | 1,846,200 | 1,507,376 | 1,383,007 | 1,337,525 | 1,279,431 |
| 2,072,972 | 1,951,323 | 1,846,200 | 1,507,376 | 1,383,007 | 1,337,525 |
| \$ 1,149,684 | \$ 1,263,350 | \$ 1,434,684 | \$ 1,677,877 | \$ 2,028,687 | \$ 2,033,112 |
| 64.32% | 60.70% | 56.27% | 47.32% | 40.54% | 39.68% |
| No Active Employees | | | | | |
| NA | NA | NA | NA | NA | NA |
| \$ 92,987 | \$ 105,598 | \$ 123,498 | \$ 149,319 | \$ 149,645 | \$ 150,723 |
| 204,664 | 193,008 | 192,803 | 187,181 | 181,734 | 176,443 |
| \$ (111,677) | \$ (87,410) | \$ (69,305) | \$ (37,862) | \$ (32,089) | \$ (25,720) |
| 5.97% | 5.71% | 15.42% | 9.02% | 3.41% | 4.55% |

CITY OF LAKEWOOD, COLORADO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years

| | 2020 | 2019 | 2018 | 2017 |
|--|---------------|---------------|---------------|---------------|
| Total OPEB liability | | | | |
| Service cost | \$ 261,647 | \$ 180,151 | \$ 177,901 | \$ 173,096 |
| Interest | 321,821 | 246,335 | 196,359 | 198,391 |
| Changes of benefit terms | - | - | - | - |
| Differences between expected and actual experiences | 126,239 | 144,283 | (212,463) | (337,876) |
| Changes of assumptions or other inputs | - | 1,303,246 | 1,151,291 | - |
| Benefit payments | (243,600) | (318,768) | (70,020) | (99,575) |
| Net change in total OPEB liability | 466,107 | 1,555,247 | 1,243,068 | (65,964) |
| Total OPEB liability-beginning | 7,021,875 | 5,466,628 | 4,223,560 | 4,289,524 |
| Total OPEB liability-ending | 7,487,982 | 7,021,875 | 5,466,628 | 4,223,560 |
| Covered payroll | \$ 64,039,964 | \$ 64,694,985 | \$ 65,031,226 | \$ 63,161,430 |
| Total OPEB liability as a percentage of covered payroll | 11.69% | 10.85% | 8.41% | 6.69% |

This schedule is presented to show information for 10 years. Although the plan began prior to 2009, there is insufficient information to present years 2009-2011.

See the accompanying Independent Auditors' Report.

| 2016 | 2015 | 2014 | 2013 | 2012 |
|---------------|---------------|---------------|---------------|---------------|
| \$ 162,610 | \$ 144,265 | \$ 159,595 | \$ 147,777 | \$ 136,180 |
| 200,326 | 197,097 | 168,670 | 183,569 | 192,329 |
| - | - | - | - | - |
| (308,623) | (186,809) | 548,630 | (393,003) | (367,167) |
| - | - | - | - | - |
| (117,538) | (81,742) | (404,889) | (135,147) | (205,963) |
| (63,225) | 72,811 | 472,006 | (196,804) | (244,621) |
| 4,352,749 | 4,279,938 | 3,807,932 | 4,004,736 | 4,249,357 |
| 4,289,524 | 4,352,749 | 4,279,938 | 3,807,932 | 4,004,736 |
| \$ 61,690,440 | \$ 60,114,584 | \$ 57,677,144 | \$ 55,741,700 | \$ 54,563,474 |
| 6.95% | 7.24% | 7.42% | 6.83% | 7.34% |

CITY OF LAKEWOOD, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|----------------------------------|----------------------------|-------------------------|---------------|---|
| REVENUES | | | | |
| Taxes | | | | |
| Property Tax | \$ 11,023,829 | \$ 11,773,137 | \$ 11,888,221 | \$ 115,084 |
| Sales Tax | 66,090,556 | 57,224,918 | 61,551,813 | 4,326,895 |
| General Use Tax | 3,582,224 | 3,329,836 | 3,613,533 | 283,697 |
| Building Material Use Tax | 2,698,696 | 2,900,675 | 4,624,026 | 1,723,351 |
| Business and Occupational Tax | 3,304,084 | 3,672,965 | 3,861,558 | 188,593 |
| Specific Ownership Tax | 879,916 | 895,989 | 948,174 | 52,185 |
| Motor Vehicle Use Tax | 6,461,003 | 5,245,841 | 6,319,831 | 1,073,990 |
| Franchise Tax | 6,607,014 | 5,964,165 | 5,984,312 | 20,147 |
| Total Taxes | 100,647,322 | 91,007,526 | 98,791,468 | 7,783,942 |
| Licenses and Permits | | | | |
| Business Licenses and Permits | 566,657 | 569,443 | 595,782 | 26,339 |
| Nonbusiness Licenses and Permits | 2,484,515 | 2,907,832 | 3,515,881 | 608,049 |
| Total Licenses and Permits | 3,051,172 | 3,477,275 | 4,111,663 | 634,388 |
| Charges for Services | | | | |
| General Government | 1,027,884 | 852,431 | 757,457 | (94,974) |
| Public Safety | 1,068,708 | 930,026 | 908,859 | (21,167) |
| Culture and Recreation | 5,136,841 | 2,837,910 | 2,863,110 | 25,200 |
| Other Sales and Services | 5,042,651 | 3,986,767 | 3,565,191 | (421,576) |
| Total Charges for Services | 12,276,084 | 8,607,134 | 8,094,617 | (512,517) |
| Fines and Forfeitures | | | | |
| | 1,490,350 | 1,405,523 | 1,339,908 | (65,615) |
| Intergovernmental Revenue | | | | |
| State Government Shared Revenue | 4,576,496 | 4,514,528 | 3,869,730 | (644,798) |
| Local Government Grants | 71,540 | 43,324 | 43,019 | (305) |
| Local Government Shared Revenue | 1,391,851 | 1,372,670 | 1,359,848 | (12,822) |
| Total Intergovernmental Revenue | 6,039,887 | 5,930,522 | 5,272,597 | (657,925) |
| Miscellaneous | | | | |
| Investment Income | 530,393 | 530,393 | 2,388,942 | 1,858,549 |
| Other | 647,042 | 882,649 | 547,421 | (335,228) |
| Total Miscellaneous | 1,177,435 | 1,413,042 | 2,936,363 | 1,523,321 |
| Total Revenues | 124,682,250 | 111,841,022 | 120,546,616 | 8,705,594 |

(Continued)

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------|----------------------------|-------------------------|---------------|---|
| EXPENDITURES | | | | |
| General Government | | | | |
| Legislative | | | | |
| Personnel Services | 316,502 | 320,502 | 360,094 | (39,592) |
| Services and Supplies | 233,926 | 181,573 | 211,723 | (30,150) |
| Total Legislative | 550,428 | 502,075 | 571,817 | (69,742) |
| Judicial | | | | |
| Personnel Services | 2,839,173 | 2,712,228 | 2,726,636 | (14,408) |
| Services and Supplies | 372,581 | 249,409 | 264,510 | (15,101) |
| Total Judicial | 3,211,754 | 2,961,637 | 2,991,146 | (29,509) |
| Executive | | | | |
| Personnel Services | 2,190,251 | 1,959,382 | 1,952,457 | 6,925 |
| Services and Supplies | 440,736 | 287,286 | 229,668 | 57,618 |
| Capital Outlay | 3,500 | - | 1,624 | (1,624) |
| Total Executive | 2,634,487 | 2,246,668 | 2,183,749 | 62,919 |
| Administrative | | | | |
| Personnel Services | 9,369,773 | 7,478,837 | 7,965,500 | (486,663) |
| Services and Supplies | 3,646,899 | 3,198,120 | 3,461,167 | (263,047) |
| Capital Outlay | 20,200 | - | - | - |
| Total Administrative | 13,036,872 | 10,676,957 | 11,426,667 | (749,710) |
| Other | | | | |
| Personnel Services | 8,727,414 | 7,785,881 | 7,771,618 | 14,263 |
| Services and Supplies | 8,532,470 | 8,936,861 | 7,104,300 | 1,832,561 |
| Debt Service | 434,102 | 434,102 | 415,775 | 18,327 |
| Capital Outlay | 120,000 | 120,000 | 354,514 | (234,514) |
| Total Other | 17,813,986 | 17,276,844 | 15,646,207 | 1,630,637 |
| Total General Government | 37,247,527 | 33,664,181 | 32,819,586 | 844,595 |

(Continued)

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------|----------------------------|-------------------------|-------------------|---|
| EXPENDITURES (Continued) | | | | |
| Public Safety | | | | |
| Law Enforcement | | | | |
| Personnel Services | 52,929,536 | 48,105,221 | 42,133,676 | 5,971,545 |
| Services and Supplies | 6,769,912 | 6,396,640 | 6,093,907 | 302,733 |
| Capital Outlay | 53,000 | 53,000 | 111,330 | (58,330) |
| Total Law Enforcement | <u>59,752,448</u> | <u>54,554,861</u> | <u>48,338,913</u> | <u>6,215,948</u> |
| Corrections | | | | |
| Personnel Services | 885,152 | 931,838 | 886,981 | 44,857 |
| Services and Supplies | 31,455 | 12,175 | 5,132 | 7,043 |
| Total Corrections | <u>916,607</u> | <u>944,013</u> | <u>892,113</u> | <u>51,900</u> |
| Protective Inspection | | | | |
| Personnel Services | 2,883,648 | 2,868,131 | 3,015,202 | (147,071) |
| Services and Supplies | 102,509 | 118,509 | 164,779 | (46,270) |
| Total Protective Inspection | <u>2,986,157</u> | <u>2,986,640</u> | <u>3,179,981</u> | <u>(193,341)</u> |
| Other Protection | | | | |
| Personnel Services | 2,113,935 | 1,922,925 | 1,896,819 | 26,106 |
| Services and Supplies | 514,174 | 501,074 | 415,431 | 85,643 |
| Capital Outlay | 30,362 | 362 | - | 362 |
| Total Other Protection | <u>2,658,471</u> | <u>2,424,361</u> | <u>2,312,250</u> | <u>112,111</u> |
| Total Public Safety | <u>66,313,683</u> | <u>60,909,875</u> | <u>54,723,257</u> | <u>6,186,618</u> |
| Public Works | | | | |
| Highways and Streets | | | | |
| Personnel Services | 4,264,005 | 3,694,978 | 3,459,341 | 235,637 |
| Services and Supplies | 4,220,681 | 3,837,785 | 3,709,767 | 128,018 |
| Capital Outlay | 11,500 | 11,500 | 548 | 10,952 |
| Total Highways and Streets | <u>8,496,186</u> | <u>7,544,263</u> | <u>7,169,656</u> | <u>374,607</u> |
| Total Public Works | <u>8,496,186</u> | <u>7,544,263</u> | <u>7,169,656</u> | <u>374,607</u> |

(Continued)

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|----------------------|---|
| EXPENDITURES (Continued) | | | | |
| Culture and Recreation | | | | |
| Recreation | | | | |
| Personnel Services | 8,781,984 | 6,631,632 | 5,868,766 | 762,866 |
| Services and Supplies | 1,756,691 | 1,665,712 | 910,523 | 755,189 |
| Capital Outlay | 20,713 | 30,713 | - | 30,713 |
| Total Recreation | 10,559,388 | 8,328,057 | 6,779,289 | 1,548,768 |
| Parks | | | | |
| Personnel Services | 2,750,406 | 2,666,727 | 2,588,458 | 78,269 |
| Services and Supplies | 2,113,077 | 2,051,612 | 1,892,794 | 158,818 |
| Total Parks | 4,863,483 | 4,718,339 | 4,481,252 | 237,087 |
| Total Culture and Recreation | 15,422,871 | 13,046,396 | 11,260,541 | 1,785,855 |
| Urban Development and Housing | | | | |
| Personnel Services | 745,245 | 631,212 | 515,182 | 116,030 |
| Services and Supplies | 106,150 | 82,625 | 10,500 | 72,125 |
| Total Urban Development and Housing | 851,395 | 713,837 | 525,682 | 188,155 |
| Economic Opportunity | | | | |
| Personnel Services | 1,092,651 | 882,932 | 863,717 | 19,215 |
| Services and Supplies | 198,828 | 142,028 | 59,175 | 82,853 |
| Capital Outlay | 28,571 | - | - | - |
| Total Economic Opportunity | 1,320,050 | 1,024,960 | 922,892 | 102,068 |
| Total Expenditures | 129,651,712 | 116,903,512 | 107,421,614 | 9,481,898 |
| Excess (Deficiency) of Revenues | | | | |
| Over Expenditures | (4,969,462) | (5,062,490) | 13,125,002 | 18,187,492 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 3,038,000 | 3,038,000 | 3,038,000 | - |
| Transfers Out | (4,656,959) | (6,141,616) | (6,010,300) | 131,316 |
| Total Other Financing Sources (Uses) | (1,618,959) | (3,103,616) | (2,972,300) | 131,316 |
| Net Change in Fund Balance | \$ (6,588,421) | \$ (8,166,106) | 10,152,702 | \$ 18,318,808 |
| FUND BALANCE, Beginning of Year | | | 31,196,282 | |
| FUND BALANCE, End of Year | | | <u>\$ 41,348,984</u> | |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
GRANTS FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------|----------------------------|-------------------------|---------------|---|
| REVENUES | | | | |
| Intergovernmental | | | | |
| Federal Government Grants | \$ 5,434,682 | \$ 24,098,292 | \$ 16,701,511 | \$ (7,396,781) |
| State Government Grants | 2,405,293 | 3,658,499 | 2,555,865 | (1,102,634) |
| Local Government Grants | - | 80,000 | 163,601 | 83,601 |
| Total Intergovernmental | 7,839,975 | 27,836,791 | 19,420,977 | (8,415,814) |
| Investment Income | - | - | 2,756 | 2,756 |
| Total Revenues | 7,839,975 | 27,836,791 | 19,423,733 | (8,413,058) |
| EXPENDITURES | | | | |
| General Government | | | | |
| Personnel Services | 34,285 | 1,630,500 | 6,749,127 | (5,118,627) |
| Services and Supplies | - | 8,036,519 | 5,365,859 | 2,670,660 |
| Capital Outlay | 455,000 | 3,392,000 | 516,386 | 2,875,614 |
| Total General Government | 489,285 | 13,059,019 | 12,631,372 | 427,647 |
| Public Safety | | | | |
| Personnel Services | 966,755 | 1,492,835 | 869,119 | 623,716 |
| Services and Supplies | 2,350,223 | 2,452,634 | 1,565,279 | 887,355 |
| Capital Outlay | 1,221,000 | 3,229,651 | 858,318 | 2,371,333 |
| Total Public Safety | 4,537,978 | 7,175,120 | 3,292,716 | 3,882,404 |
| Public Works | | | | |
| Personnel Services | - | 5,576 | 35,679 | (30,103) |
| Capital Outlay | - | 7,890,000 | 3,842,996 | 4,047,004 |
| Total Public Works | - | 7,895,576 | 3,878,675 | 4,016,901 |

(Continued)

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
GRANTS FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|----------------|---|
| EXPENDITURES (Continued) | | | | |
| Culture and Recreation | | | | |
| Personnel Services | 46,918 | 46,585 | 18,432 | 28,153 |
| Services and Supplies | - | - | 6,692 | (6,692) |
| Total Culture and Recreation | 46,918 | 46,585 | 25,124 | 21,461 |
| Urban Development and Housing | | | | |
| Personnel Services | 164,571 | 164,267 | 136,945 | 27,322 |
| Services and Supplies | 927,100 | 1,698,638 | 907,688 | 790,950 |
| Capital Outlay | - | - | - | - |
| Total Urban Development and Housing | 1,091,671 | 1,862,905 | 1,044,633 | 818,272 |
| Economic Opportunity | | | | |
| Personnel Services | 1,184,761 | 1,326,240 | 1,313,695 | 12,545 |
| Services and Supplies | 257,285 | 257,285 | 261,297 | (4,012) |
| Total Economic Opportunity | 1,442,046 | 1,583,525 | 1,574,992 | 8,533 |
| Debt Service | | | | |
| Principal | 335,000 | 335,000 | 335,000 | - |
| Interest | 33,988 | 33,988 | 33,988 | - |
| Total Debt Service | 368,988 | 368,988 | 368,988 | - |
| Total Expenditures | 7,976,886 | 31,991,718 | 22,816,500 | 9,175,218 |
| Excess (Deficiency) of Revenues Over Expenditures | (136,911) | (4,154,927) | (3,392,767) | 762,160 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 144,184 | 4,757,218 | 1,178,927 | (3,578,291) |
| Transfers Out | - | - | (7,582) | (7,582) |
| Net Change in Fund Balance | \$ 7,273 | \$ 602,291 | (2,221,422) | \$ (2,823,713) |
| FUND BALANCE, Beginning of Year | | | (327,462) | |
| FUND BALANCE, End of Year | | | \$ (2,548,884) | |

See the accompanying Independent Auditor's Report.



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF LAKEWOOD, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended December 31, 2020

NOTE 1 – SCHEDULE OF CITY CONTRIBUTIONS

Actuarial Assumptions

Significant actuarial methods and assumptions used to determine the contribution rates for the Retired City Manager Pension Plan are as follows:

| | |
|---------------------------------|--|
| Valuation Date | Actuarially determined contribution rates are calculated as of December 31, 2020, one year prior to the fiscal year in which the contributions are reported. |
| Actuarial Cost Method | Entry Age |
| Amortization Method | Level Dollar Method over Fixed Period of Years |
| Remaining Amortization Period | 30 Years, Open |
| Asset Valuation Method | Contract Value of Invested Assets |
| Inflation | N/A |
| Benefits Expected Fixed | |
| COLA Increases | 3% Per Annum Compounded Annually |
| Investment Rate of Return | 6.75% Per Annum Compounded Annually, Net of Expenses |
| Number of Participants Employed | 0 |
| Number of Participants Retired | 1 |
| Retirement Date | September 19, 2009 |
| Mortality Rates | Modified 1994 Group Annuity Mortality Table Uni-Sex Rates |

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. As required by City Charter, by September 15, the City Manager shall submit to the Mayor and City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. Budgets for the Lakewood Public Building Authority and the Lakewood Reinvestment Authority are adopted by their governing boards.
2. Two public hearings are conducted at regular City Council meetings to obtain public comment.
3. Prior to November 1, the budget is legally enacted through passage of an ordinance.
4. Expenditures may not legally exceed budgeted appropriations at the fund level, and all annual appropriations lapse at year-end, except for those of the Capital Improvements Fund and certain projects of the Special Revenue Funds, which may be carried over. The City Manager is authorized to transfer budgeted amounts between departments within any fund and to expend amounts within the approved appropriations and the City Code. City Council has authorized the City Manager to move budget between funds and among departments as deemed appropriate.

CITY OF LAKEWOOD, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended December 31, 2020

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgetary Information (Continued)

5. Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Capital Projects, Internal Service, and Enterprise Funds.
6. Budgets for the General, Special Revenue, Capital Projects, and Internal Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The budgets for the Enterprise Funds are adopted on a basis consistent with GAAP except that debt proceeds are treated as revenues, capital outlay and debt service principal are treated as expenditures, and capital contributions are not budgeted.

Legal Compliance

For the year ended December 31, 2020, the Golf Course Enterprise Fund, Lakewood Public Building Authority (LPBA) Fund and the Property and Casualty Self-Insurance Fund expenditures exceeded the amounts budgeted by \$539,916, \$1,240,470 and \$511,809, respectively. These may be a violation of State statutes. Although no explicit budget amendment was prepared, the following events were approved by Council through ordinance: the LPBA exceeded budget due to Council approving the refunding of and new issue of debt and the Property and Casualty exceeded budget due to Council approved expenditures relating to the 2017 hail storm and related claims.

TABOR Amendment

In the November 2018 election, the citizens of the City passed ballot issue 2D, which lifts the TABOR limits on the City's budget through 2025. In addition, the ballot issue allowed the City to use the \$12.5 million that was identified for a refund in 2017. \$8.5 million of the refund must be used for open space and parkland purchases, \$2 million for police protective gear, safety-related and other needed items and \$2 million for infrastructure and transportation improvements.

Through December 31, 2025, any money collected in excess of the TABOR limits will be spent one-third each for open space and parkland purchases, improvements, and maintenance; police safety equipment, other assets or police agents; and transportation improvement to address high-priority safety concerns or for new and upgraded sidewalks, paths, streetlights or path lighting where needed for safety.

**SUPPLEMENTARY INFORMATION –
COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND
SCHEDULES**



THIS PAGE INTENTIONALLY LEFT BLANK

GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund accounts for all transactions of the City of Lakewood not accounted for in other funds. It is the City's primary operating fund. This fund represents an accounting for the City's ordinary operations financed from taxes and other general revenues and is the City's most significant fund in relation to overall expenditures.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are created to account for resources used for the acquisition and construction of major capital facilities and other capital assets other than those financed by proprietary funds and trust funds. These funds are established to maintain a separate accounting of specific capital projects as directed by City Council.

MAJOR FUNDS

CAPITAL IMPROVEMENT FUND

The purpose of the Capital Improvement Fund is to account for expenditures for the acquisition, construction, and improvements of capital assets. Revenue for this fund is primarily derived from one sixth of the City's sales and use taxes approved by voters and other intergovernmental revenues restricted for these purposes.

LAKESWOOD REINVESTMENT AUTHORITY CAPITAL PROJECT FUND

On November 4, 1997 registered electors approved the creation of an Urban Renewal Authority. Pursuant to the Urban Renewal Law, Colorado Revised Statutes 31-25-101, Et. Seq., and the Lakewood Charter. The City subsequently created an Urban Renewal Authority known as the Lakewood Reinvestment Authority to exercise the powers provided under Colorado's urban renewal law.

NON-MAJOR FUNDS

EQUIPMENT REPLACEMENT FUND

The Equipment Replacement Fund is established to accumulate resources to finance the acquisition, construction and improvements of vehicles, technology and public, education, and government access equipment.

SPECIAL REVENUE FUNDS

Special Revenue Funds are established for the purpose of accounting for monies received by the City from specific revenue sources that are restricted or committed to expenditures for specified purposes.

MAJOR FUNDS

GRANTS FUND

The Grants Fund is established to maintain a separate accounting for Federal, State, and other qualified grants.

TABOR FUND

The TABOR Fund was established to maintain a separate accounting for the spending of the excess revenue over the TABOR limit. The revenues were moved from other funds through transfers.



THIS PAGE INTENTIONALLY LEFT BLANK

SPECIAL REVENUE FUNDS (CONTINUED)

NON-MAJOR FUNDS

CONSERVATION TRUST FUND

This fund is established as required by Section 31-25-220, Colorado Revised Statutes, 1973 to account for monies received from the State of Colorado for Conservation Trust Fund (lottery) and restricted for the purposes of planning, acquisition, development and maintenance of new conservation sites or for capital improvements or maintenance for recreational purposes on public sites.

ECONOMIC DEVELOPMENT FUND

The Economic Development Fund is established by Ordinance 85-54 to account for the City's hotel accommodation taxes which were approved by the voters in 1987 and restricted for the purpose of promoting economic development within the City.

HERITAGE, CULTURE & ARTS FUND

This fund is established to provide a full complement of heritage, cultural, and art activities to the general public on a continuing basis financed primarily through user charges, intergovernmental revenues restricted to these activities, and other financial resources assigned specifically for these purposes.

OPEN SPACE FUND

This fund was established in 1987 to account for intergovernmental funds received from Jefferson County related to its Open Space Sales Tax Resolution approved by voters in 1980 and which restricts the use to open space purposes. Open space purposes include planning, development, construction, acquisition and maintenance of park and recreation capital improvements.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for payment of bond principal and interest from government resources. Financing is provided by ad valorem property taxes, and operating transfers from various funds.

NON-MAJOR FUNDS

LAKESWOOD PUBLIC BUILDING AUTHORITY DEBT SERVICE FUND

The Authority was incorporated as a nonprofit corporation on May 8, 1979 for the purpose of construction of municipal facilities for use by the City of Lakewood. This fund was established to facilitate the various issuances of Certificates of Participation financing the acquisition, construction, and equipping of various City facilities and certain offsite infrastructure improvements; the acquisition, construction, and equipping of a public library to be subleased to and operated by the Board of Trustees of the Jefferson County Library; capitalized interest; and paying issuance costs of the certificates.

CITY OF LAKEWOOD, COLORADO
CAPITAL IMPROVEMENTS FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------|----------------------------|-------------------------|---------------|---|
| REVENUES | | | | |
| Taxes | | | | |
| Sales Tax | \$ 12,530,861 | \$ 12,267,014 | \$ 11,636,134 | \$ (630,880) |
| General Use Tax | 651,994 | 639,580 | 720,848 | 81,268 |
| Building Material Use Tax | 619,500 | 873,961 | 913,919 | 39,958 |
| Motor Vehicle Use Tax | 1,071,193 | 1,071,193 | 1,263,966 | 192,773 |
| Total Taxes | 14,873,548 | 14,851,748 | 14,534,867 | (316,881) |
| Intergovernmental | | | | |
| State Government Shared Revenue | 2,063,773 | 2,063,773 | 1,921,790 | (141,983) |
| Miscellaneous | | | | |
| Investment Income | 217,489 | 217,489 | 315,666 | 98,177 |
| Other | 3,500 | 3,500 | - | (3,500) |
| Total Miscellaneous | 220,989 | 220,989 | 315,666 | 94,677 |
| Total Revenues | 17,158,310 | 17,136,510 | 16,772,323 | (364,187) |
| EXPENDITURES | | | | |
| General Government | | | | |
| Personnel Services | 126,353 | 113,720 | 113,688 | 32 |
| Services and Supplies | 1,490,000 | 1,828,000 | 1,942,574 | (114,574) |
| Capital Outlay | 1,175,000 | 1,883,000 | 567,083 | 1,315,917 |
| Total General Government | 2,791,353 | 3,824,720 | 2,623,345 | 1,201,375 |
| Public Safety | | | | |
| Personnel Services | 191,344 | 381,238 | 336,919 | 44,319 |
| Services and Supplies | 286,165 | 296,559 | 177,206 | 119,353 |
| Capital Outlay | 1,400,000 | 3,125,000 | 1,129,595 | 1,995,405 |
| Total Public Safety | 1,877,509 | 3,802,797 | 1,643,720 | 2,159,077 |
| Public Works | | | | |
| Personnel Services | 763,732 | 856,233 | 759,160 | 97,073 |
| Services and Supplies | 113,300 | 4,458,084 | 51,259 | 4,406,825 |
| Capital Outlay | 10,293,089 | 9,134,319 | 6,806,458 | 2,327,861 |
| Total Public Works | 11,170,121 | 14,448,636 | 7,616,877 | 6,831,759 |

(Continued)

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
CAPITAL IMPROVEMENTS FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|---------------|---|
| EXPENDITURES (Continued) | | | | |
| Culture and Recreation | | | | |
| Services and Supplies | 350 | - | - | - |
| Capital Outlay | 4,650 | - | - | - |
| Total Culture and Recreation | 5,000 | - | - | - |
| Economic Development | | | | |
| Services and Supplies | 10,000 | 35,000 | 21,791 | 13,209 |
| Capital Outlay | 2,095,139 | 2,095,139 | 1,582,247 | 512,892 |
| Total Economic Development | 2,105,139 | 2,130,139 | 1,604,038 | 526,101 |
| Total Expenditures | 17,949,122 | 24,206,292 | 13,487,980 | 10,718,312 |
| Excess (Deficiency) of Revenues Over Expenditures | (790,812) | (7,069,782) | 3,284,343 | 10,354,125 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 120,000 | 120,000 | 1,770,000 | 1,650,000 |
| Transfers Out | (3,719,000) | (3,719,000) | (4,518,579) | (799,579) |
| Total Other Financing Sources (Uses) | (3,599,000) | (3,599,000) | (2,748,579) | 850,421 |
| Net Change in Fund Balance | \$ (4,389,812) | \$ (10,668,782) | 535,764 | \$ 11,204,546 |
| FUND BALANCE, Beginning of Year | | | 16,959,911 | |
| FUND BALANCE, End of Year | | | \$ 17,495,675 | |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
LAKEWOOD REINVESTMENT AUTHORITY FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|---------------------|---|
| REVENUES | | | | |
| Taxes | | | | |
| Property Taxes Increment | \$ 10,294,291 | \$ 12,460,085 | \$ 12,797,533 | \$ 337,448 |
| General Sales Taxes Increment | 278,139 | 179,624 | 269,544 | 89,920 |
| Investment Income | 11,179 | 27,500 | 18,752 | (8,748) |
| Miscellaneous | 997,647 | 997,647 | 966,814 | (30,833) |
| Total Revenues | 11,581,256 | 13,664,856 | 14,052,643 | 387,787 |
| EXPENDITURES | | | | |
| Urban Development and Housing | | | | |
| Personnel Services | 60,965 | 99,512 | 76,251 | 23,261 |
| Services and Supplies | 420,345 | 420,345 | 206,297 | 214,048 |
| Capital Outlay | 10,379,918 | 12,710,790 | 12,551,973 | 158,817 |
| Debt Service | 281,154 | 281,154 | 152,721 | 128,433 |
| Total Expenditures | 11,142,382 | 13,511,801 | 12,987,242 | 524,559 |
| Excess (Deficiency) of Revenues Over Expenditures | 438,874 | 153,055 | 1,065,401 | 912,346 |
| Net Change in Fund Balance | <u>\$ 438,874</u> | <u>\$ 153,055</u> | 1,065,401 | <u>\$ 912,346</u> |
| FUND BALANCE, Beginning of Year | | | <u>5,436,737</u> | |
| FUND BALANCE, End of Year | | | <u>\$ 6,502,138</u> | |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
TABOR FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|---------------|---|
| REVENUES | | | | |
| Investment Income | \$ - | \$ - | \$ 385,484 | \$ 385,484 |
| Total Revenues | - | - | 385,484 | 385,484 |
| EXPENDITURES | | | | |
| Public Safety | | | | |
| Personnel Services | 422,239 | 302,868 | 308,760 | (5,892) |
| Services and Supplies | - | 816,500 | 276,293 | 540,207 |
| Capital Outlay | - | 1,184,261 | 591,341 | 592,920 |
| Total Public Safety | 422,239 | 2,303,629 | 1,176,394 | 1,127,235 |
| Public Works | | | | |
| Personnel Services | - | 49,241 | 16,750 | 32,491 |
| Capital Outlay | - | 3,542,791 | 65,427 | 3,477,364 |
| Total Public Works | - | 3,592,032 | 82,177 | 3,509,855 |
| Culture and Recreation | | | | |
| Capital Outlay | - | 9,117,522 | 961,668 | 8,155,854 |
| Total Culture and Recreation | - | 9,117,522 | 961,668 | 8,155,854 |
| Total Expenditures | 422,239 | 15,013,183 | 2,220,239 | 12,792,944 |
| Excess (Deficiency) of Revenues Over Expenditures | (422,239) | (15,013,183) | (1,834,755) | 13,178,428 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | - | 1,760,000 | 1,756,001 | (3,999) |
| Net Change in Fund Balance | \$ - | \$ - | (78,754) | \$ - |
| FUND BALANCE, Beginning of Year | | | 28,351,477 | |
| FUND BALANCE, End of Year | | | \$ 28,272,723 | |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2020

| | Special Revenue Funds | | | |
|---|----------------------------|---------------------------------|---------------------------------------|-----------------------|
| | Conservation Trust Fund | Economic Development Fund | Heritage, Culture and Arts Fund | Open Space Fund |
| ASSETS | | | | |
| Cash and Investments | \$ 2,121,045 | \$ 9,216,004 | \$ 591,634 | \$ 9,923,104 |
| Restricted Cash and Investments | - | - | - | - |
| Accounts Receivable | - | 47,261 | 208,234 | 1,215,499 |
| Inventories | - | - | 29,480 | - |
| Prepays | - | - | 11,000 | - |
| Total Assets | <u>\$ 2,121,045</u> | <u>\$ 9,263,265</u> | <u>\$ 840,348</u> | <u>\$ 11,138,603</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 58,357 | \$ 3,130 | \$ 55,485 | \$ 21,847 |
| Accrued Liabilities | - | 6,045 | 19,009 | 28,207 |
| Refundable Deposits | - | - | 1,300 | - |
| Retainage Payable | 3,002 | - | 12,505 | - |
| Unearned Revenues | - | - | 179,959 | - |
| Total Liabilities | <u>61,359</u> | <u>9,175</u> | <u>268,258</u> | <u>50,054</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Grants | - | - | 208,234 | - |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Inventories | - | - | 29,480 | - |
| Prepays | - | - | 11,000 | - |
| Restricted for: | | | | |
| Parks and Open Space | 2,059,686 | - | - | 11,088,549 |
| Economic Development | - | 9,254,090 | - | - |
| Debt Service | - | - | - | - |
| Assigned to: | | | | |
| Cultural Activities | - | - | 323,376 | - |
| Capital Improvements | - | - | - | - |
| Total Fund Balances | <u>2,059,686</u> | <u>9,254,090</u> | <u>363,856</u> | <u>11,088,549</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 2,121,045</u> | <u>\$ 9,263,265</u> | <u>\$ 840,348</u> | <u>\$ 11,138,603</u> |

See the accompanying Independent Auditor's Report.

| Debt Service | Capital Projects | |
|------------------------|-------------------------|-----------------------|
| Lakewood | Equipment | Total Nonmajor |
| Public Building | Replacement | Governmental |
| Authority | Fund | Funds |
| \$ - | \$ 5,082,797 | \$ 26,934,584 |
| 7,478,580 | - | 7,478,580 |
| - | - | 1,470,994 |
| - | - | 29,480 |
| - | - | 11,000 |
| <u>\$ 7,478,580</u> | <u>\$ 5,082,797</u> | <u>\$ 35,924,638</u> |
| | | |
| \$ 106,686 | \$ 1,060,471 | \$ 1,305,976 |
| - | - | 53,261 |
| - | - | 1,300 |
| - | - | 15,507 |
| - | - | 179,959 |
| <u>106,686</u> | <u>1,060,471</u> | <u>1,556,003</u> |
| | | |
| - | - | 208,234 |
| | | |
| - | - | 29,480 |
| - | - | 11,000 |
| | | |
| - | - | 13,148,235 |
| - | - | 9,254,090 |
| 7,371,894 | - | 7,371,894 |
| | | |
| - | - | 323,376 |
| - | 4,022,326 | 4,022,326 |
| <u>7,371,894</u> | <u>4,022,326</u> | <u>34,160,401</u> |
| | | |
| <u>\$ 7,478,580</u> | <u>\$ 5,082,797</u> | <u>\$ 35,924,638</u> |

CITY OF LAKEWOOD, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2020

| | Special Revenue Funds | | | |
|--|----------------------------|---------------------------------|---------------------------------------|-----------------------|
| | Conservation Trust Fund | Economic Development Fund | Heritage, Culture and Arts Fund | Open Space Fund |
| REVENUES | | | | |
| Taxes | \$ - | \$ 940,424 | \$ - | \$ - |
| Charges for Services | - | 19,050 | 358,772 | 3,371 |
| Intergovernmental | 1,765,079 | - | 453,181 | 10,442,253 |
| Investment Income | 24,984 | 126,568 | - | 108,287 |
| Miscellaneous | - | - | 25,638 | - |
| Total Revenues | 1,790,063 | 1,086,042 | 837,591 | 10,553,911 |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | - | - | - | - |
| Culture and Recreation | - | - | 1,981,682 | 3,963,332 |
| Urban Development and Housing | - | 626,367 | - | - |
| Capital Outlay | | | | |
| General Government | - | - | - | - |
| Culture and Recreation | 682,332 | 33,916 | 221,015 | 1,565,849 |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Bond Issuance Costs | - | - | - | - |
| Total Expenditures | 682,332 | 660,283 | 2,202,697 | 5,529,181 |
| Excess (Deficiency) of Revenues Over Expenditures | 1,107,731 | 425,759 | (1,365,106) | 5,024,730 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Gain on Sale of Capital Asset | - | - | - | - |
| Payment to Escrow Agent for COP refunding | - | - | - | - |
| Proceeds from COP Refunding | - | - | - | - |
| Transfers In | - | 7,582 | 800,000 | - |
| Transfers Out | (620,865) | - | - | (2,000,944) |
| Total Other Financing Sources (Uses) | (620,865) | 7,582 | 800,000 | (2,000,944) |
| Net Change in Fund Balances | 486,866 | 433,341 | (565,106) | 3,023,786 |
| FUND BALANCES, Beginning of Year | 1,572,820 | 8,820,749 | 928,962 | 8,064,763 |
| FUND BALANCES, End of Year | \$ 2,059,686 | \$ 9,254,090 | \$ 363,856 | \$ 11,088,549 |

See the accompanying Independent Auditor's Report.

| Debt Service | Capital Projects | |
|------------------------|-------------------------|-----------------------|
| Lakewood | Equipment | Total Nonmajor |
| Public Building | Replacement | Governmental |
| Authority | Fund | Funds |
| \$ - | \$ - | \$ 940,424 |
| - | 1,908,784 | 2,289,977 |
| - | - | 12,660,513 |
| 139,284 | - | 399,123 |
| - | - | 25,638 |
| 139,284 | 1,908,784 | 16,315,675 |
| 1,450 | 63,877 | 65,327 |
| - | - | 5,945,014 |
| - | - | 626,367 |
| - | 2,889,409 | 2,889,409 |
| - | - | 2,503,112 |
| 4,605,000 | - | 4,605,000 |
| 528,632 | - | 528,632 |
| 69,359 | - | 69,359 |
| 5,204,441 | 2,953,286 | 17,232,220 |
| (5,065,157) | (1,044,502) | (916,545) |
| - | 196,910 | 196,910 |
| (1,161,391) | - | (1,161,391) |
| 5,660,000 | - | 5,660,000 |
| 5,049,792 | 400,000 | 6,257,374 |
| - | (80,000) | (2,701,809) |
| 9,548,401 | 516,910 | 8,251,084 |
| 4,483,244 | (527,592) | 7,334,539 |
| 2,888,650 | 4,549,918 | 26,825,862 |
| \$ 7,371,894 | \$ 4,022,326 | \$ 34,160,401 |

CITY OF LAKEWOOD, COLORADO
CONSERVATION TRUST FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|----------------------------|-------------------------|---------------------|---|
| REVENUES | | | | |
| Intergovernmental | | | | |
| State Government Shared Revenue | \$ 1,350,000 | \$ 1,350,000 | \$ 1,765,079 | \$ 415,079 |
| Investment Income | 10,907 | 24,960 | 24,984 | 24 |
| Miscellaneous | - | 165,000 | - | (165,000) |
| | <u>1,360,907</u> | <u>1,539,960</u> | <u>1,790,063</u> | <u>250,103</u> |
| EXPENDITURES | | | | |
| Culture and Recreation | | | | |
| Capital Outlay | 945,000 | 1,590,000 | 682,332 | 907,668 |
| | <u>945,000</u> | <u>1,590,000</u> | <u>682,332</u> | <u>907,668</u> |
| Excess of Revenues Over Expenditures | 415,907 | (50,040) | 1,107,731 | 1,157,771 |
| OTHER FINANCING (USES) | | | | |
| Transfers Out | (625,600) | (625,600) | (620,865) | 4,735 |
| | <u>(625,600)</u> | <u>(625,600)</u> | <u>(620,865)</u> | <u>4,735</u> |
| Net Change in Fund Balance | <u>\$ (209,693)</u> | <u>\$ (675,640)</u> | 486,866 | <u>\$ 1,162,506</u> |
| FUND BALANCE, Beginning of Year | | | <u>1,572,820</u> | |
| FUND BALANCE, End of Year | | | <u>\$ 2,059,686</u> | |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
ECONOMIC DEVELOPMENT FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|---------------|---|
| REVENUES | | | | |
| Hotel Accommodation Taxes | \$ 1,600,000 | \$ 1,083,684 | \$ 940,424 | \$ (143,260) |
| Charges for Services | 85,000 | 85,000 | 19,050 | (65,950) |
| Investment Income | 50,000 | 50,000 | 126,568 | 76,568 |
| Total Revenues | 1,735,000 | 1,218,684 | 1,086,042 | (132,642) |
| EXPENDITURES | | | | |
| Urban Development and Housing | | | | |
| Personnel Services | 643,494 | 498,424 | 444,289 | 54,135 |
| Services and Supplies | 1,563,850 | 1,563,850 | 182,078 | 1,381,772 |
| Capital Outlay | 3,000 | 3,000 | 33,916 | (30,916) |
| Total Expenditures | 2,210,344 | 2,065,274 | 660,283 | 1,404,991 |
| Excess (Deficiency) of Revenues Over Expenditures | (475,344) | (846,590) | 425,759 | 1,272,349 |
| OTHER FINANCING SOURCES | | | | |
| Transfers In | - | - | 7,582 | 7,582 |
| Net Change in Fund Balance | \$ (475,344) | \$ (846,590) | 433,341 | \$ 1,279,931 |
| FUND BALANCE, Beginning of Year | | | 8,820,749 | |
| FUND BALANCE, End of Year | | | \$ 9,254,090 | |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
HERITAGE, CULTURE AND ARTS FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|----------------------------|-------------------------|---------------|---|
| REVENUES | | | | |
| Charges for Services | \$ 1,409,355 | \$ 605,826 | \$ 358,772 | \$ (247,054) |
| Intergovernmental | | | | |
| Federal Grants | 12,500 | 4,814 | 2,314 | (2,500) |
| State Government Grants | 350,000 | 550,000 | 391,532 | (158,468) |
| Local Government Grants | 11,000 | 11,000 | 59,335 | 48,335 |
| Miscellaneous | 195,500 | 65,142 | 25,638 | (39,504) |
| Total Revenues | 1,978,355 | 1,236,782 | 837,591 | (399,191) |
| EXPENDITURES | | | | |
| Culture and Recreation | | | | |
| Personnel Services | 2,205,106 | 1,864,629 | 1,692,019 | 172,610 |
| Services and Supplies | 1,156,969 | 460,796 | 289,663 | 171,133 |
| Capital Outlay | 215,872 | 447,824 | 221,015 | 226,809 |
| Total Expenditures | 3,577,947 | 2,773,249 | 2,202,697 | 570,552 |
| Deficiency of Revenues Over Expenditures | (1,599,592) | (1,536,467) | (1,365,106) | 171,361 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 1,458,199 | 845,000 | 800,000 | (45,000) |
| Net Change in Fund Balance | \$ (141,393) | \$ (691,467) | (565,106) | \$ 126,361 |
| FUND BALANCE, Beginning of Year | | | 928,962 | |
| FUND BALANCE, End of Year | | | \$ 363,856 | |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
OPEN SPACE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|----------------------|---|
| REVENUES | | | | |
| Charges for Services | \$ 5,000 | \$ 5,000 | \$ 3,371 | \$ (1,629) |
| County Open Space Shared Revenues | 5,079,906 | 7,100,768 | 10,442,253 | 3,341,485 |
| Investment Income | 24,348 | 120,960 | 108,287 | (12,673) |
| Total Revenues | 5,109,254 | 7,226,728 | 10,553,911 | 3,327,183 |
| EXPENDITURES | | | | |
| Culture and Recreation | | | | |
| Parks and Open Space | | | | |
| Personnel Services | 3,245,276 | 3,053,312 | 2,655,282 | 398,030 |
| Services and Supplies | 1,180,360 | 1,200,360 | 1,308,050 | (107,690) |
| Capital Outlay | 11,800 | 4,703,663 | 1,565,849 | 3,137,814 |
| Total Expenditures | 4,437,436 | 8,957,335 | 5,529,181 | 3,428,154 |
| Deficiency of Revenues | | | | |
| Over Expenditures | 671,818 | (1,730,607) | 5,024,730 | 6,755,337 |
| OTHER FINANCING (USES) | | | | |
| Transfers Out | (353,519) | (353,519) | (2,000,944) | (1,647,425) |
| Total Other Financing Sources (Uses) | (353,519) | (353,519) | (2,000,944) | (1,647,425) |
| Net Change in Fund Balance | \$ 318,299 | \$ (2,084,126) | 3,023,786 | \$ 5,107,912 |
| FUND BALANCE, Beginning of Year | | | 8,064,763 | |
| FUND BALANCE, End of Year | | | <u>\$ 11,088,549</u> | |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
LAKEWOOD PUBLIC BUILDING AUTHORITY
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|----------------------------|-------------------------|----------------------------|---|
| REVENUES | | | | |
| Investment Income | \$ 140,000 | \$ 140,000 | \$ 139,284 | \$ (716) |
| Total Revenues | 140,000 | 140,000 | 139,284 | (716) |
| EXPENDITURES | | | | |
| General Government | | | | |
| Services and Supplies | 1,700 | 1,700 | 1,450 | 250 |
| Total General Government | 1,700 | 1,700 | 1,450 | 250 |
| Debt Service | | | | |
| Principal | 4,605,000 | 4,605,000 | 4,605,000 | - |
| Interest and Fiscal Charges | 518,662 | 518,662 | 528,632 | (9,970) |
| Bond Issuance Costs | - | - | 69,359 | (69,359) |
| Total Debt Service | 5,123,662 | 5,123,662 | 5,202,991 | (79,329) |
| Total Expenditures | 5,125,362 | 5,125,362 | 5,204,441 | (79,079) |
| Deficiency of Revenues Over Expenditures | (4,985,362) | (4,985,362) | (5,065,157) | (79,795) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Payment to Escrow Agent for COP refunding | - | - | 5,660,000 | 5,660,000 |
| Proceeds from COP Refunding | - | - | (1,161,391) | (1,161,391) |
| Transfers In | 4,977,162 | 4,977,162 | 5,049,792 | 72,630 |
| Net Change in Fund Balance | <u>\$ (4,985,362)</u> | <u>\$ (4,985,362)</u> | 4,483,244 | <u>\$ 9,468,606</u> |
| FUND BALANCE, Beginning of Year | | | <u>2,888,650</u> | |
| FUND BALANCE, End of Year | | | <u><u>\$ 7,371,894</u></u> | |

See the accompanying Independent Auditors' Report.

CITY OF LAKEWOOD, COLORADO
EQUIPMENT REPLACEMENT FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|---------------|---|
| REVENUES | | | | |
| Charges for Services | \$ 2,157,989 | \$ 2,157,989 | \$ 1,908,784 | \$ (249,205) |
| Total Revenues | 2,157,989 | 2,157,989 | 1,908,784 | (249,205) |
| EXPENDITURES | | | | |
| General Government | | | | |
| Personnel Services | - | 62 | 2,657 | (2,595) |
| Services and Supplies | 395,000 | 230,000 | 61,220 | 168,780 |
| Capital Outlay | 4,105,000 | 4,361,000 | 2,889,409 | 1,471,591 |
| Total Expenditures | 4,500,000 | 4,591,062 | 2,953,286 | 1,637,776 |
| Excess (Deficiency) of Revenues Over Expenditures | (2,342,011) | (2,433,073) | (1,044,502) | 1,388,571 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Gain on Sale of Capital Assets | 200,000 | 200,000 | 196,910 | (3,090) |
| Transfers In | 400,000 | 400,000 | 400,000 | - |
| Transfers Out | (80,000) | (80,000) | (80,000) | - |
| Total Other Financing Sources (Uses) | 520,000 | 520,000 | 516,910 | - |
| Net Change in Fund Balance | \$ (1,822,011) | \$ (1,913,073) | (527,592) | \$ 1,385,481 |
| FUND BALANCE, Beginning of Year | | | 4,549,918 | |
| FUND BALANCE, End of Year | | | \$ 4,022,326 | |

See the accompanying Independent Auditor's Report.



THIS PAGE INTENTIONALLY LEFT BLANK

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises—where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City Council has decided that periodic determination of net income is appropriate for accountability purposes.

MAJOR FUNDS

GOLF COURSE ENTERPRISE FUND

The Golf Course Fund was established in 1990 to develop Fox Hollow at Lakewood Golf Course, which opened in August 1993. An additional golf course, Homestead Golf Course, was completed in summer 2002.

SEWER ENTERPRISE FUND

The Lakewood Board of Water and Sewer Enterprise Fund was established as required by Chapter 13.04, Section 080 of the City of Lakewood Municipal Code, 1974 supplement, to account for sewer services provided to Lakewood residents on a user charge basis.

STORMWATER ENTERPRISE FUND

The Stormwater Enterprise Fund was created by City Council adopting Ordinance O-98-28 to account for user fees collected from property owners to maintain existing storm water facilities, meet federal requirements for storm water quality, and to build new drainage facilities. All activities necessary to provide such services are accounted for in this fund.

NON-MAJOR FUNDS

WATER ENTERPRISE FUND

The Lakewood Board of Water and Sewer Enterprise Fund was established as required by Chapter 13.04, Section 080 of the City of Lakewood Municipal Code, 1974 supplement, to account for water services provided to Lakewood residents on a user charge basis.

CITY OF LAKEWOOD, COLORADO
GOLF COURSE ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|----------------------------|-------------------------|---------------------|---|
| REVENUES | | | | |
| Charges for Services | \$ 5,226,713 | \$ 5,226,713 | \$ 6,565,267 | \$ 1,338,554 |
| Investment Income | - | - | 643 | 643 |
| Miscellaneous | - | - | 2,540 | 2,540 |
| Total Revenues | 5,226,713 | 5,226,713 | 6,568,450 | 1,341,737 |
| EXPENDITURES | | | | |
| Cost of Goods Sold | 286,151 | 285,000 | 325,280 | (40,280) |
| Personnel Services | 2,917,660 | 2,923,666 | 2,870,890 | 52,776 |
| Services and Supplies | 961,014 | 1,005,051 | 1,480,657 | (475,606) |
| Capital Outlay | 125,000 | 110,000 | 86,857 | 23,143 |
| Depreciation | 242,632 | 242,632 | 266,508 | (23,876) |
| Transfers Out | 814,724 | 685,959 | 762,032 | (76,073) |
| Total Expenditures | 5,347,181 | 5,252,308 | 5,792,224 | (539,916) |
| Change in Net Position, Budgetary Basis | <u>\$ (120,468)</u> | <u>\$ (25,595)</u> | 776,226 | <u>\$ 801,821</u> |
| ADJUSTMENTS TO GAAP BASIS | | | | |
| Capital Additions | | | 79,168 | |
| CHANGE IN NET POSITION, GAAP BASIS | | | 855,394 | |
| NET POSITION, Beginning of Year | | | 8,615,335 | |
| NET POSITION, End of Year | | | <u>\$ 9,470,729</u> | |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
SEWER ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|----------------------------|-------------------------|---------------|---|
| REVENUES | | | | |
| Charges for Services | \$ 4,237,240 | \$ 4,635,000 | \$ 4,387,290 | \$ (247,710) |
| Investment Income | 41,700 | 41,700 | 101,108 | 59,408 |
| System Investment Fees | 500,000 | 500,000 | 1,013,150 | 513,150 |
| Total Revenues | 4,778,940 | 5,176,700 | 5,501,548 | 324,848 |
| EXPENDITURES | | | | |
| Personnel Services | 746,095 | 683,544 | 673,457 | 10,087 |
| Services and Supplies | 574,470 | 591,470 | 398,854 | 192,616 |
| Sanitation Treatment | 2,903,600 | 2,849,096 | 2,847,252 | 1,844 |
| Capital Outlay | 1,800,000 | 1,200,000 | 332,381 | 867,619 |
| Depreciation | 408,896 | 408,896 | 498,041 | (89,145) |
| Total Expenditures | 6,433,061 | 5,733,006 | 4,749,985 | 983,021 |
| Change in Net Position, Budgetary Basis | \$ (1,654,121) | \$ (556,306) | 751,563 | \$ 1,307,869 |
| ADJUSTMENTS TO GAAP BASIS | | | | |
| Capital Additions | | | 329,032 | |
| CHANGE IN NET POSITION, GAAP BASIS | | | 1,080,595 | |
| NET POSITION, Beginning of Year | | | 11,907,158 | |
| NET POSITION, End of Year | | | \$ 12,987,753 | |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
STORMWATER ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|----------------------------|-------------------------|----------------------|---|
| REVENUES | | | | |
| Charges for Services | \$ 4,985,000 | \$ 5,115,000 | \$ 5,187,219 | \$ 72,219 |
| Investment Income | 24,500 | 24,500 | 102,602 | 78,102 |
| Total Revenues | 5,009,500 | 5,139,500 | 5,289,821 | 150,321 |
| EXPENDITURES | | | | |
| Personnel Services | 1,493,035 | 1,422,933 | 1,372,547 | 50,386 |
| Services and Supplies | 1,076,308 | 1,064,308 | 871,191 | 193,117 |
| Capital Outlay | 3,000,000 | 4,210,000 | 1,603,878 | 2,606,122 |
| Depreciation | 500,000 | 542,079 | 671,422 | (129,343) |
| Total Expenditures | 6,069,343 | 7,239,320 | 4,519,038 | 2,720,282 |
| Change in Net Position, Budgetary Basis | <u>\$ (1,059,843)</u> | <u>\$ (2,099,820)</u> | 770,783 | <u>\$ 2,870,603</u> |
| ADJUSTMENTS TO GAAP BASIS | | | | |
| Capital Additions | | | <u>1,602,528</u> | |
| CHANGE IN NET POSITION, GAAP BASIS | | | 2,373,311 | |
| NET POSITION, Beginning of Year | | | <u>21,695,517</u> | |
| NET POSITION, End of Year | | | <u>\$ 24,068,828</u> | |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
WATER ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|----------------------------|-------------------------|---------------------|---|
| REVENUES | | | | |
| Charges for Services | \$ 1,150,200 | \$ 1,150,000 | \$ 1,317,214 | \$ 167,214 |
| Investment Income | 14,000 | 14,000 | 25,790 | 11,790 |
| System Investment Fees | 25,000 | 50,000 | 80,400 | 30,400 |
| Total Revenues | 1,189,200 | 1,214,000 | 1,423,404 | 209,404 |
| EXPENDITURES | | | | |
| Personnel Services | 134,791 | 152,552 | 142,480 | 10,072 |
| Services and Supplies | 118,528 | 76,578 | 55,213 | 21,365 |
| Water Purchased | 925,000 | 950,000 | 952,542 | (2,542) |
| Capital Outlay | 150,000 | 1,750,000 | 1,764 | 1,748,236 |
| Depreciation | 48,732 | 48,732 | 9,532 | 39,200 |
| Total Expenditures | 1,377,051 | 2,977,862 | 1,161,531 | 1,816,331 |
| Change in Net Position, Budgetary Basis | <u>\$ (187,851)</u> | <u>\$ (1,763,862)</u> | 261,873 | <u>\$ 2,025,735</u> |
| ADJUSTMENTS TO GAAP BASIS | | | | |
| Capital Additions | | | - | |
| CHANGE IN NET POSITION, GAAP BASIS | | | 261,873 | |
| NET POSITION, Beginning of Year | | | 2,361,509 | |
| NET POSITION, End of Year | | | <u>\$ 2,623,382</u> | |

See the accompanying Independent Auditor's Report.



THIS PAGE INTENTIONALLY LEFT BLANK

INTERNAL SERVICE FUNDS

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.

PROPERTY AND CASUALTY SELF-INSURANCE FUND

This fund was established by Ordinance for the purpose of paying premiums, claims, judgments, settlements, legal fees, and any other self-insurance related program expenses. The City has chosen to use large self-insured retentions/deductibles for its property and casualty insurance program through the municipal insurance pool.

WORKERS' COMPENSATION SELF-INSURANCE FUND

This fund was established by Ordinance for worker's compensation self-insurance purposes which include the payment of claims, administrative expenses, employee compensation, and funding a loss control program.

MEDICAL AND DENTAL SELF-INSURANCE FUND

This fund was established by Ordinance for employee medical and/or dental self-insurance purposes which include the payment of claims, administrative expenses, legal expenses and payment for prevention efforts. On April 1, 2010, the self-insurance program for medical claims was discontinued.

RETIREES' HEALTH PROGRAM FUND

The Retirees' Health Program Fund was established to account for all of the necessary activities of two benefit plans--the Benefit Trust Plan, a defined contribution retirement plan that distributes a lump sum amount to eligible employees upon retirement, and the Pre-Funded Health Care Plan which distributes a monthly payment to eligible employees upon retirement to supplement insurance premiums.

CITY OF LAKEWOOD, COLORADO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2020

| | Property and Casualty | Workers' Compensation | Medical and Dental | Retirees' Health | Total |
|---------------------------------------|--------------------------------------|----------------------------------|-------------------------------|-----------------------------|----------------------|
| ASSETS | | | | | |
| Cash and Investments | \$ 3,553,259 | \$ 1,936,138 | \$ 13,528,236 | \$ 4,405,513 | \$ 23,423,146 |
| Total Assets | <u>\$ 3,553,259</u> | <u>\$ 1,936,138</u> | <u>\$ 13,528,236</u> | <u>\$ 4,405,513</u> | <u>\$ 23,423,146</u> |
| LIABILITIES AND NET POSITION | | | | | |
| LIABILITIES | | | | | |
| Accounts Payable | \$ 32,044 | \$ 57,138 | \$ 26,033 | \$ - | \$ 115,215 |
| Accrued Liabilities | 1,849 | 1,639 | 2,579 | 2,403 | 8,470 |
| Claims Payable | <u>964,642</u> | <u>1,123,927</u> | <u>466,961</u> | <u>-</u> | <u>2,555,530</u> |
| Total Liabilities | <u>998,535</u> | <u>1,182,704</u> | <u>495,573</u> | <u>2,403</u> | <u>2,679,215</u> |
| NET POSITION | | | | | |
| Unrestricted | <u>2,554,724</u> | <u>753,434</u> | <u>13,032,663</u> | <u>4,403,110</u> | <u>20,743,931</u> |
| Total Net Position | <u>2,554,724</u> | <u>753,434</u> | <u>13,032,663</u> | <u>4,403,110</u> | <u>20,743,931</u> |
| Total Liabilities and Net Position | <u>\$ 3,553,259</u> | <u>\$ 1,936,138</u> | <u>\$ 13,528,236</u> | <u>\$ 4,405,513</u> | <u>\$ 23,423,146</u> |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
Year Ended December 31, 2020

| | Property and Casualty | Workers' Compensation | Medical and Dental | Retirees' Health | Total |
|--|--------------------------------------|----------------------------------|-------------------------------|-----------------------------|----------------------|
| OPERATING REVENUES | | | | | |
| Charges for Services | \$ 600,000 | \$ 600,000 | \$ 12,840,180 | \$ 320,000 | \$ 14,360,180 |
| Miscellaneous | 1,657,229 | - | 424,833 | - | 2,082,062 |
| Total Revenues | 2,257,229 | 600,000 | 13,265,013 | 320,000 | 16,442,242 |
| OPERATING EXPENSES | | | | | |
| Personnel Services | 159,581 | 133,305 | 221,186 | 20,514 | 534,586 |
| Other Expenses | 183,808 | 89,363 | 486,874 | - | 760,045 |
| Claims | 1,288,275 | 802,863 | 7,458,601 | - | 9,549,739 |
| Premiums | 597,200 | 133,794 | 2,249,802 | 23,047 | 3,003,843 |
| Total Expenses | 2,228,864 | 1,159,325 | 10,416,463 | 43,561 | 13,848,213 |
| Operating Income (Loss) | 28,365 | (559,325) | 2,848,550 | 276,439 | 2,594,029 |
| NONOPERATING REVENUES | | | | | |
| Investment Income | 41,717 | 18,926 | 183,047 | 57,330 | 301,020 |
| Total Nonoperating Revenues | 41,717 | 18,926 | 183,047 | 57,330 | 301,020 |
| Income (Loss) Before Transfers | 70,082 | (540,399) | 3,031,597 | 333,769 | 2,895,049 |
| Transfers In | 600,000 | 600,000 | - | - | 1,200,000 |
| Transfers Out | - | - | (1,200,000) | - | (1,200,000) |
| Change in Net Position | 670,082 | 59,601 | 1,831,597 | 333,769 | 2,895,049 |
| NET POSITION, Beginning of Year | 1,884,642 | 693,833 | 11,201,066 | 4,069,341 | 17,848,882 |
| NET POSITION, End of Year | <u>\$ 2,554,724</u> | <u>\$ 753,434</u> | <u>\$ 13,032,663</u> | <u>\$ 4,403,110</u> | <u>\$ 20,743,931</u> |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
Year Ended December 31, 2020

| | Property and Casualty | Workers' Compensation | Medical and Dental | Retirees' Health | Total |
|---|--------------------------------------|----------------------------------|-------------------------------|-----------------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Cash Received from Customers | \$ 600,000 | \$ 600,000 | \$ 12,965,577 | \$ 320,000 | \$ 14,485,577 |
| Other Receipts | 1,657,229 | - | 424,833 | - | 2,082,062 |
| Cash Paid to Suppliers | (2,248,667) | (1,077,614) | (10,182,220) | (23,047) | (13,531,548) |
| Cash Paid to Employees | (165,428) | (138,159) | (226,439) | (18,111) | (548,137) |
| Net Cash Provided (Used) by Operating Activities | (156,866) | (615,773) | 2,981,751 | 278,842 | 2,487,954 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| Receipts (Payments) from (to) Other Funds | 600,000 | 600,000 | (1,200,000) | - | - |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Investment Income | 41,717 | 18,926 | 183,047 | 57,330 | 301,020 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 484,851 | 3,153 | 1,964,798 | 336,172 | 2,788,974 |
| CASH AND INVESTMENTS, Beginning of Year | 3,068,408 | 1,932,985 | 11,563,438 | 4,069,341 | 20,634,172 |
| CASH AND INVESTMENTS, End of Year | \$ 3,553,259 | \$ 1,936,138 | \$ 13,528,236 | \$ 4,405,513 | \$ 23,423,146 |
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | | | | | |
| Operating Income (Loss) | \$ 28,365 | \$ (559,325) | \$ 2,848,550 | \$ 276,439 | \$ 2,594,029 |
| Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities | | | | | |
| Accounts Receivable | - | - | 125,397 | - | 125,397 |
| Accounts Payable | (166,416) | 6,976 | (26,293) | - | (185,733) |
| Retainage Payable | (20,419) | - | - | - | (20,419) |
| Accrued Liabilities | (5,847) | (4,854) | (5,253) | 2,403 | (13,551) |
| Claims Payable | 7,451 | (58,570) | 39,350 | - | (11,769) |
| Net Cash Provided by (Used in) Operating Activities | \$ (156,866) | \$ (615,773) | \$ 2,981,751 | \$ 278,842 | \$ 2,487,954 |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
PROPERTY AND CASUALTY SELF-INSURANCE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|---------------|---|
| REVENUES | | | | |
| Charges for Services | \$ 600,000 | \$ 600,000 | \$ 600,000 | \$ - |
| Investment Income | 25,000 | 25,000 | 41,717 | 16,717 |
| Miscellaneous | - | - | 1,657,229 | 1,657,229 |
| Total Revenues | 625,000 | 625,000 | 2,298,946 | 1,673,946 |
| EXPENDITURES | | | | |
| Personnel Services | 201,804 | 171,846 | 159,581 | 12,265 |
| Other Expenses | 327,500 | 327,500 | 183,808 | 143,692 |
| Claims | 640,000 | 640,000 | 1,288,275 | (648,275) |
| Premiums | 525,000 | 577,709 | 597,200 | (19,491) |
| Total Expenditures | 1,694,304 | 1,717,055 | 2,228,864 | (511,809) |
| Loss Before Transfers | (1,069,304) | (1,092,055) | 70,082 | 1,162,137 |
| Transfers In | 600,000 | 600,000 | 600,000 | - |
| Change in Net Position | \$ (469,304) | \$ (492,055) | 670,082 | \$ 1,162,137 |
| NET POSITION, Beginning of Year | | | 1,884,642 | |
| NET POSITION, End of Year | | | \$ 2,554,724 | |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
WORKERS' COMPENSATION SELF-INSURANCE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|-------------------|---|
| REVENUES | | | | |
| Charges for Services | \$ 600,000 | \$ 600,000 | \$ 600,000 | \$ - |
| Investment Income | 33,000 | 33,000 | 18,926 | (14,074) |
| Total Revenues | 633,000 | 633,000 | 618,926 | (14,074) |
| EXPENDITURES | | | | |
| Personnel Services | 162,545 | 134,177 | 133,305 | 872 |
| Other Expenses | 142,500 | 142,500 | 89,363 | 53,137 |
| Claims | 800,000 | 800,000 | 802,863 | (2,863) |
| Premiums | 125,000 | 125,000 | 133,794 | (8,794) |
| Capital Outlay | 5,000 | 5,000 | - | 5,000 |
| Total Expenditures | 1,235,045 | 1,206,677 | 1,159,325 | 47,352 |
| Loss Before Transfers | (602,045) | (573,677) | (540,399) | 33,278 |
| Transfers In | 600,000 | 600,000 | 600,000 | - |
| Change in Net Position | <u>\$ (2,045)</u> | <u>\$ 26,323</u> | 59,601 | <u>\$ 33,278</u> |
| NET POSITION, Beginning of Year | | | <u>693,833</u> | |
| NET POSITION, End of Year | | | <u>\$ 753,434</u> | |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
MEDICAL AND DENTAL SELF-INSURANCE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|----------------------|---|
| REVENUES | | | | |
| Charges for Services | \$ 13,233,744 | \$ 13,254,422 | \$ 12,840,180 | \$ (414,242) |
| Investment Income | 20,000 | 20,000 | 183,047 | 163,047 |
| Miscellaneous Revenue | 50,000 | 50,000 | 424,833 | 374,833 |
| Total Revenues | 13,303,744 | 13,324,422 | 13,448,060 | 123,638 |
| EXPENDITURES | | | | |
| Personnel Services | 282,358 | 283,532 | 221,186 | 62,346 |
| Other Expenses | 653,793 | 654,180 | 486,874 | 167,306 |
| Claims | 10,545,934 | 10,182,105 | 7,458,601 | 2,723,504 |
| Premiums | 1,880,000 | 2,243,442 | 2,249,802 | (6,360) |
| Total Expenditures | 13,362,085 | 13,363,259 | 10,416,463 | 2,946,796 |
| Income Before Transfers | (58,341) | (38,837) | 3,031,597 | 3,070,434 |
| Transfers Out | (1,200,000) | (1,200,000) | (1,200,000) | - |
| Change in Net Position | <u>\$ (1,258,341)</u> | <u>\$ (1,238,837)</u> | 1,831,597 | <u>\$ 3,070,434</u> |
| NET POSITION, Beginning of Year | | | <u>11,201,066</u> | |
| NET POSITION, End of Year | | | <u>\$ 13,032,663</u> | |

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
RETIREES' HEALTH PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|-------------------------|---------------------|---|
| REVENUES | | | | |
| Charges for Services | \$ - | \$ - | \$ 320,000 | \$ 320,000 |
| Investment Income | 25,000 | 25,000 | 57,330 | 32,330 |
| Total Revenues | 25,000 | 25,000 | 377,330 | 352,330 |
| EXPENDITURES | | | | |
| Personnel Services | 60,000 | 60,102 | 20,514 | 39,588 |
| Premiums | 160,000 | 160,000 | 23,047 | 136,953 |
| Total Expenditures | 220,000 | 220,102 | 43,561 | 176,541 |
| Change in Net Position | <u>\$ (195,000)</u> | <u>\$ (195,102)</u> | 333,769 | <u>\$ 528,871</u> |
| NET POSITION, Beginning of Year | | | <u>4,069,341</u> | |
| NET POSITION, End of Year | | | <u>\$ 4,403,110</u> | |

See the accompanying Independent Auditor's Report.

STATISTICAL SECTION

Statistical tables are used to provide a historical financial review. The various tables provide information, which is useful in analyzing the existing financial position of the City and identifying potential trends.

FINANCIAL TRENDS

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

These schedules contain information to help the reader assess the City's significant local revenue sources which are sales and use tax and property tax.

DEBT CAPACITY

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

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

OPERATING INFORMATION

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

CITY OF LAKEWOOD, COLORADO
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

| | 2011 | 2012 | 2013 | 2014 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental activities | | | | |
| Net investment in capital assets | \$ 374,822,394 | \$ 377,969,428 | \$ 381,609,040 | \$ 384,728,358 |
| Restricted | 27,439,596 | 31,757,394 | 37,533,053 | 41,479,996 |
| Unrestricted | 37,949,511 | 38,708,259 | 39,259,813 | 39,214,362 |
| Total governmental activities net position | <u>\$ 440,211,501</u> | <u>\$ 448,435,081</u> | <u>\$ 458,401,906</u> | <u>\$ 465,422,716</u> |
| Business-type activities | | | | |
| Net investment in capital assets | \$ 21,604,850 | \$ 21,221,070 | \$ 21,462,965 | \$ 22,356,764 |
| Unrestricted | 7,478,723 | 7,890,750 | 7,933,903 | 8,710,594 |
| Total business-type activities net position | <u>\$ 29,083,573</u> | <u>\$ 29,111,820</u> | <u>\$ 29,396,868</u> | <u>\$ 31,067,358</u> |
| Primary government | | | | |
| Net investment in capital assets | \$ 396,427,244 | \$ 399,190,498 | \$ 403,072,005 | \$ 407,085,122 |
| Restricted | 27,439,596 | 31,757,394 | 37,533,053 | 41,479,996 |
| Unrestricted | 45,428,234 | 46,599,009 | 47,193,716 | 47,924,956 |
| Total primary government net position | <u>\$ 469,295,074</u> | <u>\$ 477,546,901</u> | <u>\$ 487,798,774</u> | <u>\$ 496,490,074</u> |

⁽¹⁾ 2014 Government activities net position reflects a prior period adjustment of \$2,009,337 for the implementation of GASB 68, Accounting and Financial Reporting for Pensions

Source: City's Comprehensive Annual Financial Report

Schedule 1

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 389,207,761 | \$ 401,018,598 | \$ 406,147,538 | \$ 422,135,173 | \$ 441,082,405 | \$ 447,176,590 |
| 49,133,274 | 53,564,615 | 60,771,877 | 71,071,769 | 77,041,106 | 86,964,016 |
| 37,736,590 | 37,663,933 | 37,827,320 | 35,836,599 | 39,996,577 | 52,057,483 |
| <u>\$ 476,077,625</u> | <u>\$ 492,247,146</u> | <u>\$ 504,746,735</u> | <u>\$ 529,043,541</u> | <u>\$ 558,120,088</u> | <u>\$ 586,198,089</u> |
| \$ 21,781,809 | \$ 21,592,444 | \$ 22,033,747 | \$ 23,432,371 | \$ 27,308,451 | \$ 27,873,676 |
| 9,969,049 | 13,199,417 | 15,281,306 | 17,040,208 | 17,271,068 | 21,277,016 |
| <u>\$ 31,750,858</u> | <u>\$ 34,791,861</u> | <u>\$ 37,315,053</u> | <u>\$ 40,472,579</u> | <u>\$ 44,579,519</u> | <u>\$ 49,150,692</u> |
| \$ 410,989,570 | \$ 422,611,042 | \$ 428,181,285 | \$ 445,567,544 | \$ 468,390,856 | \$ 475,050,266 |
| 49,133,274 | 53,564,615 | 60,771,877 | 71,071,769 | 77,041,106 | 86,964,016 |
| 47,705,639 | 50,863,350 | 53,108,626 | 52,876,807 | 57,267,645 | 73,334,499 |
| <u>\$ 507,828,483</u> | <u>\$ 527,039,007</u> | <u>\$ 542,061,788</u> | <u>\$ 569,516,120</u> | <u>\$ 602,699,607</u> | <u>\$ 635,348,781</u> |

CITY OF LAKEWOOD, COLORADO
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

| Expenses | 2011 | 2012 | 2013 | 2014 | 2015 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Governmental activities: | | | | | |
| General government | \$ 28,984,951 | \$ 33,613,178 | \$ 30,085,415 | \$ 40,054,077 | \$ 38,309,285 |
| Public safety | 49,551,448 | 49,079,213 | 50,635,595 | 52,596,221 | 53,441,033 |
| Public works | 17,576,101 | 14,035,937 | 18,528,117 | 12,744,230 | 13,573,693 |
| Culture and recreation | 18,470,341 | 18,124,914 | 18,724,863 | 18,829,506 | 21,017,674 |
| Urban development and housing | 13,439,978 | 12,714,594 | 12,811,514 | 11,923,053 | 10,616,107 |
| Economic opportunity | 2,000,883 | 1,893,704 | 1,886,174 | 2,066,087 | 2,228,416 |
| Interest and fees on long-term debt | 2,653,845 | 2,440,277 | 2,194,969 | 2,005,119 | 1,879,178 |
| Total governmental activities expenses | 132,677,547 | 131,901,817 | 134,866,647 | 140,218,293 | 141,065,386 |
| Business-type activities: | | | | | |
| Golf course | 3,698,979 | 3,743,788 | 3,747,277 | 4,036,918 | 4,099,274 |
| Sewer | 3,644,660 | 3,534,954 | 3,854,381 | 3,622,591 | 3,972,398 |
| Stormwater | 1,980,805 | 2,445,596 | 2,075,559 | 2,274,398 | 2,219,674 |
| Water | 936,057 | 959,538 | 951,787 | 963,402 | 1,008,011 |
| Total business-type activities | 10,260,501 | 10,683,876 | 10,629,004 | 10,897,309 | 11,299,357 |
| Total primary government expenses | \$ 142,938,048 | \$ 142,585,693 | \$ 145,495,651 | \$ 151,115,602 | \$ 152,364,743 |
| Program Revenues | | | | | |
| Governmental activities: | | | | | |
| Charges for services: | | | | | |
| General government | \$ 8,899,658 | \$ 8,486,130 | \$ 8,406,938 | \$ 8,189,453 | \$ 7,414,938 |
| Public safety | 4,059,494 | 4,453,197 | 4,867,400 | 6,150,066 | 6,113,323 |
| Public works | 519,188 | 522,223 | 523,838 | 527,951 | 536,287 |
| Culture and recreation | 4,871,635 | 5,078,856 | 5,342,330 | 5,529,773 | 5,984,015 |
| Urban development and housing | 1,012,283 | 1,019,828 | 1,458,204 | 1,502,026 | 984,407 |
| Economic opportunity | 880,778 | 829,573 | 856,895 | 982,199 | 1,111,309 |
| Operating grants and contributions | 12,563,105 | 13,124,320 | 11,210,485 | 12,285,903 | 12,693,115 |
| Capital grants and contributions | 24,134,258 | 7,710,450 | 8,404,044 | 7,205,953 | 6,348,540 |
| Total governmental activities program revenues | 56,940,399 | 41,224,577 | 41,070,134 | 42,373,324 | 41,185,934 |
| Business-type activities: | | | | | |
| Charges for services: | | | | | |
| Golf course | 4,112,309 | 4,450,040 | 4,339,298 | 4,648,585 | 4,728,997 |
| Sewer | 2,772,278 | 3,078,441 | 3,566,999 | 3,750,838 | 4,046,357 |
| Stormwater | 2,411,079 | 2,448,746 | 2,481,899 | 2,456,281 | 2,553,599 |
| Water | 1,027,047 | 1,100,546 | 1,102,484 | 1,131,155 | 1,135,710 |
| Operating grants and contributions | 112,321 | -- | -- | -- | -- |
| Capital grants and contributions | -- | -- | -- | 1,157,091 | 89,300 |
| Total business-type activities program revenues | 10,435,034 | 11,077,773 | 11,490,680 | 13,143,950 | 12,553,963 |
| Total primary government program revenues | \$ 67,375,433 | \$ 52,302,350 | \$ 52,560,814 | \$ 55,517,274 | \$ 53,739,897 |
| Net (Expense)/Revenue | | | | | |
| Governmental activities | \$ (75,737,148) | \$ (90,677,240) | \$ (93,796,513) | \$ (97,844,969) | \$ (99,879,452) |
| Business-type activities | 174,533 | 393,897 | 861,676 | 2,246,641 | 1,254,606 |
| Total primary government net expense | \$ (75,562,615) | \$ (90,283,343) | \$ (92,934,837) | \$ (95,598,328) | \$ (98,624,846) |
| General Revenues and Other Changes in Net Position | | | | | |
| Governmental activities: | | | | | |
| Taxes: | | | | | |
| Property and specific ownership | \$ 15,767,447 | \$ 14,825,086 | \$ 15,516,166 | \$ 15,715,606 | \$ 15,413,513 |
| Sales and use | 69,498,098 | 72,476,177 | 77,387,186 | 83,208,721 | 87,251,437 |
| Franchise & other | 10,131,203 | 9,644,791 | 10,293,898 | 10,749,372 | 10,228,753 |
| Grants and contributions not restricted to specific programs | 552,273 | 364,123 | 357,990 | 349,592 | 343,229 |
| Investment earnings | 1,233,115 | 819,405 | 456,169 | 1,114,230 | 1,007,841 |
| Miscellaneous | 199,804 | 94,693 | 274,809 | 260,786 | 148,591 |
| Transfers | 608,568 | 676,545 | 754,485 | 676,928 | 676,647 |
| TABOR Refund | -- | -- | (1,277,365) | (5,200,119) | (4,535,650) |
| Total governmental activities | 97,990,508 | 98,900,820 | 103,763,338 | 106,875,116 | 110,534,361 |
| Business-type activities: | | | | | |
| Investment earnings | 136,869 | 99,831 | 84,841 | 81,317 | 98,058 |
| Miscellaneous | 34,310 | 211,064 | 93,016 | 19,460 | 7,483 |
| Transfers | (608,568) | (676,545) | (754,485) | (676,928) | (676,647) |
| Total business-type activities | (437,389) | (365,650) | (576,628) | (576,151) | (571,106) |
| Total primary government | \$ 97,553,119 | \$ 98,535,170 | \$ 103,186,710 | \$ 106,298,965 | \$ 109,963,255 |
| Change in Net Position | | | | | |
| Governmental activities | \$ 22,253,360 | \$ 8,223,580 | \$ 9,966,825 | \$ 9,030,147 | \$ 10,654,909 |
| Business-type activities | (262,856) | 28,247 | 285,048 | 1,670,490 | 683,500 |
| Total primary government | \$ 21,990,504 | \$ 8,251,827 | \$ 10,251,873 | \$ 10,700,637 | \$ 11,338,409 |

Source: City's Comprehensive Annual Financial Report

Schedule 2

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|----|--------------|------------------|------------------|------------------|------------------|
| \$ | 33,523,638 | \$ 33,364,806 | \$ 46,008,217 | \$ 39,927,557 | \$ 50,330,898 |
| | 58,281,345 | 59,452,180 | 61,659,817 | 65,644,796 | 60,147,939 |
| | 12,204,246 | 17,930,662 | 11,010,780 | 3,831,135 | 15,848,463 |
| | 21,389,068 | 22,703,154 | 22,691,427 | 25,305,871 | 17,232,070 |
| | 11,528,561 | 10,284,829 | 12,347,347 | 17,229,186 | 15,073,803 |
| | 2,374,391 | 4,294,677 | 4,837,612 | 4,974,827 | 4,106,686 |
| | 1,614,934 | 1,378,589 | 1,196,617 | 1,107,604 | 775,564 |
| | 140,916,183 | 149,408,897 | 159,751,817 | 158,020,976 | 163,515,423 |
| | 4,149,108 | 4,423,571 | 4,499,986 | 4,731,740 | 4,951,024 |
| | 3,879,114 | 4,891,624 | 4,464,144 | 4,420,324 | 4,420,953 |
| | 2,387,282 | 2,317,783 | 2,683,444 | 2,640,772 | 2,916,510 |
| | 1,013,114 | 1,257,877 | 1,039,641 | 1,142,962 | 1,161,531 |
| | 11,428,618 | 12,890,855 | 12,687,215 | 12,935,798 | 13,450,018 |
| \$ | 152,344,801 | \$ 162,299,752 | \$ 172,439,032 | \$ 170,956,774 | \$ 176,965,441 |
| | | | | | |
| \$ | 7,275,623 | \$ 8,750,573 | \$ 8,142,753 | \$ 7,786,478 | \$ 6,348,491 |
| | 6,214,784 | 6,959,710 | 6,550,358 | 6,701,776 | 6,246,127 |
| | 510,462 | 557,247 | 548,695 | 559,256 | 554,725 |
| | 6,388,691 | 6,771,306 | 7,141,698 | 7,467,291 | 3,332,325 |
| | 1,025,298 | 1,187,163 | 1,173,191 | 1,145,567 | 1,037,197 |
| | 1,166,022 | 1,203,221 | 1,287,174 | 1,126,282 | 675,802 |
| | 13,961,253 | 15,243,100 | 14,312,975 | 16,051,999 | 34,374,614 |
| | 6,880,770 | 6,623,045 | 7,268,406 | 7,456,864 | 6,547,728 |
| | 43,422,903 | 47,295,365 | 46,425,250 | 48,295,513 | 59,117,009 |
| | | | | | |
| | 4,836,356 | 4,866,509 | 4,988,439 | 4,879,402 | 6,565,267 |
| | 3,927,807 | 4,155,404 | 4,244,838 | 4,344,665 | 4,387,290 |
| | 4,570,573 | 4,644,376 | 4,847,531 | 4,954,558 | 5,187,219 |
| | 1,113,591 | 1,167,275 | 1,151,744 | 1,067,937 | 1,317,214 |
| | -- | -- | -- | -- | -- |
| | 528,230 | 1,006,100 | 1,007,510 | 2,172,564 | 1,093,550 |
| | 14,976,557 | 15,839,664 | 16,240,062 | 17,419,126 | 18,550,540 |
| \$ | 58,399,460 | \$ 63,135,029 | \$ 62,665,312 | \$ 65,714,639 | \$ 77,667,549 |
| | | | | | |
| \$ | (97,493,280) | \$ (102,113,532) | \$ (113,326,567) | \$ (109,725,463) | \$ (104,398,414) |
| | 3,547,939 | 2,948,809 | 3,552,847 | 4,483,328 | 5,100,522 |
| \$ | (93,945,341) | \$ (99,164,723) | \$ (109,773,720) | \$ (105,242,135) | \$ (99,297,892) |
| | | | | | |
| \$ | 16,630,365 | \$ 17,528,452 | \$ 21,200,905 | \$ 22,941,102 | \$ 25,633,928 |
| | 90,146,096 | 95,874,916 | 92,856,656 | 83,246,192 | 77,791,872 |
| | 11,128,813 | 11,360,718 | 11,310,808 | 23,177,857 | 23,908,036 |
| | 354,755 | 321,768 | 327,964 | 297,242 | 371,894 |
| | 436,653 | 1,326,433 | 1,707,727 | 4,800,751 | 3,811,743 |
| | 114,423 | 61,943 | 168,724 | 232,635 | 196,910 |
| | 675,630 | 675,395 | 685,148 | 663,654 | 762,032 |
| | (5,823,934) | (12,536,504) | 12,536,504 | -- | -- |
| | 113,662,801 | 114,613,121 | 140,794,436 | 135,359,433 | 132,476,415 |
| | | | | | |
| | 135,819 | 199,144 | 239,266 | 271,231 | 230,143 |
| | 32,875 | 50,634 | 50,561 | 16,035 | 2,540 |
| | (675,630) | (675,395) | (685,148) | (663,654) | (762,032) |
| | (506,936) | (425,617) | (395,321) | (376,388) | (529,349) |
| \$ | 113,155,865 | \$ 114,187,504 | \$ 140,399,115 | \$ 134,983,045 | \$ 131,947,066 |
| | | | | | |
| \$ | 16,169,521 | \$ 12,499,589 | \$ 27,467,869 | \$ 25,633,970 | \$ 28,078,001 |
| | 3,041,003 | 2,523,192 | 3,157,526 | 4,106,940 | 4,571,173 |
| \$ | 19,210,524 | \$ 15,022,781 | \$ 30,625,395 | \$ 29,740,910 | \$ 32,649,174 |

CITY OF LAKEWOOD, COLORADO
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|
| General Fund | | | | | |
| Nondisposable | \$ 131,934 | \$ 132,870 | \$ 128,247 | \$ 132,354 | \$ 196,504 |
| Restricted | 2,947,096 | 2,758,085 | 2,858,903 | 4,222,206 | 4,353,215 |
| Assigned | - | - | - | - | - |
| Unassigned | 28,457,402 | 30,569,397 | 32,363,563 | 35,598,763 | 37,423,037 |
| Total General Fund | 31,536,432 | 33,460,352 | 35,350,713 | 39,953,323 | 41,972,756 |
| All Other Governmental Funds | | | | | |
| Nondisposable | 43,167 | 92,926 | 40,865 | 34,536 | 29,640 |
| Restricted | 24,492,500 | 28,999,309 | 34,674,150 | 37,257,790 | 44,780,059 |
| Assigned | 4,990,085 | 4,098,451 | 4,233,647 | 4,528,092 | 4,975,337 |
| Unassigned | (97,252) | - | (647,381) | (316,733) | (605,812) |
| Total all other governmental funds | 29,428,500 | 33,190,686 | 38,301,281 | 41,503,685 | 49,179,224 |
| Total all governmental funds | \$ 60,964,932 | \$ 66,651,038 | \$ 73,651,994 | \$ 81,457,008 | \$ 91,151,980 |

Source: City's Comprehensive Annual Financial Report

Schedule 3

| 2016 | 2017 | 2018 | 2019 | 2020 |
|---------------|---------------|----------------|----------------|----------------|
| \$ 266,562 | \$ 283,908 | \$ 238,507 | \$ 271,317 | \$ 1,119,706 |
| 4,487,234 | 4,633,173 | 11,178,024 | 4,945,999 | 4,919,261 |
| - | - | - | - | 4,603,838 |
| 31,302,115 | 25,234,678 | 25,185,969 | 25,978,966 | 30,706,179 |
| 36,055,911 | 30,151,759 | 36,602,500 | 31,196,282 | 41,348,984 |
| 39,912 | 31,810 | 24,759 | 29,733 | 40,480 |
| 49,077,381 | 56,138,704 | 59,618,745 | 72,095,107 | 82,044,755 |
| 4,936,870 | 6,063,720 | 5,914,090 | 5,449,147 | 4,345,702 |
| (779,253) | (132,095) | (329,803) | (327,462) | (2,548,884) |
| 53,274,910 | 62,102,139 | 65,227,791 | 77,246,525 | 83,882,053 |
| \$ 89,330,821 | \$ 92,253,898 | \$ 101,830,291 | \$ 108,442,807 | \$ 125,231,037 |

CITY OF LAKEWOOD, COLORADO
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---------------|---------------|----------------|----------------|----------------|
| Revenues | | | | | |
| Taxes | \$ 95,396,748 | \$ 96,946,054 | \$ 102,303,258 | \$ 109,666,669 | \$ 112,889,810 |
| Licenses and permits | 2,739,114 | 2,730,120 | 2,983,251 | 3,963,589 | 3,770,885 |
| Charges for services | 13,790,489 | 13,931,232 | 14,545,071 | 14,679,323 | 14,331,781 |
| Fines and forfeitures | 1,520,956 | 1,421,983 | 1,279,097 | 1,451,120 | 1,599,055 |
| Intergovernmental | 24,253,693 | 21,581,104 | 18,394,300 | 20,421,087 | 19,803,064 |
| Investment income | 1,183,228 | 643,893 | 313,481 | 990,636 | 885,195 |
| Other revenues | 1,687,758 | 1,732,361 | 3,197,967 | 2,352,414 | 1,916,126 |
| TABOR refund | - | - | (1,277,365) | (5,200,119) | (4,535,650) |
| Total revenues | 140,571,986 | 138,986,747 | 141,739,060 | 148,324,719 | 150,660,266 |
| Expenditures | | | | | |
| General government | 27,260,239 | 26,344,967 | 27,214,581 | 28,585,442 | 29,536,810 |
| Public safety | 46,813,867 | 46,978,050 | 48,328,891 | 50,594,496 | 51,622,011 |
| Public works | 8,429,542 | 7,734,198 | 7,939,452 | 8,495,828 | 8,672,155 |
| Culture and recreation | 16,001,967 | 16,611,826 | 16,360,324 | 17,188,004 | 17,983,812 |
| Urban development and housing | 1,693,439 | 2,231,645 | 2,336,376 | 2,265,819 | 2,057,475 |
| Economic opportunity | 1,954,508 | 1,845,956 | 1,841,430 | 2,021,343 | 2,189,740 |
| Capital outlay | 27,421,343 | 24,047,903 | 24,609,459 | 26,906,966 | 23,253,012 |
| Debt service: | | | | | |
| Principal | 5,700,059 | 5,753,704 | 4,685,816 | 4,142,565 | 4,446,045 |
| Interest and fiscal charges | 2,634,178 | 2,428,937 | 2,176,260 | 1,953,170 | 1,880,881 |
| Total expenditures | 137,909,142 | 133,977,186 | 135,492,589 | 142,153,633 | 141,641,941 |
| Excess of revenues over (under) expenditures | 2,662,844 | 5,009,561 | 6,246,471 | 6,171,086 | 9,018,325 |
| Other Financing Sources (Uses) | | | | | |
| Gain on Sale of Capital Asset | - | - | - | - | - |
| Proceeds from borrowing | - | - | - | - | - |
| Proceeds from refunding | - | - | - | - | - |
| Proceeds from capital lease | - | - | - | 957,000 | - |
| Payments to escrow agent | - | - | - | - | - |
| Operating transfers in | 8,574,090 | 10,781,107 | 13,326,455 | 10,267,501 | 11,075,437 |
| Operating transfers out | (7,965,522) | (10,104,562) | (12,571,970) | (9,590,573) | (10,398,790) |
| Total other financing sources (uses) | 608,568 | 676,545 | 754,485 | 1,633,928 | 676,647 |
| Net change in fund balances | \$ 3,271,412 | \$ 5,686,106 | \$ 7,000,956 | \$ 7,805,014 | \$ 9,694,972 |
| Debt service as a percentage of noncapital expenditures | 6.5% | 6.4% | 5.4% | 4.6% | 4.8% |

Source: City's Comprehensive Annual Financial Report

Schedule 4

| 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------|----------------|----------------|----------------|----------------|
| \$ 117,905,274 | \$ 124,764,086 | \$ 125,368,369 | \$ 129,365,151 | \$ 127,333,836 |
| 4,173,666 | 6,395,757 | 4,902,432 | 4,661,369 | 4,111,663 |
| 14,611,126 | 15,172,392 | 16,154,436 | 16,133,169 | 10,384,594 |
| 1,348,190 | 1,200,775 | 1,241,903 | 1,306,555 | 1,339,908 |
| 21,641,837 | 23,403,955 | 22,596,907 | 24,391,707 | 39,275,877 |
| 293,225 | 1,104,820 | 1,403,640 | 4,453,987 | 3,510,723 |
| 1,854,572 | 1,866,776 | 2,051,959 | 2,302,059 | 1,539,873 |
| (5,823,934) | (12,536,504) | 12,536,504 | - | - |
| 156,003,956 | 161,372,057 | 186,256,150 | 182,613,997 | 187,496,474 |
| 36,699,831 | 33,176,171 | 36,317,120 | 35,954,335 | 46,284,248 |
| 55,370,581 | 56,969,269 | 60,108,519 | 63,720,520 | 58,145,503 |
| 8,505,714 | 10,498,621 | 7,905,435 | 9,789,121 | 8,031,956 |
| 18,750,071 | 19,698,085 | 22,059,611 | 21,980,199 | 17,230,679 |
| 1,675,377 | 2,049,451 | 2,029,880 | 2,641,060 | 2,501,021 |
| 2,337,470 | 2,517,426 | 2,800,016 | 2,850,576 | 2,497,884 |
| 28,908,414 | 28,042,799 | 41,572,537 | 33,627,454 | 35,334,029 |
| 4,647,620 | 4,804,628 | 4,938,664 | 8,051,274 | 5,366,702 |
| 1,605,667 | 1,367,925 | 1,143,977 | 1,100,748 | 773,773 |
| 158,500,745 | 159,124,375 | 178,875,759 | 179,715,287 | 176,165,795 |
| (2,496,789) | 2,247,682 | 7,380,391 | 2,898,710 | 11,330,679 |
| - | - | - | - | 196,910 |
| - | - | - | - | - |
| - | - | - | - | 5,660,000 |
| - | - | 1,510,854 | 2,775,152 | - |
| - | - | - | - | (1,161,391) |
| 11,122,500 | 13,106,692 | 27,554,369 | 40,349,789 | 14,000,302 |
| (10,446,870) | (12,431,297) | (26,869,221) | (39,411,135) | (13,238,270) |
| 675,630 | 675,395 | 2,196,002 | 3,713,806 | 5,457,551 |
| \$ (1,821,159) | \$ 2,923,077 | \$ 9,576,393 | \$ 6,612,516 | \$ 16,788,230 |
| 4.5% | 4.2% | 4.0% | 5.9% | 3.9% |

CITY OF LAKEWOOD, COLORADO
TAXABLE SALES BY CATEGORY
LAST TEN FISCAL YEARS

| | 2011 | 2012 | 2013 | 2014 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| Accommodation & Food Services | \$ 340,463,306 | \$ 364,439,074 | \$ 381,037,346 | \$ 408,245,016 |
| Ag, Forestry, Fishing, Hunting | 74,539 | 46,562 | 93,382 | 366,409 |
| Art, Entertainment, Recreation | 25,246,985 | 25,898,217 | 27,101,908 | 24,825,731 |
| Construction | 9,073,635 | 9,314,144 | 11,315,064 | 16,011,073 |
| Educational Services | 1,296,435 | 1,181,081 | 985,425 | 1,011,783 |
| Finance and Insurance | 2,423,563 | 4,035,689 | 7,014,801 | 8,493,511 |
| Health Care, Social Assistance | 3,665,007 | 4,081,882 | 3,123,409 | 4,950,405 |
| Information | 163,375,015 | 173,416,615 | 180,179,637 | 191,725,253 |
| Manufacturing | 24,118,142 | 25,453,139 | 27,018,793 | 33,858,565 |
| Mgmt of Companies, Enterprises | 122,769 | 1,970 | 585 | 550,531 |
| Mining | 320,482 | 258,177 | 205,050 | 236,226 |
| Miscellaneous/Random Filers | 3,697,594 | 1,845,694 | 1,156,862 | 16,765 |
| Other Services | 46,330,263 | 53,935,536 | 62,713,986 | 79,363,921 |
| Professional, Scientific, & Technical Svcs | 8,835,276 | 10,586,606 | 11,243,515 | 17,033,686 |
| Public Administration | 185,719 | 148,100 | 112,297 | 101,359 |
| Real Estate, Rental, Leasing | 39,724,566 | 38,661,926 | 41,004,757 | 39,806,823 |
| Retail Trade | 1,165,383,682 | 1,221,944,170 | 1,286,882,574 | 1,339,502,528 |
| Transportation & Warehousing | 520,013 | 543,240 | 1,116,069 | 5,542,408 |
| Utilities | 148,584,305 | 140,996,599 | 152,930,446 | 154,914,127 |
| Waste Mgmt & Remediation Services | 9,344,269 | 7,918,685 | 8,269,879 | 9,186,620 |
| Wholesale Trade | 36,703,429 | 45,747,674 | 51,071,736 | 65,041,856 |
| Total all categories | <u>\$ 2,029,488,994</u> | <u>\$ 2,130,454,780</u> | <u>\$ 2,254,577,521</u> | <u>\$ 2,400,784,596</u> |
| City direct sales tax rate ⁽¹⁾ | 3.0% | 3.0% | 3.0% | 3.0% |

(1) The City's sales tax rate may be increased only by a majority vote of the City's residents. Effective September 1, 2003, the City Council temporarily reduced the sales tax rate for the Belmar redevelopment area to 1%.

Source: City of Lakewood's Revenue System

Schedule 5

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| \$ 449,554,901 | \$ 461,970,873 | \$ 475,256,644 | \$ 492,020,947 | \$ 502,615,911 | \$ 378,834,592 |
| 451,474 | 402,716 | 465,766 | 470,479 | 708,412 | 437,314 |
| 32,528,279 | 35,017,932 | 34,658,388 | 36,189,635 | 36,664,419 | 21,738,785 |
| 17,482,459 | 16,701,330 | 19,466,552 | 22,112,333 | 23,889,052 | 21,343,890 |
| 1,129,499 | 1,032,450 | 944,406 | 837,501 | 948,923 | 899,437 |
| 10,039,666 | 12,118,581 | 13,823,268 | 13,772,599 | 14,714,864 | 13,558,311 |
| 5,288,410 | 6,055,882 | 5,207,230 | 4,450,327 | 4,119,112 | 3,720,435 |
| 163,724,094 | 152,945,713 | 137,788,403 | 132,999,261 | 123,166,478 | 144,286,794 |
| 32,904,890 | 38,840,453 | 44,670,499 | 42,273,061 | 44,494,804 | 48,073,042 |
| 1,295 | 4,686 | 20,482 | 5,817 | 2,568 | 1,153 |
| 166,562 | 116,042 | 11,362 | 52,058 | 139,325 | 270,002 |
| - | - | - | - | - | 318 |
| 56,544,781 | 57,562,361 | 59,756,351 | 61,501,640 | 63,053,239 | 56,625,425 |
| 15,051,591 | 14,563,441 | 19,046,404 | 15,660,958 | 15,794,938 | 19,814,173 |
| 260,699 | 197,571 | 103,578 | 115,118 | 401,222 | 475,000 |
| 50,043,806 | 54,206,742 | 63,914,638 | 67,381,332 | 67,989,548 | 56,750,741 |
| 1,470,089,651 | 1,530,521,070 | 1,463,604,295 | 1,517,607,543 | 1,527,150,678 | 1,463,471,048 |
| 2,149,265 | 2,493,054 | 2,907,813 | 2,954,568 | 3,616,271 | 7,915,242 |
| 147,677,320 | 141,101,743 | 141,712,433 | 141,820,052 | 144,397,208 | 138,581,339 |
| 11,316,000 | 13,457,481 | 11,412,402 | 12,272,408 | 12,228,059 | 13,144,993 |
| 70,061,942 | 77,084,541 | 90,553,256 | 84,077,437 | 81,494,732 | 87,136,727 |
| <u>\$ 2,536,466,584</u> | <u>\$ 2,616,394,662</u> | <u>\$ 2,585,324,170</u> | <u>\$ 2,648,575,074</u> | <u>\$ 2,667,589,763</u> | <u>\$ 2,477,078,761</u> |
| 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |

CITY OF LAKEWOOD, COLORADO
DIRECT AND OVERLAPPING GENERAL SALES AND USE TAX RATES
LAST TEN FISCAL YEARS

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|--|-------|-------|-------|-------|-------|
| City direct rate ⁽¹⁾ | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| Overlapping rates: | | | | | |
| State of Colorado | 2.90% | 2.90% | 2.90% | 2.90% | 2.90% |
| Jefferson County | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% |
| SE Jefferson County Road Improvement District ⁽²⁾ | 0.43% | 0.43% | 0.43% | 0.43% | 0.43% |
| Football Stadium District | 0.10% | 0.00% | 0.00% | 0.00% | 0.00% |
| Scientific & Cultural Facilities District | 0.10% | 0.10% | 0.10% | 0.10% | 0.10% |
| Regional Transportation District | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |

⁽¹⁾ The City's sales tax rate may be increased only by a majority vote of the City's residents. Effective September 1, 2003, the City Council temporarily reduced the sales tax rate for the Belmar redevelopment area to 1%.

⁽²⁾ This tax is applicable only to businesses located in the Marston Park and Belleview Shores shopping centers in southern Lakewood.

Source: City of Lakewood, Colorado Department of Revenue

Schedule 6

| 2016 | 2017 | 2018 | 2019 | 2020 |
|-------|-------|-------|-------|-------|
| 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| 2.90% | 2.90% | 2.90% | 2.90% | 2.90% |
| 0.50% | 0.50% | 0.50% | 0.50% | 0.50% |
| 0.43% | 0.43% | 0.43% | 0.43% | 0.43% |
| 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 0.10% | 0.10% | 0.10% | 0.10% | 0.10% |
| 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF LAKEWOOD, COLORADO
PRINCIPAL SALES/USE TAXPAYERS, BY CATEGORY
CURRENT YEAR AND NINE YEARS AGO

| Category of Taxpayer ⁽¹⁾ | 2020 | | | 2011 | | |
|---|--------------|------|---------------|--------------|------|---------------|
| | Sales/Use | Rank | Percentage of | Sales/Use | Rank | Percentage of |
| | Taxes | | Total City | Taxes | | Total City |
| | Remitted | | Sales/Use Tax | Remitted | | Sales/Use Tax |
| | | | Revenues | | | Revenues |
| <u>Aggregated top ten filers</u> | | | | | | |
| Utility | \$ 5,689,156 | 1 | 7.31% | \$ 6,784,282 | 1 | 9.78% |
| Clothing, gifts, jewelry | 4,646,700 | 2 | 5.97% | 4,188,067 | 2 | 6.03% |
| Building materials | 4,433,527 | 3 | 5.70% | 836,247 | 4 | 1.20% |
| Electronic Shopping and Mail-Order Houses | 2,681,932 | 4 | 3.45% | 705,886 | 5 | 1.02% |
| Grocery store | 1,607,527 | 5 | 2.07% | | | |
| Computers and software | 1,307,705 | 6 | 1.68% | 2,208,815 | 3 | 3.18% |

⁽¹⁾ The City is legally prohibited from disclosing sales and use tax information for individual taxpayers. Therefore, the principal sales/use taxpayers have been identified by category to assist users in understanding the degree to which the City's primary source of revenue is concentrated.

Source: City of Lakewood's Revenue System

CITY OF LAKEWOOD, COLORADO
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(In thousands of dollars)

| Levy Year | Taxable Real and Personal Property ⁽¹⁾ | | | | | Total Taxable Assessed Value |
|--------------|---|----------------------------|--------------------------|----------------|----------------------------------|------------------------------------|
| | Residential Property | Commercial Property | Industrial Property | Vacant Land | Other Property ⁽²⁾ | |
| 2011 | \$ 902,126,911 | \$ 660,647,705 | \$ 41,302,769 | \$ 34,993,494 | \$ 65,689,257 | \$ 1,704,760,136 |
| 2012 | 900,361,551 | 662,238,324 | 40,399,818 | 34,173,828 | 67,396,234 | 1,701,819,508 |
| 2013 | 924,221,737 | 668,484,522 | 38,940,473 | 34,295,409 | 65,389,484 | 1,731,331,625 |
| 2014 | 932,635,730 | 665,338,880 | 54,799,706 | 26,784,847 | 66,098,532 | 1,745,657,695 |
| 2015 | 1,161,769,824 | 700,450,293 | 41,677,085 | 37,091,662 | 66,145,873 | 2,007,134,737 |
| 2016 | 1,179,123,864 | 749,149,792 ⁽⁴⁾ | 5,846,743 ⁽⁴⁾ | 29,303,014 | 67,477,032 | 2,030,900,445 |
| 2017 | 1,330,678,157 | 930,934,068 | 9,359,339 | 32,196,861 | 68,940,987 | 2,372,109,412 |
| 2018 | 1,344,657,871 | 924,537,828 | 8,384,826 | 27,940,978 | 66,017,372 | 2,371,538,875 |
| 2019 | 1,557,979,183 | 1,024,942,495 | 10,023,057 | 32,068,638 | 68,181,371 | 2,693,194,744 |
| 2020 | 1,571,018,306 | 1,011,611,943 | 10,462,148 | 30,981,172 | 69,904,442 | 2,693,978,011 |

⁽¹⁾ Property in Jefferson County is reassessed every two years (odd numbered year) and is based on the market value calculated as of January 1 of the preceding year. Jefferson County combines real and personal property values and does not provide information regarding tax exempt property by category.

⁽²⁾ "Other Property" includes natural resources, agricultural and state-assessed properties.

⁽³⁾ All property except residential is assessed at 29% of the estimated actual value. The residential assessment rate is established by the State Legislature every two years in order to maintain the tax burden balance between residential property and all other property, in accordance with the State Constitution, and its Gallagher Amendment.

⁽⁴⁾ The 2016 increase in commercial property and decrease in industrial property over (under) 2015 is primarily due to category coding changes by the Jefferson County Assessor, as a result of a computer (database program) replacement project at the County.

⁽⁵⁾ The City's revenues are limited by the Colorado Constitution and its Tax Payer's Bill of Rights (TABOR). To refund the revenues in excess of the limit, the City Council chose to temporarily reduce the City's mill levy for the years 2016, 2017, and 2018 (levy years 2015, 2016, and 2017).

Source: Jefferson County Assessor's Office

Schedule 8

| Total Direct Tax Rate | Assessment Rates | | Estimated Taxable Value | Assessed Value as a Percentage of Actual Value |
|--------------------------------|------------------|----------------------|-------------------------------|---|
| | Residential | All | | |
| | | Other ⁽³⁾ | | |
| 4.711 | 7.96% | 29.00% | \$ 14,100,953,427 | 12.09% |
| 4.711 | 7.96% | 29.00% | 14,084,206,499 | 12.08% |
| 4.711 | 7.96% | 29.00% | 14,393,963,387 | 12.03% |
| 4.711 | 7.96% | 29.00% | 14,520,053,289 | 12.02% |
| 2.031 ⁽⁵⁾ | 7.96% | 29.00% | 17,510,149,716 | 11.46% |
| 2.392 ⁽⁵⁾ | 7.96% | 29.00% | 17,750,274,493 | 11.44% |
| 2.148 ⁽⁵⁾ | 7.96% | 29.00% | 20,308,204,532 | 11.68% |
| 4.711 | 7.96% | 29.00% | 20,433,655,801 | 11.61% |
| 4.711 | 7.15% | 29.00% | 25,704,455,061 | 10.48% |
| 4.711 | 7.15% | 29.00% | 25,845,741,195 | 10.42% |

CITY OF LAKEWOOD, COLORADO
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$1,000 of Assessed Value)

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------------------|
| CITY DIRECT RATE: | | | | | | | | | | |
| Property Tax Operating Mill Levy | 4.711 | 4.711 | 4.711 | 4.711 | 2.031 | 2.392 | 2.148 | 4.711 | 4.711 | 4.711 |
| OVERLAPPING RATES:^{(1) (2)} | | | | | | | | | | |
| Jefferson County | 24.346 | 24.346 | 25.846 | 25.846 | 24.212 | 24.709 | 22.420 | 23.739 | 23.332 | 24.578 |
| School District R-1 | 48.210 | 50.616 | 50.369 | 50.165 | 47.487 | 45.941 | 42.878 | 49.416 | 47.075 | 47.038 |
| Alameda Corridor Bus. Improve. Dist. | 5.720 | 5.720 | 5.720 | 5.720 | 5.720 | 5.720 | 5.720 | 5.720 | 5.720 | 5.720 |
| Alameda Water & Sanitation District | 7.000 | 7.000 | 7.000 | 7.000 | 7.000 | 7.000 | 7.000 | 7.000 | 7.000 | 7.000 |
| Bancroft-Clover Water & Sanitation Dist. | 1.746 | 1.746 | 1.746 | 1.746 | 1.628 | 1.633 | 1.442 | 1.454 | 1.295 | 1.296 |
| Bear Creek Water & Sanitation District | 4.416 | 4.425 | 4.420 | 4.425 | 3.820 | 3.745 | 3.860 | 4.030 | 3.745 | 3.951 |
| Bennett Bear Creek Farms Water & San. Dist. | 2.468 | 2.468 | 2.468 | 2.468 | 1.884 | 1.884 | 1.570 | 1.784 | 1.806 | 1.709 |
| Bowles Metro District | 40.000 | 42.000 | 42.000 | 42.000 | 42.000 | 42.000 | 42.000 | 42.000 | 42.000 | 40.000 |
| Daniels Sanitation District | 0.465 | 0.465 | 0.462 | 0.390 | 0.390 | 0.375 | 0.284 | 0.282 | 0.265 | 0.265 |
| Denver West Metro District | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 |
| Denver West Metro District Ex. 04 | 9.512 | 20.142 | 23.945 | 26.395 | 25.056 | 25.373 | 22.876 | 23.556 | 19.658 | 20.476 |
| Denver West Metro District Ex. 14 | N/A | N/A | N/A | 29.431 | 27.931 | 28.068 | 26.179 | 27.682 | 23.091 | 24.040 |
| Denver West Metro District Ex. 98 | 9.512 | 7.562 | 12.091 | 14.620 | 13.866 | 14.140 | 5.942 | 0.957 | 0.837 | 0.939 |
| Denver West Promenade Metro District | N/A | 60.000 | 60.000 | 60.000 | 60.000 | 60.000 | 60.000 | 60.000 | 60.000 | 60.000 |
| East Jefferson County Sanitation District | 1.141 | 1.141 | 1.115 | 1.115 | 0.914 | 0.914 | 0.744 | 0.744 | 0.679 | 0.679 |
| East Lakewood Sanitation District | 4.840 | 4.840 | 4.840 | 4.840 | 4.101 | 4.262 | 3.682 | 3.745 | 3.204 | 3.413 |
| Foothills Rec & Park Sub A | 7.464 | 7.527 | 7.559 | 7.551 | 7.237 | 7.191 | 9.671 | 9.691 | 9.539 | 9.477 |
| Fossil Ridge Metro District No. 1 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 5.000 | 0.000 | 0.000 |
| Fossil Ridge Metro District No. 2 | 30.000 | 30.000 | 30.000 | 38.500 | 40.000 | 40.000 | 43.668 | 37.668 | 43.668 | 39.000 |
| Fossil Ridge Metro District No. 3 | 30.000 | 30.000 | 30.000 | 40.000 | 40.000 | 40.000 | 43.668 | 37.668 | 43.668 | 39.000 |
| Highview Water District | 0.189 | 0.189 | 0.183 | 0.183 | 0.158 | 0.152 | 0.139 | 0.139 | 0.135 | 0.135 |
| Lakewood West Colfax Business Improve. | N/A | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 |
| Lochmoor Water & Sanitation District | 13.193 | 13.193 | 13.193 | 13.193 | 11.475 | 12.007 | 9.955 | 9.959 | 0.000 | 0.000 |
| Mount Carbon Metro District | 37.000 | 37.000 | 37.000 | 37.000 | 37.000 | 37.000 | 40.421 | 40.569 | 40.918 | 29.118 |
| Mount Carbon Metro District Ex. 07 | 20.000 | 20.000 | 20.000 | 20.000 | 20.000 | 20.000 | 21.849 | 21.929 | 22.118 | 22.118 |
| Mount Carbon Metro District Ex. 08 | 20.000 | 20.000 | 20.000 | 20.000 | 20.000 | 20.000 | 21.849 | 21.929 | 22.118 | 22.118 |
| Northwest Lakewood Sanitation District | 7.747 | 7.571 | 7.285 | 7.703 | 6.878 | 6.522 | 6.825 | 5.437 | 5.987 | 6.047 |
| Plaza Metro District No. 2 | 25.000 | 25.000 | 25.000 | 25.000 | 25.000 | 25.000 | 25.000 | 25.000 | 25.000 | 25.000 |
| Plaza Metro District No. 3 | 20.000 | 20.000 | 20.000 | 22.990 | 22.990 | 22.990 | 25.416 | 25.416 | 25.533 | 25.324 |
| Pleasant View Metro District | 7.000 | 7.000 | 7.000 | 7.000 | 7.000 | 7.000 | 7.000 | 7.000 | 7.000 | 7.000 |
| Pleasant View Water & Sanitation District | 0.552 | 0.552 | 0.552 | 0.552 | 0.552 | 0.552 | 0.552 | 0.552 | 0.552 | 0.552 |
| Prospect Recreation & Park District | 3.000 | 3.000 | 3.000 | 3.000 | 4.000 | 6.600 | 6.600 | 6.600 | 6.600 | 6.600 |
| Section 14 Metro District | 21.460 | 23.290 | 23.356 | 23.422 | 23.290 | 23.669 | 23.691 | 23.803 | 20.465 | 20.128 |
| Section 14 Metro District Ex. 04 | 17.666 | 16.798 | 18.961 | 19.088 | 18.180 | 18.559 | 14.006 | 16.150 | 0.000 | 0.000 |
| South Sheridan Water & Sanitation | 7.896 | 7.896 | 7.896 | 7.896 | 7.896 | 5.748 | 6.314 | 6.700 | 7.896 | 6.356 |
| Urban Drainage & Flood | 0.523 | 0.599 | 0.608 | 0.632 | 0.553 | 0.559 | 0.500 | 0.726 | 0.097 | 0.900 |
| Urban Drainage & Flood Control South Platte | 0.053 | 0.058 | 0.064 | 0.068 | 0.058 | 0.061 | 0.057 | 0.094 | 0.900 | 0.100 |
| West Metro Fire Protection District | 13.784 | 13.739 | 13.632 | 13.595 | 13.550 | 13.394 | 13.219 | 13.732 | 13.268 | 13.227 |
| Wheat Ridge Fire District | 7.500 | 7.500 | 7.500 | 12.586 | 12.527 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 ⁽³⁾ |
| Wheat Ridge Sanitation District | 0.546 | 0.546 | 0.537 | 0.537 | 0.468 | 0.468 | 0.468 | 0.398 | 0.354 | 0.354 |

Note:

The City's direct rate is for General Fund Operating and has no other individual components. The City's property tax rate may be increased only by a majority vote of the City's residents. The rate applies to the following year's payments. For example, the 2020 rate above applies to the property taxes levied in 2020 but paid in 2021. For the years 2015 through 2017, the City Council temporarily reduced the City's mill levy in order to refund revenues in excess of the limit imposed by the Colorado Constitution and the Taxpayer's Bill of Rights (TABOR).

⁽¹⁾ Overlapping rates are those of local and county governments that apply to property owners within the City of Lakewood. Not all overlapping rates apply to all Lakewood property owners; for example, although the county property tax rates apply to all Lakewood property owners, the Alameda Water and Sanitation District rates apply only to those Lakewood property owners whose property is located within that district's geographic boundaries.

⁽²⁾ The following entities overlap with the City of Lakewood but currently do not have a mill levy: Big Sky Metro District 1-7, Bonvue Water & Sanitation District, Grant Water & Sanitation District, Green Mountain Water & Sanitation District, Indiana Valley Metro District, Lakehurst Water & Sanitation District, Lena Gulch Metro District, Plaza Metro District 1, and Southwest Suburban Denver Water & Sanitation.

⁽³⁾ Wheat Ridge Fire District became part of West Metro Fire Protection District at the end of 2016.

**CITY OF LAKEWOOD, COLORADO
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

| Taxpayer | 2020 | | | 2011 | | |
|---|------------------|------|-----------------------------------|------------------|------|-----------------------------------|
| | Taxable Assessed | | Percentage of Total City Assessed | Taxable Assessed | | Percentage of Total City Assessed |
| | Value | Rank | | Value | Rank | Value |
| Public Service Co of Colorado | \$ 45,509,453 | 1 | 1.69% | \$ 22,271,660 | 4 | 1.24% |
| Belmar Commercial Owner LP ⁽¹⁾ | 41,318,987 | 2 | 1.74% | 27,320,494 | 2 | 1.52% |
| Colorado Mills Mall LP | 36,506,219 | 3 | 1.54% | 28,713,654 | 1 | 1.60% |
| Terumo BCT Inc ⁽²⁾ | 29,461,499 | 4 | 1.24% | | | |
| Lakewood MOB LLC | 22,048,929 | 5 | 0.93% | | | |
| Qwest Corp. | 14,320,510 | 6 | 0.60% | 25,535,900 | 3 | 1.50% |
| Lakewood City Commons LP | 8,899,114 | 7 | 0.38% | 12,568,455 | 5 | 0.70% |
| BR CWS Lakewood LLC | 8,786,123 | 8 | 0.37% | | | |
| Wal Mart Real Estate Business Trust | 8,183,317 | 9 | 0.34% | | | |
| Target Corporation | 7,784,299 | 10 | 0.33% | | | |
| The Section 14 Development Company | | | | 11,199,899 | 7 | 0.62% |
| Denver West Village LP ⁽³⁾ | | | | 11,358,314 | 6 | 0.67% |
| Carma Lakewood LLC | | | | | | |
| Centro Westland LLC | | | | 7,213,164 | 8 | 0.42% |

⁽¹⁾ Belmar Commercial Owner LP formerly Belmar Mainstreet Holdings I LLC, formerly Belmar I, LLC

⁽²⁾ Terumo BCT was formerly known as Caridian BCT formerly known as Gambro

⁽³⁾ Denver West Village LP formerly Denver West Mills LP formerly DW Village, LLC

Source: Jefferson County Assessor's Office

CITY OF LAKEWOOD, COLORADO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

| Levy Year | Year Collected | Taxes Levied for Collection (from abstract) | Amount Collected by the City | Percentage of Levy | Mill Levy | TABOR Refund ⁽¹⁾ | Total Property Tax Revenue |
|-----------|----------------|---|------------------------------|--------------------|-----------|-----------------------------|----------------------------|
| 2010 | 2011 | \$ 8,128,249 | \$ 7,986,944 | 98.26% | 4.711 | \$ - | \$ 7,986,944 |
| 2011 | 2012 | 7,739,528 | 7,573,830 | 97.86% | 4.711 | - | 7,573,830 |
| 2012 | 2013 | 7,713,072 | 7,601,278 | 98.55% | 4.711 | - | 7,601,278 |
| 2013 | 2014 | 7,852,912 | 7,715,595 | 98.25% | 4.711 | - | 7,715,595 |
| 2014 | 2015 | 7,933,999 | 7,737,330 | 97.52% | 4.711 | - | 7,737,330 |
| 2015 | 2016 | 3,941,301 ⁽¹⁾ | 3,952,039 ⁽¹⁾ | 100.27% | 2.031 | 5,200,119 | 9,152,158 |
| 2016 | 2017 | 4,679,870 ⁽¹⁾ | 4,614,865 ⁽¹⁾ | 98.61% | 2.392 | 4,535,650 | 9,150,515 |
| 2017 | 2018 | 4,882,439 ⁽¹⁾ | 4,775,902 ⁽¹⁾ | 97.82% | 2.148 | 5,823,934 | 10,599,836 |
| 2018 | 2019 | 10,689,230 | 10,529,868 | 98.51% | 4.711 | | 10,529,868 |
| 2019 | 2020 | 12,128,000 | 11,888,221 | 98.02% | 4.711 | | 11,888,221 |

Note: Includes City of Lakewood property taxes only. Jefferson County is the collection agent for the City of Lakewood and does not provide data indicating to which levy year delinquent tax collections relate. Since the tax collection data isn't provided and is not under the control of the City, statistical information can not be provided regarding collections in subsequent years and total collections to date. Typically less than 3% of the total taxes levied each year are delinquent and delinquent taxes collected each year are less than 1/2%.

⁽¹⁾ The City's revenues are limited by the Colorado Constitution and its Tax Payer's Bill of Rights (TABOR). To refund the revenues in excess of the limit, the City Council has chosen to temporarily reduce the City's mill levy for the years 2015, 2016, and 2017; resulting in a refund in 2016, 2017, and 2018.

Sources: Jefferson County Assessor's Office, City's Comprehensive Annual Financial Report

CITY OF LAKEWOOD, COLORADO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(In thousands of dollars)

| Fiscal Year | Governmental Activities | | | | | Business Activities | Total Primary Government Debt | Debt as a Percentage of Personal Income ⁽¹⁾ | Debt Per Capita ⁽¹⁾ |
|----------------|---------------------------------------|-------------------------------------|-------------------|---------------------------------------|---|------------------------|-------------------------------------|---|--------------------------------------|
| | Sales and Use Tax Revenue Bonds | Certificates of Participation | Capital Leases | Grant/ Program Revenue Notes | Total Governmental Activities Debt | Capital Leases | | | |
| 2011 | \$ 1,300,000 | \$ 45,275,771 | \$ 3,107,563 | \$ 5,472,119 | \$ 55,155,453 | \$ 119,191 | \$ 55,274,644 | 1.32% | \$ 382 |
| 2012 | - | 41,220,129 | 2,905,926 | 5,145,052 | 49,271,107 | 67,413 | 49,338,520 | 1.16% | 338 |
| 2013 | - | 36,999,487 | 2,689,857 | 4,765,305 | 44,454,649 | - | 44,454,649 | 0.98% | 302 |
| 2014 | - | 33,323,846 | 3,415,224 | 4,399,373 | 41,138,443 | - | 41,138,443 | 0.86% | 276 |
| 2015 | - | 29,493,205 | 3,089,320 | 3,979,232 | 36,561,757 | - | 36,561,757 | 0.73% | 241 |
| 2016 | - | 25,507,564 | 2,741,723 | 3,534,209 | 31,783,496 | - | 31,783,496 | 0.61% | 207 |
| 2017 | - | 21,351,923 | 2,369,543 | 3,126,761 | 26,848,227 | - | 26,848,227 | 0.50% | 174 |
| 2018 | - | 17,001,282 | 3,684,415 | 2,604,079 | 23,289,776 | - | 23,289,776 | 0.41% | 149 |
| 2019 | - | 12,465,641 | 3,444,251 | 1,973,121 | 17,883,013 | - | 17,883,013 | 0.29% | 114 |
| 2020 | - | 12,300,000 | 3,133,197 | 1,522,473 | 16,955,670 | - | 16,955,670 | 0.24% | 107 |

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

⁽¹⁾ See Schedule 16 for personal income and population data.

Source: City's Comprehensive Annual Financial Report

CITY OF LAKEWOOD, COLORADO
RATIOS OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

| | 2011 | | 2012 | | 2013 | | 2014 | | 2015 | |
|--|------|-------------|------|-------------|------|-------------|------|-------------|------|-------------|
| General bonded debt outstanding: | | | | | | | | | | |
| General obligation bonds ⁽¹⁾ | \$ | -- | \$ | -- | \$ | -- | \$ | -- | \$ | -- |
| Percentage of estimated actual property value ⁽²⁾ | | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% |
| Per capita ⁽³⁾ | \$ | -- | \$ | -- | \$ | -- | \$ | -- | \$ | -- |
| Legal debt limit ⁽⁴⁾ | \$ | 423,028,603 | \$ | 422,526,195 | \$ | 431,818,902 | \$ | 435,601,599 | \$ | 525,304,491 |
| Legal debt margin ⁽⁵⁾ | \$ | 423,028,603 | \$ | 422,526,195 | \$ | 431,818,902 | \$ | 435,601,599 | \$ | 525,304,491 |
| Legal debt margin as a percentage of the debt limit | | 100.00% | | 100.00% | | 100.00% | | 100.00% | | 100.00% |

⁽¹⁾ No amounts have been restricted to the repayment of the principal of these general obligation bonds.

⁽²⁾ Property value data can be found in Schedule 8, Assessed Value and Actual Value of Taxable Property.

⁽³⁾ Population data can be found in Schedule 16, Economic and Demographic Indicators.

⁽⁴⁾ State statutes limit the City's outstanding general debt to no more than 3% of the estimated actual property value.

⁽⁵⁾ The legal debt margin is the City's available borrowing authority under state statutes and is calculated by subtracting the net debt applicable to the legal debt limit (general obligation debt) from the legal debt limit.

Source: City's Comprehensive Annual Financial Report

Schedule 13

| 2016 | | 2017 | | 2018 | | 2019 | | 2020 | |
|------|-------------|------|-------------|------|-------------|------|-------------|------|-------------|
| \$ | -- | \$ | -- | \$ | -- | \$ | -- | \$ | -- |
| | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% |
| \$ | -- | \$ | -- | \$ | -- | \$ | -- | \$ | -- |
| \$ | 532,508,235 | \$ | 609,246,136 | \$ | 613,009,674 | \$ | 613,009,674 | \$ | 775,372,236 |
| \$ | 532,508,235 | \$ | 609,246,136 | \$ | 613,009,674 | \$ | 613,009,674 | \$ | 775,372,236 |
| | 100.00% | | 100.00% | | 100.00% | | 100.00% | | 100.00% |

CITY OF LAKEWOOD, COLORADO
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2020

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable | Estimated Share of Overlapping Debt |
|---|-------------------------|---------------------------------------|--|
| Debt repaid with property taxes: | | | |
| Bowles Metropolitan District | \$ 17,870,000 | 43.00% | \$ 7,684,100 |
| Denver West Metropolitan District | 40,944,206 | 80.08% | 32,788,120 |
| Denver West Metropolitan District EX 04 | 1,166,201 | 91.90% | 1,071,739 |
| Denver West Metropolitan District EX 14 | 1,306,894 | 96.70% | 1,263,766 |
| Denver West Promenade Metro District | 4,875 | 98.87% | 4,820 |
| Fossil Ridge Metropolitan District 3 | 35,284,159 | 98.89% | 34,892,505 |
| Indy Oak TOD Metropolitan District | 3,956,000 | 98.88% | 3,911,693 |
| Jefferson County R-1 School District | 812,290,000 | 23.85% | 193,731,165 |
| Mount Carbon Metropolitan District | 14,940,000 | 100.00% | 14,940,000 |
| Prospect Recreation and Park District | 7,700,000 | 20.27% | 1,560,790 |
| Sheridan Station West Metropolitan District | 3,625,000 | 98.40% | 3,567,000 |
| West Metro Fire Protection District | 19,125,000 | 55.39% | 10,593,338 |
| Other debt: | | | |
| Jefferson County | 56,535,000 | 23.85% | 13,483,598 |
| Jefferson County R-1 School District | 57,020,000 | 23.85% | 13,599,270 |
| Plaza Metropolitan District | 64,915,000 | 100.00% | 64,915,000 |
| Pleasant View Water & Sanitation District | 170,000 | 51.97% | 88,349 |
| Section 14 Metropolitan District | - | | - |
| West Metro Fire Protection District | 777,589 | 55.39% | 430,707 |
| Subtotal, overlapping debt | 1,137,687,623 | | 398,525,960 |
| City direct debt | 16,955,670 | 100.00% | 16,955,670 |
| Total direct and overlapping debt | \$ 1,154,643,293 | | \$ 415,481,630 |

Note: Overlapping governments are those that impose property taxes that coincide, at least in part, with geographic boundaries of the City of Lakewood (the City). This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City. The estimated percentage applicable is calculated using an estimated assessed value located within the City divided by the total Assessed Valuation of each area as provided by Jefferson County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account.

Sources: Debt outstanding provided by each governmental unit

Assessed values used to determine percentage provided by Jefferson County Assessor's Office

CITY OF LAKEWOOD, COLORADO
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

| Fiscal Year | Lakewood Reinvestment Authority (LRA) LRA Station Betterments Loan | | | | |
|----------------|---|--------------------------|----------|---------|----------|
| | LRA Sales & Property Tax Revenues | Required Debt Service | | Total | Coverage |
| | | Principal ⁽¹⁾ | Interest | | |
| 2011 | 298,136 | 85,911 | 164,050 | 249,961 | 1.19 |
| 2012 | 296,813 | 70,510 | 169,661 | 240,171 | 1.24 |
| 2013 | 396,576 | 88,079 | 124,769 | 212,848 | 1.86 |
| 2014 | 633,932 | 95,390 | 117,458 | 212,848 | 2.98 |
| 2015 | 700,652 | 101,141 | 111,707 | 212,848 | 3.29 |
| 2016 | 783,970 | 133,127 | 79,721 | 212,848 | 3.68 |
| 2017 | 803,428 | 113,448 | 67,707 | 181,155 | 4.44 |
| 2018 | 745,127 | 117,682 | 63,472 | 181,154 | 4.11 |
| 2019 | 1,000,528 | 129,803 | 51,351 | 181,154 | 5.52 |
| 2020 | 1,470,056 | 115,648 | 37,073 | 152,721 | 9.63 |

⁽¹⁾ The principal payments above are the required principal payments per year. However, the Authority Board chose to make additional principal payments as outlined below:

| | |
|------|---------|
| 2011 | 50,000 |
| 2012 | 18,557 |
| 2013 | 43,668 |
| 2014 | 12,542 |
| 2015 | 50,000 |
| 2016 | 32,896 |
| 2017 | - |
| 2018 | 100,000 |
| 2019 | 181,155 |
| 2020 | - |

Note: In 2019, the 2008 LRA loan was paid off and a new loan was recorded for the same amount.
Only the amounts paid through normal debt service are included above.

Source: City's Comprehensive Annual Financial Report

CITY OF LAKEWOOD, COLORADO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

| Fiscal Year | Population ⁽¹⁾ | Personal Income ⁽²⁾ | Per Capita Personal Income ⁽²⁾ | Median Age ⁽³⁾ | Education Level in Years of Schooling ⁽⁴⁾ | K-12 School Enrollment ⁽⁵⁾ | Unemployment Rate (%) ⁽⁶⁾ |
|-------------|---------------------------|--------------------------------|---|---------------------------|--|---------------------------------------|--------------------------------------|
| 2011 | 144,599 | \$ 4,201,757,742 | \$ 29,058 | 39 | 13.9 | 21,170 | 8.7 |
| 2012 | 145,876 | 4,235,509,660 | 29,035 | 39 | 14.0 | 20,812 | 7.9 |
| 2013 | 147,290 | 4,524,748,800 | 30,720 | 39 | 14.0 | 21,266 | 6.7 |
| 2014 | 149,319 | 4,795,827,642 | 32,118 | 39 | 14.0 | 21,083 | 5.1 |
| 2015 | 151,934 | 4,975,230,764 | 32,746 | 38 | 14.0 | 20,944 | 3.9 |
| 2016 | 153,775 | 5,232,655,700 | 34,028 | 38 | 14.1 | 20,768 | 3.2 |
| 2017 | 154,689 | 5,373,277,104 | 34,736 | 38 | 14.1 | 19,902 | 2.6 |
| 2018 | 156,493 | 5,707,925,682 | 36,474 | 39 | 14.1 | 19,715 | 3.1 |
| 2019 | 157,469 | 6,150,266,733 | 39,057 | 39 | 14.2 | 21,764 | 2.8 |
| 2020 | 159,028 | 7,047,325,820 | 44,315 | 38 | 14.4 | 19,349 | 7.9 |

Sources for the data are listed below:

⁽¹⁾ Colorado Division of Local Government, State Demography Office - latest fiscal year is always an estimate

⁽²⁾ Lakewood Finance Department estimate using data from the U.S. Census Bureau and Bureau of Economic Analysis

⁽³⁾ U.S. Census Bureau

⁽⁴⁾ Lakewood Finance Department estimate using data from the U.S. Census Bureau, American Fact Finder, American Community Survey 5 year - for 2019 used 2013-2017

⁽⁵⁾ Colorado Department of Education

⁽⁶⁾ U.S. Department of Labor, Bureau of Labor Statistics

CITY OF LAKEWOOD, COLORADO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

| Employer | 2018 | | | 2009 | | |
|--|-----------|------|---|-----------|------|---|
| | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| Denver Federal Center | 8,000 | 1 | 9.70% | 6,200 | 1 | 8.09% |
| Jefferson County R-1 School District | 3,510 | 2 | 4.25% | 3,637 | 2 | 4.75% |
| Terumo BCT ⁽¹⁾ | 2,400 | 3 | 2.91% | 1,634 | 3 | 2.13% |
| St. Anthony Medical Campus | 2,200 | 4 | 2.67% | | | |
| State of Colorado (various departments) | 1,823 | 5 | 2.21% | | | |
| First Bank | 1,332 | 6 | 1.61% | 723 | 8 | 0.94% |
| Home Advisor ⁽²⁾ | 1,100 | 7 | 1.33% | 798 | 6 | 1.04% |
| City of Lakewood | 871 | 8 | 1.06% | 865 | 5 | 1.13% |
| Colorado Christian University | 456 | 9 | 0.55% | | | |
| West Metro Fire Protection and Rescue | 405 | 10 | 0.49% | | | |
| The Integer Group | | | | 580 | 10 | 0.76% |
| MoneyGram International | | | | 875 | 4 | 1.14% |
| Lockheed Martin-Orion Project Offices ⁽³⁾ | | | | 650 | 9 | 0.85% |
| National Renewable Energy Laboratory ⁽³⁾ | | | | 774 | 7 | 1.01% |

⁽¹⁾ Terumo BCT was formerly known as Caridian BCT formerly known as Gambro

⁽²⁾ Home Advisor was formerly known as Service Magic

⁽³⁾ Offices in Lakewood

Note: Due to COVID-19, information was not available for 2019 or 2020.

Sources: City of Lakewood Economic Development Division
American Fact Finder (U.S. Census Bureau) for total employed

CITY OF LAKEWOOD, COLORADO
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY DEPARTMENT
LAST TEN FISCAL YEARS

| Department | December 31, 2011 | December 31, 2012 | December 31, 2013 | December 31, 2014 | December 31, 2015 |
|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Mayor and City Council | - | - | - | - | - |
| City Manager's Office | 16.37 | 15.65 | 19.12 | 18.46 | 17.68 |
| City Attorney's Office | 10.70 | 10.75 | 10.80 | 10.07 | 10.68 |
| City Clerk's Office | 8.73 | 7.78 | 8.91 | 8.99 | 8.11 |
| Lakewood Reinvestment Authority | 1.07 | 1.13 | 1.13 | 1.13 | 0.43 |
| Community Resources | 174.48 | 170.99 | 167.44 | 192.58 | 191.87 |
| Employee Relations | 13.67 | 13.71 | 13.29 | 14.36 | 13.29 |
| Finance | 29.57 | 27.87 | 28.74 | 32.09 | 32.75 |
| Information Technology | 26.60 | 26.09 | 25.52 | 26.25 | 27.37 |
| Municipal Court | 26.38 | 29.81 | 30.00 | 30.27 | 30.57 |
| Planning | 14.15 | 14.79 | 15.44 | 15.91 | 16.99 |
| Police | 411.11 | 390.93 | 403.87 | 409.38 | 406.10 |
| Public Works | 112.24 | 113.87 | 110.96 | 113.40 | 113.23 |
| Total | 845.07 | 823.37 | 835.22 | 872.89 | 869.07 |

Note: The numbers above reflect actual hours worked from the City's financial payroll data. They do not reflect the City's authorized or vacant positions.

Source: The City of Lakewood's Payroll System

Schedule 18

| December 31, 2016 | December 31, 2017 | December 31, 2018 | December 31, 2019 | December 31, 2020 |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| - | - | - | - | - |
| 19.22 | 18.14 | 19.43 | 18.88 | 14.66 |
| 10.77 | 10.93 | 10.75 | 10.28 | 9.81 |
| 8.11 | 9.29 | 9.96 | 8.55 | 7.74 |
| 0.10 | 0.34 | 0.26 | 0.25 | 0.35 |
| 191.67 | 199.83 | 203.35 | 204.04 | 188.67 |
| 12.68 | 14.41 | 14.89 | 14.77 | 13.04 |
| 32.40 | 30.60 | 31.85 | 30.08 | 27.31 |
| 28.60 | 30.01 | 29.97 | 31.64 | 29.06 |
| 30.34 | 30.33 | 31.49 | 31.17 | 30.34 |
| 17.21 | 16.36 | 16.65 | 15.67 | 14.98 |
| 407.00 | 412.49 | 391.55 | 399.59 | 396.92 |
| 114.08 | 116.53 | 118.60 | 121.14 | 112.94 |
| 872.18 | 889.26 | 878.75 | 886.06 | 845.82 |

CITY OF LAKEWOOD, COLORADO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

| Function/Program | December 31, 2011 | December 31, 2012 | December 31, 2013 | December 31, 2014 | December 31, 2015 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Building Department | | | | | |
| Permits ⁽¹⁾ issued: | | | | | |
| Building | 1,434 | 1,610 | 1,915 | 2,175 | 2,322 |
| Other (electrical, plumbing, (mechanical, sign, miscellaneous) | 10,914 | 7,943 | 7,141 | 9,131 | 9,621 |
| Municipal Court | | | | | |
| Cases received | 20,780 | 17,849 | 18,228 | 19,519 | 19,858 |
| Public Safety | | | | | |
| Physical arrests | 5,557 | 5,129 | 5,262 | 5,625 | 5,560 |
| Parking violations | 1,952 | 1,916 | 2,260 | 2,093 | 2,942 |
| Traffic violations | 19,797 | 15,805 | 16,446 | 14,382 | 12,882 |
| Public Works | | | | | |
| Highways and Streets | | | | | |
| Street resurfacing (miles) | 47.00 | 46.00 | 54.60 | 55.04 | 62.30 |
| Potholes repaired | 800-1,000 | 800-1,000 | 800-1,000 | 900-1,000 | 1,800-2,000 |
| Water | | | | | |
| New connections/accounts ⁽²⁾ | 1 | 0 | 8 | 0 | 25 |
| Average daily consumption (gallons) | 585,800 | 586,795 | 547,351 | 540,556 | 534,833 |
| Sewer | | | | | |
| New connections/accounts ⁽²⁾ | 4 | 5 | 12 | 13 | 10 |
| Average daily treatment (gallons) | 2,827,589 | 2,496,685 | 2,536,493 | 2,691,397 | 3,094,274 |
| Culture and Recreation | | | | | |
| Rounds of golf (two courses) | 93,157 | 102,126 | 98,205 | 102,553 | 103,979 |
| Cultural admissions (paid and unpaid) | 138,587 | 130,716 | 139,655 | 171,093 | 177,043 |

Note: Indicators are not available for the general government function except as indicated above for the Building Department and Municipal Court.

⁽¹⁾ The increases in permits for 2011 and 2017 were due to a large number of re-roofing and re-siding permits after major hailstorms in 2010, and 2017.

⁽²⁾ In 2019, the City changed the indicator from new connections to new accounts as that more accurately reflects the City's customer growth.

Source: City of Lakewood Public Works Department, Municipal Court, Police Department, and Community Resources Department

Schedule 19

| December 31, 2016 | December 31, 2017 | December 31, 2018 | December 31, 2019 | December 31, 2020 |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2,303 | 2,910 | 2,578 | 1,847 | 1,605 |
| 9,891 | 22,310 | 12,838 | 10,014 | 8,491 |
| 17,662 | 16,937 | 16,966 | 17,366 | 12,753 |
| 5,688 | 5,978 | 6,253 | 4,729 | 6,909 |
| 3,420 | 3,642 | 3,331 | 3,722 | 2,997 |
| 11,874 | 11,550 | 11,974 | 8,915 | 10,119 |
| 60.00 | 62.54 | 71.65 | 74.86 | 64.72 |
| 2,186 | 521 | 500 | 1,800 | 1,000 |
| 12 | 20 | 8 | 22 | - |
| 534,833 | 530,564 | 522,090 | 565,710 | 601,605 |
| 8 | 10 | - | 29 | 45 |
| 2,823,890 | 2,614,767 | 2,531,973 | 2,633,836 | 2,418,329 |
| 104,791 | 103,351 | 100,212 | 97,770 | 128,938 |
| 186,072 | 200,319 | 206,738 | 217,944 | 71,083 |

CITY OF LAKEWOOD, COLORADO
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

| Function/Program | December 31, 2011 | December 31, 2012 | December 31, 2013 | December 31, 2014 | December 31, 2015 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| General Government | | | | | |
| Area (square miles) | 44.022 | 44.022 | 44.210 | 44.210 | 44.210 |
| Public Safety | | | | | |
| Number of police stations | 2 | 2 | 2 | 2 | 2 |
| Public Works | | | | | |
| Highways and Streets | | | | | |
| Streets (miles) | 540 | 542 | 543 | 543 | 543 |
| Streetlights | 7,869 | 7,827 | 7,823 | 7,812 | 7,868 |
| Traffic signals | 199 | 200 | 200 | 201 | 201 |
| Water | | | | | |
| Number of taps/accounts ⁽³⁾ | 731 | 731 | 739 | 739 | 764 |
| Water mains (miles) | 14 | 14 | 14 | 14 | 23 |
| Sewer | | | | | |
| Number of taps/accounts ⁽³⁾ | 6,868 | 6,873 | 6,870 | 6,890 | 6,900 |
| Sewer mains (miles) | 106 | 106 | 106 | 106 | 133 |
| Stormwater | | | | | |
| Stormwater mains (miles) | 228 | 228 | 228 | 228 | 325 |
| Culture and Recreation | | | | | |
| Number of parks | 98 | 99 | 99 | 99 | 99 |
| Park acreage | 7,152 | 7,163 | 7,163 | 7,163 | 7,163 |
| Playgrounds | 76 | 76 | 76 | 76 | 76 |
| Athletic fields ^{(1) (2)} | 57 | 57 | 56 | 56 | 56 |
| Tennis courts | 36 | 36 | 34 | 34 | 34 |
| Basketball courts (outdoor) | 32 | 32 | 32 | 32 | 32 |
| Recreation centers | 4 | 4 | 4 | 4 | 4 |
| Outdoor swimming pools | 3 | 3 | 3 | 3 | 3 |
| Cultural centers | 3 | 3 | 3 | 3 | 3 |
| Golf courses | 2 | 2 | 2 | 2 | 2 |

⁽¹⁾ Prior to 2017 The City reported the number of parks that contained playgrounds. Reporting has changed to include the number of playgrounds contained in those 58 parks.

⁽²⁾ Athletic fields include baseball/softball diamonds and football/soccer fields. Some of the fields are multi-use depending on the season.

⁽³⁾ In 2019, the City changed the indicator from number of taps to number of accounts to more accurately reflects the City's customer base.

Source: City of Lakewood Property Management Division, Public Works Department, and Community Resources Department

Schedule 20

| December 31, 2016 | December 31, 2017 | December 31, 2018 | December 31, 2019 | December 31, 2020 |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| 44.210 | 44.210 | 44.210 | 44.660 | 44.660 |
| 2 | 2 | 2 | 2 | 2 |
| 543 | 543 | 543 | 537 | 1,540 |
| 7,878 | 7,909 | 8,000 | 8,015 | 8,076 |
| 201 | 198 | 198 | 198 | 198 |
| 791 | 811 | 820 | 820 | 799 |
| 23 | 13 | 13 | 13 | 13 |
| 6,879 | 6,889 | 6,888 | 6,888 | 6,962 |
| 133 | 107 | 107 | 107 | 107 |
| 325 | 200 | 200 | 200 | 202 |
| 99 | 101 | 104 | 110 | 110 |
| 7,163 | 7,181 | 7,240 | 7,240 | 7,459 |
| 76 | 76 | 76 | 76 | 76 |
| 56 | 56 | 56 | 56 | 56 |
| 34 | 34 | 34 | 34 | 34 |
| 32 | 32 | 33 | 21 | 21 |
| 4 | 4 | 4 | 4 | 4 |
| 3 | 3 | 3 | 3 | 3 |
| 3 | 3 | 3 | 3 | 3 |
| 2 | 2 | 2 | 2 | 2 |



THIS PAGE INTENTIONALLY LEFT BLANK

COMPLIANCE SECTION

OTHER REPORTS

Local Highway Finance Report, which is an annual statement of receipts and expenditures required to be submitted annually to the Colorado Department of Transportation as part of the mileage certification process.

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

| | | | |
|---|--|--|------------------------|
| LOCAL HIGHWAY FINANCE REPORT | | City or County: CITY OF LAKEWOOD, COLORADO | |
| | | YEAR ENDING : December 2020 | |
| This Information From The Records Of City of Lakewood, Colorado | | Prepared By: Peggy Starr | Phone: 303-987-7664 |

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

| II. RECEIPTS FOR ROAD AND STREET PURPOSES | | III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES | |
|---|------------|---|------------|
| ITEM | AMOUNT | ITEM | AMOUNT |
| A. Receipts from local sources: | | A. Local highway disbursements: | |
| 1. Local highway-user taxes | | 1. Capital outlay (from page 2) | 10,536,800 |
| a. Motor Fuel (from Item I.A.5.) | | 2. Maintenance: | 1,460,811 |
| b. Motor Vehicle (from Item I.B.5.) | | 3. Road and street services: | |
| c. Total (a.+b.) | | a. Traffic control operations | 4,051,798 |
| 2. General fund appropriations | 5,113,409 | b. Snow and ice removal | 1,416,537 |
| 3. Other local imposts (from page 2) | 15,593,086 | c. Other | 2,648,157 |
| 4. Miscellaneous local receipts (from page 2) | 1,392,315 | d. Total (a. through c.) | 8,116,492 |
| 5. Transfers from toll facilities | | 4. General administration & miscellaneous | 680,283 |
| 6. Proceeds of sale of bonds and notes: | | 5. Highway law enforcement and safety | 7,568,338 |
| a. Bonds - Original Issues | | 6. Total (1 through 5) | 28,362,723 |
| b. Bonds - Refunding Issues | | B. Debt service on local obligations: | |
| c. Notes | | 1. Bonds: | |
| d. Total (a. + b. + c.) | 0 | a. Interest | |
| 7. Total (1 through 6) | 22,098,810 | b. Redemption | |
| B. Private Contributions | | c. Total (a. + b.) | 0 |
| C. Receipts from State government (from page 2) | 5,437,495 | 2. Notes: | |
| D. Receipts from Federal Government (from page 2) | 826,418 | a. Interest | |
| E. Total receipts (A.7 + B + C + D) | 28,362,723 | b. Redemption | |
| | | c. Total (a. + b.) | 0 |
| | | 3. Total (1.c + 2.c) | 0 |
| | | C. Payments to State for highways | |
| | | D. Payments to toll facilities | |
| | | E. Total disbursements (A.6 + B.3 + C + D) | 28,362,723 |

| IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par) | | | | |
|--|--------------|---------------|-------------|--------------|
| | Opening Debt | Amount Issued | Redemptions | Closing Debt |
| A. Bonds (Total) | | | | 0 |
| 1. Bonds (Refunding Portion) | | | | |
| B. Notes (Total) | | | | 0 |

| V. LOCAL ROAD AND STREET FUND BALANCE | | | | | |
|---------------------------------------|----------------------|-------------------|-----------------------|-------------------|-------------------|
| | A. Beginning Balance | B. Total Receipts | C. Total Disbursement | D. Ending Balance | E. Reconciliation |
| | | 28,362,723 | 28,362,723 | | (0) |

Notes and Comments:

| | | | |
|------------------------------|--|---------------------------------------|--|
| LOCAL HIGHWAY FINANCE REPORT | | STATE: Colorado | |
| | | YEAR ENDING (mm/yy): December 2020 | |

| II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL | | | |
|--|------------|--|-----------|
| ITEM | AMOUNT | ITEM | AMOUNT |
| A.3. Other local imposts: | | A.4. Miscellaneous local receipts: | |
| a. Property Taxes and Assessments | | a. Interest on investments | 315,665 |
| b. Other local imposts: | | b. Traffic Fines & Penalties | 1,041,650 |
| 1. Sales Taxes | 12,952,621 | c. Parking Garage Fees | |
| 2. Infrastructure & Impact Fees | | d. Parking Meter Fees | 0 |
| 3. Liens | | e. Sale of Surplus Property | |
| 4. Licenses | 332,443 | f. Charges for Services | |
| 5. Specific Ownership &/or Other | 2,308,022 | g. Other Misc. Receipts | 35,000 |
| 6. Total (1. through 5.) | 15,593,086 | h. Other | 0 |
| c. Total (a. + b.) | 15,593,086 | i. Total (a. through h.) | 1,392,315 |
| (Carry forward to page 1) | | (Carry forward to page 1) | |
| ITEM | AMOUNT | ITEM | AMOUNT |
| C. Receipts from State Government | | D. Receipts from Federal Government | |
| 1. Highway-user taxes | 3,582,895 | 1. FHWA (from Item I.D.5.) | |
| 2. State general funds | | 2. Other Federal agencies: | |
| 3. Other State funds: | | a. Forest Service | |
| a. State bond proceeds | | b. FEMA | |
| b. Project Match | | c. HUD | |
| c. Motor Vehicle Registrations | 517,868 | d. Federal Transit Admin | |
| d. Other (Specify) - Grants | 38,506 | e. U.S. Corps of Engineers | |
| e. Other (Specify) - FASTER/Signal | 1,298,226 | f. Other Federal | 826,418 |
| f. Total (a. through e.) | 1,854,600 | g. Total (a. through f.) | 826,418 |
| 4. Total (1. + 2. + 3.f) | 5,437,495 | 3. Total (1. + 2.g) | |
| | | (Carry forward to page 1) | |

| III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL | | | |
|--|---|--|--------------|
| | ON NATIONAL HIGHWAY SYSTEM (a) | OFF NATIONAL HIGHWAY SYSTEM (b) | TOTAL (c) |
| A.1. Capital outlay: | | | |
| a. Right-Of-Way Costs | | | 0 |
| b. Engineering Costs | | | 422,522 |
| c. Construction: | | | |
| (1). New Facilities | | | 0 |
| (2). Capacity Improvements | | | 0 |
| (3). System Preservation | | 6,924,640 | 6,924,640 |
| (4). System Enhancement & Operation | | 3,189,638 | 3,189,638 |
| (5). Total Construction (1) + (2) + (3) + (4) | 0 | 10,114,278 | 10,114,278 |
| d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5) | 0 | 10,114,278 | 10,536,800 |
| | | (Carry forward to page 1) | |
| Notes and Comments: | | | |



THIS PAGE INTENTIONALLY LEFT BLANK