



Lakewood
Full of Possibilities.



2022

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For year ended December 31, 2022

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



**For The Year Ended
December 31, 2022**

**Prepared by:
Department of Finance**



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INTRODUCTORY SECTION



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CITY OF LAKEWOOD, COLORADO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended December 31, 2022

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City of Lakewood

City Manager's Office

480 South Allison Parkway
Lakewood, Colorado 80226-3127
303-987-7050 Voice
303-987-7063 FAX

July 6, 2023

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

TRANSMITTAL LETTER

Formal Transmittal

The Annual Comprehensive Financial Report of the City of Lakewood, Colorado (“the City”) for the fiscal year ended December 31, 2022 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 Annual Comprehensive 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 Annual Comprehensive 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 CliftonLarsonAllen LLP, conducted the audit of the City's financial statements for the year ended 2022. 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 Annual Comprehensive 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 2022, the City will retain an additional \$10,578,090 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.

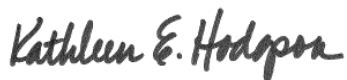
Awards and Acknowledgements

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 Annual Comprehensive Financial Report for the fiscal year ended December 31, 2021. This is the thirty-first 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 Annual Comprehensive 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 2023.

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, Jennifer Baird, and the entire Accounting workgroup for their direct contributions in preparing this report and facilitating the audit. Additionally, we thank CliftonLarsonAllen 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



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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Lakewood
Colorado**

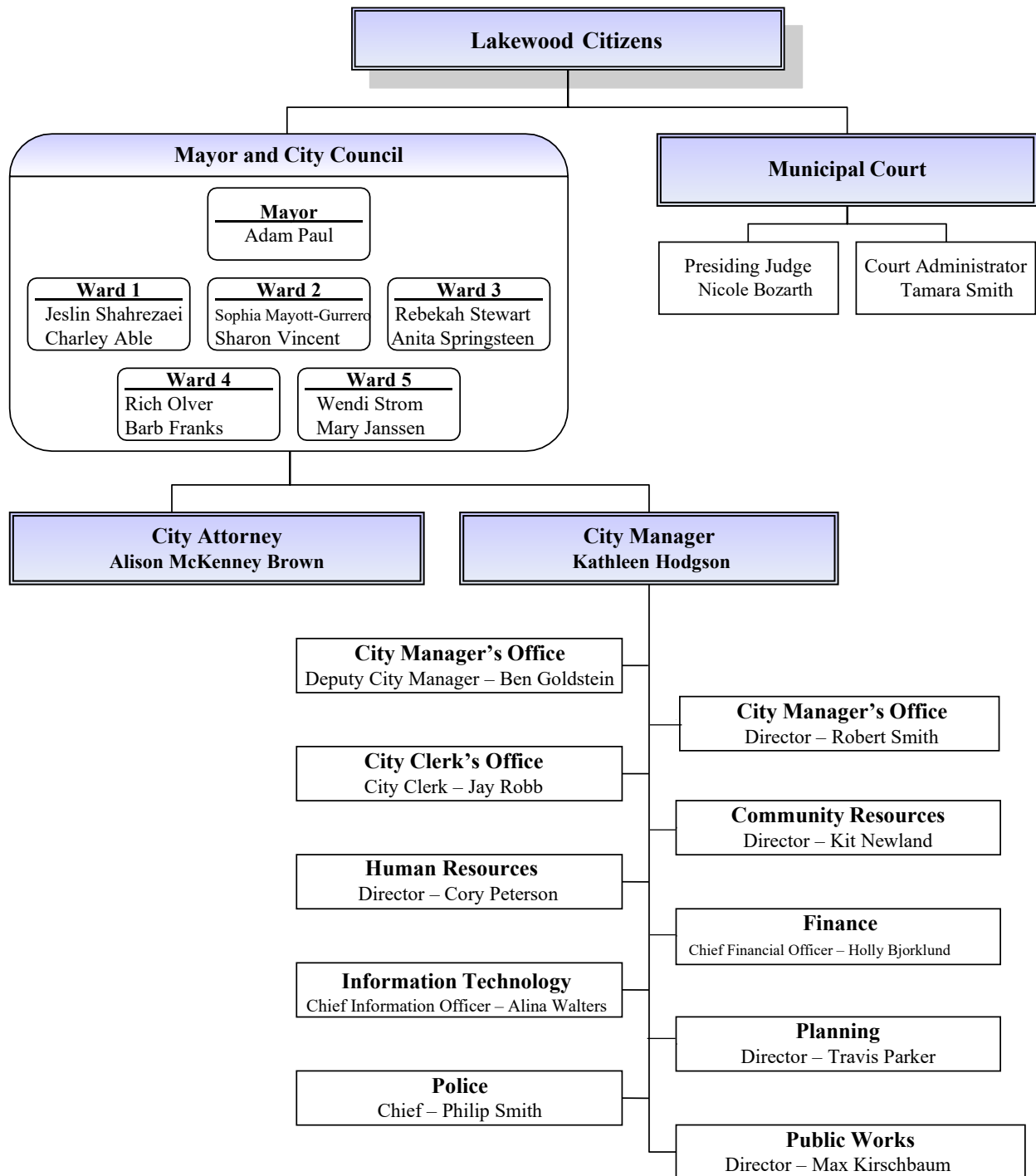
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

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	Charley Able Jeslin Shahrezaei
	Ward II	Sharon Vincent Sophia Mayott-Guerrero
	Ward III	Anita Springsteen Rebekeh Stewart
	Ward IV	Barb Franks Rich Olver
	Ward V	Wendi Strom Mary Janssen

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	Jay Robb
Department of Community Resources	Kit Newland, Director
Department of Human Resources	Cory Peterson, Director
Department of Finance	Holly Björklund, Chief Financial Officer
Department of Information Technology	Alina Walters, Chief Information Officer
Municipal Court	Nicole Bozarth, Presiding Judge Tamara Smith, Court Administrator
Department of Planning	Travis Parker, Director
Police Department	Philip Smith, Police Chief
Department of Public Works	Max Kirschbaum, Director



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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.



INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying 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 (the City), as of and for the year ended December 31, 2022, 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 financial statements referred to above 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, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of a Matter

The City reported a restatement of beginning net position to incorporate the Duty, Death, and Disability Plan as part of the City's reporting entity and to adjust the Retired City Manager Plan's investments to fair value, as described in Note 14 to the financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedule – General Fund, the budgetary comparison schedule – TABOR Fund, the schedule of changes in the City's net pension liability and related ratios – retired city manager pension plan, schedule of changes in the City's total Duty, Death, and Disability liability and related ratios, and the schedule of changes in the City's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

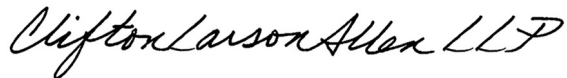
Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 6, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Greenwood Village, Colorado
July 6, 2023

**City of Lakewood, Colorado
Management's Discussion and Analysis
for the Year Ended December 31, 2022**



This section of the City of Lakewood's Annual Comprehensive Financial Report offers readers a narrative overview and analysis of the financial activities of the City for the year ended December 31, 2022. 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 2022 by \$752,944,696. Of this amount, \$118,243,726 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 \$70,541,331 over the prior year, excluding restatement.
- At the end of 2022, the City's governmental funds reported combined fund balances of \$180,161,142, an increase of \$27.6 million in comparison with the prior year. Approximately 33% of this amount (\$60 million) is available for spending at the government's discretion.
- At the end of 2022, unassigned fund balance for the General Fund was \$55,343,268, or approximately 46.8% of total General Fund expenditures.
- The City's total outstanding long-term debt decreased by \$5,900,078 from 2021.

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 \$19.16 million or 9.5% in 2022. General Fund revenues increased \$13.21 million or 9.2% in 2022, primarily as a result of a one-time distribution from the sale of the Metropolitan Football Stadium District of \$2.3 million and sales and use tax increases. General Fund sales and use taxes, which comprised 62% of General Fund revenues, increased \$7.7 million or 8.7%. Sales tax increased \$3.9 million, or 12.95% due to increased collection of out-of-city (primarily on-line) sales tax as well as a general increase in sales tax due to unusually high inflation.

Capital Improvement Fund revenues increased \$1.43 million or 7.3% in 2022, primarily due to the increase in sales and use tax as discussed above. Sales and use tax revenues collected by the



Capital Improvement Fund also increased \$1.75 million or 10.3%. The Capital Improvement Fund receives one sixth of the City's 3.0% sales and use tax revenues, to be used for capital improvements.

For 2022, total fund balance for the General Fund increased \$11.6 million or 7.7% as a percent of expenditures and transfers out, in large part due to the second and final payment under the Coronavirus State and Local Fiscal Recovery Funds under the American Rescue Plan Act revenue replacement funds received as well as the increase in sales and use taxes.

As a result, the fund balance of the General Fund has increased from \$65,089,573 to \$76,689,286 an increase of 17.8%. The fund balance of the General Fund taken as a percent of 2022 expenditures and transfers out was 50.9% as of December 31, 2022.

During 2022, General Fund property taxes increased by \$1,167,233 or 9.9%.

Total governmental fund expenditures increased \$21.78 million or 12.6% in 2022. Total General Fund expenditures and transfers out increased \$29 million or 24.2%. In large part this was due to general recovery or normal operations, post pandemic.

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 consist of the Retired City Manager's Pension Trust and the Duty, Death and Disability Fund, which 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, 2022, the City had total assets of \$827,476,395. As of December 31, 2022, the City's net position was \$752,944,696.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Assets						
Current and Other Assets	\$261,329,078	\$233,297,672	\$ 26,610,610	\$ 26,879,714	\$287,939,688	\$260,177,386
Capital Assets	504,333,077	473,377,911	35,203,630	32,797,950	539,536,707	506,175,861
Total Assets	765,662,155	706,675,583	61,814,240	59,677,664	827,476,395	766,353,247
Total Deferred Outflows of Resources	4,758,021	5,699,791	-	-	4,758,021	5,699,791
Liabilities						
Long-term Liabilities	30,975,656	29,736,649	379,146	-	31,354,802	29,736,649
Other Liabilities	19,948,244	31,683,494	908,915	1,444,421	20,857,159	33,127,915
Total Liabilities	50,923,900	61,420,143	1,288,061	1,444,421	52,211,961	62,864,564
Total Deferred Inflows of Resources	27,077,759	26,785,109	-	-	27,077,759	26,785,109
Net Position						
Net Investment in Capital Assets	499,067,666	461,458,446	34,719,150	26,269,686	533,786,816	487,728,132
Restricted	100,914,154	88,072,309	-	-	100,914,154	88,072,309
Unrestricted	92,436,697	74,639,367	25,807,029	31,963,557	118,243,726	106,602,924
Total Net Position	\$692,418,517	\$624,170,122	\$ 60,526,179	\$ 58,233,243	\$752,944,696	\$682,403,365

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. Capital Assets represent \$539,536,707 or 65.2% of Total Assets.

During 2022, some of the major capital assets added included the following:

- Replacements and improvements to various sidewalks, at 13th & Lamar, 1st Avenue and along Sheridan Boulevard, as well as the W Line multi-use path totaling \$4 million.
- Multiple infrastructure investments totaling \$21 million.
- Various traffic and safety improvements along Wadsworth & Morrison and West Colfax totaling \$1.8 million.
- Various street improvements, renovations at Addenbrooke Pond, a shared use path along Alameda, renovations of the Patterson Cottages, additional improvements along the Bear Creek Greenbelt, and tennis courts at Lasley Park and Westborough, as well as pickle ball courts at the Carmody Recreation Center.

Additional information on the City's capital assets can be found in the Capital Assets Note 4 on page 29, in the Notes to the Financial Statements section.



The City retired long-term debt and increased reserves in some funds. In 2022, the City's overall long-term debt decreased by \$5,900,078 or 19.8%. 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 31 in the Notes to the Financial Statements section.

Of the City's \$752,944,696 net position, \$100,914,154 or 13.4% 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	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues-						
Charges for Services	\$ 24,037,563	\$ 21,220,188	\$ 18,238,700	\$ 17,967,812	\$ 42,276,263	\$ 39,188,000
Operating Grants and Contributions	32,635,383	27,279,068	-	-	32,635,383	27,279,068
Capital Grants and Contributions	31,140,277	13,573,070	2,363,176	147,090	33,503,453	13,720,160
General Revenues-						
Property & Specific Ownership Taxes	27,086,033	25,494,075	-	-	27,086,033	25,494,075
Sales and Use Taxes	115,966,804	106,674,920	-	-	115,966,804	106,674,920
Franchise & Other Taxes	13,373,908	11,951,678	-	-	13,373,908	11,951,678
Intergovernmental Revenue	219,127	75,549	-	-	219,127	75,549
Investment Income	(1,853,214)	(49,455)	260,979	169,139	(1,592,235)	119,684
Miscellaneous	287,547	1,251,671	-	94,027	287,547	1,345,698
Total Revenues	242,893,428	207,470,764	20,862,855	18,378,068	263,756,283	225,848,832
Expenses						
General Government	46,497,543	40,219,326	-	-	46,497,543	40,219,326
Public Safety	69,988,682	64,183,608	-	-	69,988,682	64,183,608
Public Works	14,040,550	15,897,390	-	-	14,040,550	15,897,390
Culture and Recreation	29,265,659	25,119,024	-	-	29,265,659	25,119,024
Urban Development and Housing	13,987,566	14,473,077	-	-	13,987,566	14,473,077
Economic Opportunity	5,192,053	4,612,386	-	-	5,192,053	4,612,386
Interest on Long-term Debt	279,448	613,290	-	-	279,448	613,290
Golf Course	-	-	5,799,325	5,244,232	5,799,325	5,244,232
Sewer	-	-	4,113,459	4,192,490	4,113,459	4,192,490
Stormwater	-	-	2,890,554	3,017,137	2,890,554	3,017,137
Water	-	-	1,266,581	1,222,288	1,266,581	1,222,288
Total Expenses	179,251,501	165,118,101	14,069,919	13,676,147	193,321,420	178,794,248
Increase (Decrease) Before Transfers	63,641,927	42,352,663	6,792,936	4,701,921	70,434,863	47,054,584
Transfers	4,500,000	(4,380,630)	(4,500,000)	4,380,630	-	-
Increase (Decrease) in Net Position	68,141,927	37,972,033	2,292,936	9,082,551	70,434,863	47,054,584
Net Position, Beginning of Year	624,170,122	586,198,089	58,233,243	49,150,692	682,403,365	635,348,781
Restatement (See Note 14)	106,468	-	-	-	106,468	-
Net Position, End of Year	\$692,418,517	\$624,170,122	\$ 60,526,179	\$ 58,233,243	\$752,944,696	\$682,403,365

IV. Fund Financial Statement Analysis

As noted earlier, the City uses fund accounting which segregates 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 \$11.6 million or 7.7% of expenditures and transfers out in 2022, an increase from \$65,089,573 to \$76,689,286 or 17.8%. As of December 31, 2022, the Fund Balance of the General Fund taken as a percent of 2022 expenditures and transfers out was 50.9%. The significantly identifiable amounts of this are the notable \$3.9 million of out-of-city (on-line) sales tax collection and the receipt of \$2.3 million from the Metropolitan Football Stadium District sale.

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.

The Capital Improvement Fund had an increase in fund balance of \$7,211,985 or 36.1% during 2022.

The Lakewood Reinvestment Authority had an increase in fund balance of \$.2 million or 2.5% during 2022.

The TABOR Fund had an increase in fund balance of \$2.5 million or 8.9% during 2022.

The City reports 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	Capital Improvements Fund	Lakewood Reinvestment Authority Fund	TABOR Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Advance to Other Fund	\$ 4,500,000	\$ -	\$ -	\$ -		\$ 4,500,000
Prepays	423,204				4,750	427,954
Inventories	275,914	-	-	-	33,907	309,821
Total Nonspendable	5,199,118	-	-	-	38,657	5,237,775
Restricted for:						
Emergencies	5,039,159	-	-	-	-	5,039,159
Parks and Open Space	-	-	-	-	13,742,932	13,742,932
Economic Development	-	-	-	-	12,904,393	12,904,393
Debt Service	514,398	-	-	-	-	514,398
Capital Improvements	-	27,176,600	-	-	-	27,176,600
TABOR Spending	-	-	-	30,199,467	-	30,199,467
Urban Renewal	-	-	8,771,121	-	-	8,771,121
Total Restricted	5,553,557	27,176,600	8,771,121	30,199,467	26,647,325	98,348,070
Assigned to:						
Cultural Activities	-	-	-	-	1,196,257	1,196,257
Capital Improvements	-	-	-	-	10,593,243	10,593,243
Subsequent year's budget approp. of fund balance	10,593,343	-	-	-	-	10,593,343
Total Assigned	10,593,343	-	-	-	11,789,500	22,382,843
Unassigned	55,343,268	-	-	-	(1,150,814)	54,192,454
Total Fund Balances	\$ 76,689,286	\$ 27,176,600	\$ 8,771,121	\$ 30,199,467	\$ 37,324,668	\$ 180,161,142

General Fund Budgetary Highlights

As discussed in the financial highlights, General Fund revenues had an overall increase in 2022 compared to 2021 of \$13.2 million.

General Fund sales and use tax revenue increased by \$7.7 million over 2021 as a result of a strong recovery after the pandemic and the increases from out-of-state collections.

General Fund expenditures and transfers out increased \$29.3 million or 24% over 2021. This is primarily due to the progression of projects in 2022 that had been delayed due to the pandemic.

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 2022 revised budget as well as the 2023 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.



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BASIC FINANCIAL STATEMENTS



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CITY OF LAKEWOOD, COLORADO
STATEMENT OF NET POSITION
December 31, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash, Pooled Cash, and Investments	\$ 175,690,583	\$ 27,921,201	\$ 203,611,784
Restricted Cash, Pooled Cash, and Investments	31,883,338	-	31,883,338
Receivables			
Accounts	10,081,225	3,039,772	13,120,997
Interest	252,309	-	252,309
Taxes	35,617,764	-	35,617,764
Internal Balances	4,500,000	(4,500,000)	-
Inventories	309,821	149,637	459,458
Prepays	427,954	-	427,954
OPEB Asset	2,566,084	-	2,566,084
Capital Assets, Not Being Depreciated	192,745,085	14,841,347	207,586,432
Capital Assets, Net of Accumulated Depreciation	311,587,992	20,362,283	331,950,275
Total Assets	765,662,155	61,814,240	827,476,395
Deferred Outflows of Resources			
Deferred Outflows - OPEB	4,758,021	-	4,758,021
Total Deferred Outflows of Resources	4,758,021	-	4,758,021
Total Assets and Deferred Outflows of Resources	\$ 770,420,176	\$ 61,814,240	\$ 832,234,416
Liabilities			
Accounts Payable	\$ 9,087,308	\$ 627,949	\$ 9,715,257
Accrued Liabilities	7,126,717	76,787	7,203,504
Accrued Interest Payable	4,628	948	5,576
Refundable Deposits	5,925,687	-	5,925,687
Retainage Payable	294,343	7,121	301,464
Unearned Revenues	1,787,116	196,110	1,983,226
Claims Payable	2,803,704	-	2,803,704
Noncurrent Liabilities			
OPEB Liability	8,115,139	-	8,115,139
Net Pension Liability	1,532,204	-	1,532,204
Due Within One Year	1,739,723	171,935	1,911,658
Due In More Than One Year	12,507,331	207,211	12,714,542
Total Liabilities	50,923,900	1,288,061	52,211,961
Deferred Inflows of Resources			
Property Taxes	24,341,422	-	24,341,422
Deferred Inflows - OPEB	2,736,337	-	2,736,337
Total Deferred Inflows of Resources	27,077,759	-	27,077,759
Net Position			
Net Investment in Capital Assets	499,067,666	34,719,150	533,786,816
Restricted for			
Net OPEB Asset	2,566,084	-	2,566,084
Emergencies	5,039,159	-	5,039,159
Parks and Open Space	13,742,932	-	13,742,932
Economic Development	12,904,393	-	12,904,393
Debt Service	514,398	-	514,398
Capital Improvements	27,176,600	-	27,176,600
TABOR Spending	30,199,467	-	30,199,467
Urban Renewal	8,771,121	-	8,771,121
Unrestricted	92,436,697	25,807,029	118,243,726
Total Net Position	692,418,517	60,526,179	752,944,696
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 770,420,176	\$ 61,814,240	\$ 832,234,416

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

CITY OF LAKEWOOD, COLORADO
STATEMENT OF ACTIVITIES
Year Ended December 31, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 46,497,543	\$ 8,044,048	\$ 10,495,486	\$ -
Public Safety	69,988,682	6,985,789	3,281,261	492,477
Public Works	14,040,550	524,512	1,760,874	29,002,850
Culture and Recreation	29,265,659	6,853,340	13,252,851	-
Urban Development and Housing	13,987,566	948,964	1,259,374	1,644,950
Economic Opportunity	5,192,053	680,910	2,585,537	-
Interest and Fees on Long-Term Debt	279,448	-	-	-
Total Governmental Activities	179,251,501	24,037,563	32,635,383	31,140,277
Business-Type Activities				
Golf Course	5,799,325	7,278,048	-	-
Sewer	4,113,459	4,279,437	-	2,337,096
Stormwater	2,890,554	5,396,003	-	-
Water	1,266,581	1,285,212	-	26,080
Total Business-Type Activities	14,069,919	18,238,700	-	2,363,176
Total Primary Government	\$ 193,321,420	\$ 42,276,263	\$ 32,635,383	\$ 33,503,453
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 (Loss)				
Gain on Sale of Capital Assets				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
NET POSITION, Beginning of Year				
Restatement for change in Fiduciary Investment Value - Retired City Manager				
Restatement - Duty, Death & Disability				
NET POSITION, Beginning of Year, as restated				
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
\$ (27,958,009)	\$ -	\$ (27,958,009)
(59,229,155)	-	(59,229,155)
17,247,686	-	17,247,686
(9,159,468)	-	(9,159,468)
(10,134,278)	-	(10,134,278)
(1,925,606)	-	(1,925,606)
(279,448)	-	(279,448)
(91,438,278)	-	(91,438,278)
-	1,478,723	1,478,723
-	2,503,074	2,503,074
-	2,505,449	2,505,449
-	44,711	44,711
-	6,531,957	6,531,957
(91,438,278)	6,531,957	(84,906,321)
27,086,033	-	27,086,033
101,169,977	-	101,169,977
14,796,827	-	14,796,827
7,766,711	-	7,766,711
3,632,833	-	3,632,833
1,974,364	-	1,974,364
219,127	-	219,127
(1,853,214)	236,669	(1,616,545)
287,547	24,310	311,857
4,500,000	(4,500,000)	-
159,580,205	(4,239,021)	155,341,184
68,141,927	2,292,936	70,434,863
624,170,122	58,233,243	682,403,365
(1,865,360)	-	(1,865,360)
1,971,828	-	1,971,828
624,276,590	58,233,243	682,509,833
\$ 692,418,517	\$ 60,526,179	\$ 752,944,696

CITY OF LAKEWOOD, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2022

	General Fund	Capital Improvements Fund	Lakewood Reinvestment Authority Fund	TABOR Fund
ASSETS				
Cash, Pooled Cash, and Investments	\$ 66,847,321	\$ 33,072,149	\$ 11,207,647	\$ -
Restricted Cash, Pooled Cash, and Investments	391,264	-	-	31,492,074
Accounts Receivable	3,632,042	1,506,671	88,749	-
Property Taxes Receivable	12,675,165	-	11,752,743	-
Sales Taxes Receivable	9,334,925	1,815,393	39,538	-
Interest Receivable	252,309	-	-	-
Interfund Receivable	1,250,280	-	-	-
Advances to Other Fund	4,500,000	-	-	-
Inventories	275,914	-	-	-
Prepays	423,204	-	-	-
Total Assets	\$ 99,582,424	\$ 36,394,213	\$ 23,088,677	\$ 31,492,074
LIABILITIES				
Accounts Payable	\$ 2,352,712	\$ 3,528,583	\$ 563,481	\$ 1,123,146
Interfund Payable	-	-	2,000,000	-
Accrued Liabilities	6,910,860	31,837	1,332	11,891
Refundable Deposits	532,395	5,182,430	-	-
Retainage Payable	-	84,239	-	157,570
Unearned Revenues	508,492	390,524	-	-
Total Liabilities	10,304,459	9,217,613	2,564,813	1,292,607
DEFERRED INFLOWS OF RESOURCES				
Grants	-	-	-	-
Property Taxes	12,588,679	-	11,752,743	-
Total Deferred Inflows of Resources	12,588,679	-	11,752,743	-
FUND BALANCES				
Nonspendable:				
Advance to Other Fund	4,500,000	-	-	-
Inventories	275,914	-	-	-
Prepays	423,204	-	-	-
Restricted for:				
Emergencies	5,039,159	-	-	-
Parks and Open Space	-	-	-	-
Economic Development	-	-	-	-
Debt Service	514,398	-	-	-
Capital Improvements	-	27,176,600	-	-
TABOR Spending	-	-	-	30,199,467
Urban Renewal	-	-	8,771,121	-
Assigned to:				
Cultural Activities	-	-	-	-
Capital Improvements	-	-	-	-
Subsequent year's budget: approp. of fund balance	10,593,343	-	-	-
Unassigned	55,343,268	-	-	-
Total Fund Balances	76,689,286	27,176,600	8,771,121	30,199,467
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 99,582,424	\$ 36,394,213	\$ 23,088,677	\$ 31,492,074

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

Other Governmental Funds	Total Governmental Funds
\$ 35,773,610	\$ 146,900,727
-	31,883,338
4,853,763	10,081,225
-	24,427,908
-	11,189,856
-	252,309
2,000,000	3,250,280
-	4,500,000
33,907	309,821
4,750	427,954
\$ 42,666,030	\$ 233,223,418
\$ 1,378,690	\$ 8,946,612
1,250,280	3,250,280
162,242	7,118,162
210,862	5,925,687
52,534	294,343
888,100	1,787,116
3,942,708	27,322,200
1,398,654	1,398,654
-	24,341,422
1,398,654	25,740,076
-	4,500,000
33,907	309,821
4,750	427,954
-	5,039,159
13,742,932	13,742,932
12,904,393	12,904,393
-	514,398
-	27,176,600
-	30,199,467
-	8,771,121
1,196,257	1,196,257
10,593,243	10,593,243
-	10,593,343
(1,150,814)	54,192,454
37,324,668	180,161,142
\$ 42,666,030	\$ 233,223,418



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CITY OF LAKEWOOD, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
December 31, 2022

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

Total fund balances - governmental funds	\$ 180,161,142
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Capital assets of \$ 708,184,221 net of accumulated depreciation of \$(203,851,144) used in governmental activities are not financial resources, and, therefore, are not reported in the funds.	504,333,077
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Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (retired city manager and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.

Deferred outflows - Duty, Death & Disability related	665,206	
Deferred outflows - OPEB related	4,092,815	
Deferred inflows - Duty, Death, & Disability related	(1,745,598)	
Deferred inflows - OPEB related	<u>(990,739)</u>	
		2,021,684

Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds.	1,398,654
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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.	25,836,901
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Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in governmental funds.

Certificates of participation	(5,400,000)	
Notes payable	(931,185)	
Financed Purchases	(1,294,977)	
Compensated absences	(6,620,892)	
Accrued interest payable on long-term debt	(4,628)	
Net OPEB liability	(8,115,139)	
Duty, Death & Disability	2,566,084	
Retired city manager liability	<u>(1,532,204)</u>	
		<u>(21,332,941)</u>

Total Net Position of Governmental Activities	<u><u>\$ 692,418,517</u></u>
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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, 2022

	General Fund	Capital Improvements Fund	Lakewood Reinvestment Authority Fund	TABOR Fund
REVENUES				
Taxes	\$ 122,465,436	\$ 18,770,859	\$ 13,216,086	\$ -
Licenses and Permits	5,236,039	-	-	-
Charges for Services	11,519,570	-	-	-
Fines and Forfeitures	974,839	-	-	-
Intergovernmental	17,200,911	1,864,504	-	-
Miscellaneous				
Investment Income	(2,851,834)	251,567	58,324	163,306
Other	2,820,158	-	853,277	-
Total Revenues	<u>157,365,119</u>	<u>20,886,930</u>	<u>14,127,687</u>	<u>163,306</u>
EXPENDITURES				
Current				
General Government	32,850,493	2,655,603	-	37,400
Public Safety	61,546,442	697,220	-	1,623,169
Public Works	7,006,090	1,139,975	-	106,660
Culture and Recreation	12,519,512	-	-	-
Urban Development and Housing	629,471	17,371	1,089,969	-
Economic Opportunity	1,276,338	-	-	-
Capital Outlay				
General Government	299,282	1,450,222	-	-
Public Safety	31,315	794,096	-	388,896
Public Works	4,430	10,979,781	-	897,603
Culture and Recreation	50,360	-	-	5,043,595
Urban Development and Housing	-	-	10,674,193	-
Economic Opportunity	-	2,258,895	-	-
Debt Service				
Principal	1,773,602	-	125,325	-
Interest and Fiscal Charges	162,770	-	27,694	-
Total Expenditures	<u>118,150,105</u>	<u>19,993,163</u>	<u>11,917,181</u>	<u>8,097,323</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>39,215,014</u>	<u>893,767</u>	<u>2,210,506</u>	<u>(7,934,017)</u>
OTHER FINANCING SOURCES (USES)				
Sale of General Capital Assets	-	-	-	-
Transfers In	4,979,000	6,885,599	-	10,578,089
Transfers Out	(32,594,301)	(567,381)	(2,000,000)	(164,390)
Total Other Financing Sources (Uses)	<u>(27,615,301)</u>	<u>6,318,218</u>	<u>(2,000,000)</u>	<u>10,413,699</u>
Net Change in Fund Balances	11,599,713	7,211,985	210,506	2,479,682
FUND BALANCES, Beginning of Year	<u>65,089,573</u>	<u>19,964,615</u>	<u>8,560,615</u>	<u>27,719,785</u>
FUND BALANCES, End of Year	<u>\$ 76,689,286</u>	<u>\$ 27,176,600</u>	<u>\$ 8,771,121</u>	<u>\$ 30,199,467</u>

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

Other Governmental Funds	Total Governmental Funds
\$ 1,974,364	\$ 156,426,745
-	5,236,039
4,173,806	15,693,376
-	974,839
22,774,805	41,840,220
292,823	(2,085,814)
22,001	3,695,436
29,237,799	221,780,841
3,485,851	39,029,347
2,478,106	66,344,937
72,054	8,324,779
10,124,724	22,644,236
1,556,283	3,293,094
1,637,436	2,913,774
3,137,125	4,886,629
1,092,353	2,306,660
1,729,679	13,611,493
5,386,411	10,480,366
-	10,674,193
-	2,258,895
4,970,000	6,868,927
126,526	316,990
35,796,548	193,954,320
(6,558,749)	27,826,521
287,547	287,547
14,006,498	36,449,186
(1,623,114)	(36,949,186)
12,670,931	(212,453)
6,112,182	27,614,068
31,212,486	152,547,074
\$ 37,324,668	\$ 180,161,142



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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, 2022

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

Net changes in fund balances - total governmental funds	\$ 27,614,068
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay \$21,640,627 and contributed capital \$21,893,132 exceeded depreciation expense (\$12,464,221) and the net book value of disposals (\$114,372) in the current year.	30,955,166
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(1,300,692)
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Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal paid on certificates of participation	5,230,000	
Principal paid on notes	125,325	
Principal paid on financed purchases	1,513,602	
		6,868,927

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.	4,946,772
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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.

Accrued interest on long-term debt	54,448	
Amortization of deferred amounts of refunding	(16,906)	
Compensated absences	337,756	
Changes in retired city manager liabilities, related deferred outflows and inflows of resources	(279,291)	
Changes in duty, death & disability liabilities, related deferred outflows and inflows of resources	(486,136)	
Changes in OPEB liabilities, related deferred outflows and inflows of resources	(552,185)	
		(942,314)

Change in Net Position of Governmental Activities	\$ 68,141,927
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The accompanying notes are an integral part of the financial statements.



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CITY OF LAKEWOOD, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2022

	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 Equity in Pooled Cash	\$ 3,786,667	\$ 9,758,520	\$12,427,313	\$ 1,948,701	\$ 27,921,201	\$ 28,789,856
Accounts Receivable	15,816	1,256,587	1,440,713	326,656	3,039,772	-
Inventories	149,637	-	-	-	149,637	-
Total Current Assets	3,952,120	11,015,107	13,868,026	2,275,357	31,110,610	28,789,856
Noncurrent Assets						
Land	6,921,465	1,486,686	334,662	75,459	8,818,272	-
Construction in Progress	-	-	6,023,075	-	6,023,075	-
Infrastructure	-	14,628,876	16,739,759	2,053,166	33,421,801	-
Buildings	4,732,305	-	-	-	4,732,305	-
Improvements	7,159,807	419,766	-	20,600	7,600,173	-
Machinery, Furniture and Equipment	2,776,173	89,674	559,445	-	3,425,292	-
Leased Assets	547,371	-	-	-	547,371	-
Less Accumulated Depreciation	(8,280,998)	(11,330,084)	(8,235,382)	(1,518,195)	(29,364,659)	-
Total Noncurrent Assets	13,856,123	5,294,918	15,421,559	631,030	35,203,630	-
Total Assets	\$17,808,243	\$16,310,025	\$29,289,585	\$ 2,906,387	\$ 66,314,240	\$ 28,789,856
LIABILITIES AND NET POSITION						
Current Liabilities						
Accounts Payable	\$ 21,413	\$ 409,747	\$ 109,389	\$ 87,400	\$ 627,949	\$ 140,696
Accrued Liabilities	37,858	11,769	23,971	3,189	76,787	8,555
Retainage Payable	-	7,121	-	-	7,121	-
Interest Payable	948	-	-	-	948	-
Unearned Revenues	196,110	-	-	-	196,110	-
Current Portion Long Term Liabilities	171,935	-	-	-	171,935	-
Claims Payable	-	-	-	-	-	2,803,704
Total Current Liabilities	428,264	428,637	133,360	90,589	1,080,850	2,952,955
Non-current Liabilities						
Advance from General Fund	4,500,000	-	-	-	4,500,000	25,836,901
Lease Liability	207,211	-	-	-	207,211	28,789,856
Total Non-Current Liabilities	4,707,211	-	-	-	4,707,211	54,626,757
Total Liabilities	5,135,475	428,637	133,360	90,589	5,788,061	57,579,712
NET POSITION						
Net Investment in Capital Assets	13,476,977	5,250,087	15,371,851	620,235	34,719,150	-
Unrestricted	(804,209)	10,631,301	13,784,374	2,195,563	25,807,029	25,836,901
Total Net Position	12,672,768	15,881,388	29,156,225	2,815,798	60,526,179	25,836,901
Total Liabilities and Net Position	\$17,808,243	\$16,310,025	\$29,289,585	\$ 2,906,387	\$ 66,314,240	\$ 28,789,856

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, 2022

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Golf Course Fund	Sewer Fund	Stormwater Fund	Nonmajor Water Fund	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES						
Charges for Services	\$ 7,278,048	\$ 4,279,437	\$ 5,396,003	\$ 1,285,212	\$ 18,238,700	\$ 14,553,652
Miscellaneous	-	-	-	-	-	417,824
Total Operating Revenues	7,278,048	4,279,437	5,396,003	1,285,212	18,238,700	14,971,476
OPERATING EXPENSES						
Cost of Goods Sold	450,150	-	-	-	450,150	-
Personnel Services	3,226,359	703,128	1,312,535	166,028	5,408,050	541,476
Services and Supplies	1,410,751	3,231,780	910,677	134,761	5,687,969	810,998
Water Purchased	-	-	-	951,131	951,131	-
Claims	-	-	-	-	-	10,690,281
Premiums	-	-	-	-	-	3,214,549
Capital Maintenance	6,583	-	-	-	6,583	-
Depreciation	595,051	178,551	667,342	14,661	1,455,605	-
Total Operating Expenses	5,688,894	4,113,459	2,890,554	1,266,581	13,959,488	15,257,304
Operating Income (Loss)	1,589,154	165,978	2,505,449	18,631	4,279,212	(285,828)
NONOPERATING REVENUES (EXPENSES)						
Investment Income	23,969	85,808	109,135	17,757	236,669	232,600
Gain on Disposal of Capital Assets	24,310	-	-	-	24,310	-
Interest Expense	(110,431)	-	-	-	(110,431)	-
Total Nonoperating Revenue (Expense)	(62,152)	85,808	109,135	17,757	150,548	232,600
Income Before Contributions and Transfers	1,527,002	251,786	2,614,584	36,388	4,429,760	(53,228)
Capital Contributions	-	1,337,248	-	-	1,337,248	-
System Investment Fees	-	999,848	-	26,080	1,025,928	-
Transfers In	-	-	-	-	-	6,200,000
Transfers Out	(4,500,000)	-	-	-	(4,500,000)	(1,200,000)
Change in Net Position	(2,972,998)	2,588,882	2,614,584	62,468	2,292,936	4,946,772
NET POSITION, Beginning of Year	15,645,766	13,292,506	26,541,641	2,753,330	58,233,243	20,890,129
NET POSITION, End of Year	\$ 12,672,768	\$ 15,881,388	\$ 29,156,225	\$ 2,815,798	\$ 60,526,179	\$ 25,836,901

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, 2022

	Business-Type Activities - Enterprise Funds				Governmental Activities	
	Golf Course Fund	Sewer Fund	Stormwater Fund	Nonmajor Water Fund	Total Enterprise Funds	Internal Service Funds
Cash Flows From Operating Activities						
Cash Received from Customers	\$ 7,354,611	\$ 4,149,134	\$ 5,214,928	\$ 1,239,343	\$ 17,958,016	\$ 14,781,023
Other Receipts	-	-	-	-	-	417,824
Cash Paid to Suppliers	(2,377,748)	(3,106,022)	(833,589)	(1,381,480)	(7,698,839)	(14,328,529)
Cash Paid to Employees	(3,224,387)	(700,970)	(1,313,822)	(165,057)	(5,404,236)	(540,794)
Net cash provided by operating activities	1,752,476	342,142	3,067,517	(307,194)	4,854,941	329,524
Cash Flows from Noncapital Financing Activities						
Net Payments from Other Funds	-	-	-	-	-	5,000,000
Net cash provided by noncapital financing activities	-	-	-	-	-	5,000,000
Cash Flows From Capital and Related Financing Activities						
Purchases of Capital Assets	(700,735)	(128,528)	(1,311,705)	(2,975)	(2,143,943)	-
Interest on Capital Debt	(110,431)	-	-	-	(110,431)	-
System Investment Fees Received	-	999,848	-	26,080	1,025,928	-
Proceeds from the sale of assets	24,310	-	-	-	24,310	-
Net cash provided by (used for) capital and related financing activities	(786,856)	871,320	(1,311,705)	23,105	(1,204,136)	-
Cash Flows From Investing Activities						
Investment Income	23,969	85,808	109,134	17,757	236,668	232,600
Net cash provided by investing activities	23,969	85,808	109,134	17,757	236,668	232,600
Net increase in cash and equity in pooled cash	989,589	1,299,270	1,864,946	(266,332)	3,887,473	5,562,124
Cash and Equity in Pooled Cash - Beginning of Year	2,797,078	8,459,250	10,562,367	2,215,033	24,033,728	23,227,732
Cash and Equity in Pooled Cash - End of Year	\$ 3,786,667	\$ 9,758,520	\$ 12,427,313	\$ 1,948,701	\$ 27,921,201	\$ 28,789,856
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities						
Operating Income (Loss)	\$ 1,589,154	\$ 165,978	\$ 2,505,449	\$ 18,631	\$ 4,279,212	\$ (285,828)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Depreciation	595,051	178,551	667,342	14,661	1,455,605	-
Accounts Receivable	53,233	(130,303)	(181,075)	(45,869)	(304,014)	227,371
Inventories	(39,409)	-	-	-	(39,409)	-
Accounts Payable	(237,728)	118,637	77,088	(295,588)	(337,591)	125,397
Retainage Payable	-	7,121	-	-	7,121	-
Accrued Liabilities	(233,127)	2,158	(1,287)	971	(231,285)	682
Unearned Revenues	1,972	-	-	-	1,972	-
Claims Payable	23,330	-	-	-	23,330	261,902
Net cash provided by (used for) operating activities	\$ 1,752,476	\$ 342,142	\$ 3,067,517	\$ (307,194)	\$ 4,854,941	\$ 329,524

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

CITY OF LAKEWOOD, COLORADO
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
December 31, 2022

	<u>Duty, Death, and Disability</u>	<u>Pension Trust Fund Retired City Manager Pension Plan Fund</u>	<u>Total Fiduciary Funds</u>
ASSETS			
Pooled Cash	\$ -	\$ 32,512	\$ 32,512
Mutual Funds	4,663,723	1,597,445	6,261,168
	<u>4,663,723</u>	<u>1,597,445</u>	<u>6,261,168</u>
Total Assets	<u>\$ 4,663,723</u>	<u>\$ 1,629,957</u>	<u>\$ 6,293,680</u>
LIABILITIES			
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET POSITION			
Restricted for Pensions	<u>4,663,723</u>	<u>1,629,957</u>	<u>6,293,680</u>
Net Position Restricted for Pensions	<u>\$ 4,663,723</u>	<u>\$ 1,629,957</u>	<u>\$ 6,293,680</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, 2022

	Duty, Death, and Disability	Pension Trust Fund Retired City Manager Pension Plan Fund	Total Fiduciary Funds
ADDITIONS			
Contributions			
Employer	\$ -	\$ 255,000	\$ 255,000
Employee	16,830	-	16,830
Miscellaneous			
Investment Income	(664,125)	(313,088)	(977,213)
Total Additions	(647,295)	(58,088)	(705,383)
DEDUCTIONS			
Benefit Payments	38,411	244,408	282,819
Administrative Expenses	12,100	485	12,585
Total Deductions	50,511	244,893	295,404
Net Increase (Decrease) in Net Position Restricted for Pensions	(697,806)	(302,981)	(1,000,787)
Net Position Restricted for Pensions - Beginning of Year - as restated	5,361,529	1,932,938	7,294,467
NET POSITION RESTRICTED FOR PENSIONS - END OF YEAR	<u>\$ 4,663,723</u>	<u>\$ 1,629,957</u>	<u>\$ 6,293,680</u>

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



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NOTES TO FINANCIAL STATEMENTS



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CITY OF LAKEWOOD, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2022

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.

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.

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 *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 fund:

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 and Duty, Death, and Disability Fund as trust funds.

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

Cash and cash equivalents – cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less.

Investments - Investments are reported at fair value or net asset 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.

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.

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 Notes 8 and 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.

Leases – The City determines if an arrangement is a lease at its inception. Leases are included in capital assets and lease liabilities in the statement of net position. Lease assets represent the City's control of the right to use an underlying asset for the lease term, in an exchange or exchange-like transaction, per the terms specified in the contract. Leased assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payment made to the lessor at or before the commencement of the lease term and any certain direct costs. Leased assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the City's obligation to make lease payments that arise from the lease contract. Lease liabilities are recognized at the commencement date based on the present value of the expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the City will exercise those options.

The City has elected to recognize payments for short-term leases, with a lease term of 12 months or less, as expenses incurred, and these leases are not included as lease liabilities or right-to-use leased assets on the statements of net position. For individual lease contracts where information about the discount rate implicit in the lease has not been included in the contract, the City has elected to use the incremental borrowing rate to calculate the present value of expected lease payments.

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, 2022, the Grants Fund had a negative fund balance of \$1,150,814. The negative fund balance will be eliminated once unavailable revenue of \$1,261,799 is recognized.

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 and investments are recorded as “Cash, Pooled Cash, and Investments” for governmental funds and “Cash and Equity in Pooled Cash” for proprietary funds.

Cash, Pooled Cash, and Investments are reported in the financial statements as follows:

Government-wide Statement of Net Position	
Governmental Activities	\$ 207,573,921
Business-type Activities	27,921,201
Fiduciary Funds Statement of Net Position	
Pension Trust	32,512
Fiduciary Fund Investments	6,261,168
Total	<u>\$ 241,788,802</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, 2022, the City had bank deposits of \$59,968,103, including \$23,830,146 of Certificates of Deposits, collateralized with securities held by the financial institutions' agents but not in the City's name.

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's Chief Financial Officer (CFO) 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 duty, death and disability fund.

At December 31, 2022, the City's investment balances were as follows:

Investment Type	Measurement	Rating	Less than 1	1-5	Trust	Duty, Death & Disability Fund	Fair Value
US Treasury Securities	Fair Value Level 1	AA+	\$ 222,354	\$ 50,058,548	\$ -	\$ -	\$ 50,280,902
US Agency Securities	Fair Value Level 2	NA	1,970,333	-	-	-	1,970,333
US Agency Securities	Fair Value Level 2	AA+	12,031,929	31,193,081	-	-	43,225,009
Commercial Backed Mtg	Fair Value Level 2	NA	-	2,092,884	-	-	2,092,884
Corporate Bonds	Fair Value Level 2	AA+	-	947,662	-	-	947,662
Corporate Bonds	Fair Value Level 2	AA	-	2,205,451	-	-	2,205,451
Commercial Paper	Fair Value Level 2	A-1	971,520	-	-	-	971,520
Mutual Funds	Fair Value Level 1	NA	-	-	1,597,445	4,621,440	6,218,885
	Subtotal		15,196,136	86,497,625	1,597,445	4,621,440	107,912,646
Money Market Funds	Net Asset Value	AAA	88,209	-	-	42,283	130,492
CSAFE	Net Asset Value	AAAf	71,025,644	-	-	-	71,025,644
Colostrust	Net Asset Value	AAAm	2,124,976	-	-	-	2,124,976
	Investments at Net Asset Value		73,238,829	-	-	42,283	73,281,112
Total			\$ 88,434,965	\$ 86,497,625	\$ 1,597,445	\$ 4,663,723	\$ 181,193,758

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.

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, 2022, the City's investment in the Federal Farm Credit Bank, Federal National Mortgage Association, and Federal Home Loan Mortgage Corporation represented 11%, 3%, and 3%, respectively, of total investments.

Local Investment Pools - At December 31, 2022, the City had invested \$2,124,976 in the Colorado Local Government Liquid Asset Trust (ColoTrust) and \$71,025,644 in the Colorado Surplus Asset Fund Trust (CSAFE) Core Fund. These investment vehicles are established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the funds. Both pools operate similarly to a money market fund. ColoTrust is measured at net asset value per share, with each share valued at \$1.00. CSAF Core is measured at net asset value per share, with each share valued at \$2.00. A designated custodial bank serves as custodian for the fund's portfolios pursuant to a custodian agreement. The custodian acts as a safekeeping agent for each fund's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. ColoTrust is rated AAAM by Standard and Poor's and CSAF Core is rated AA+ by Fitch Ratings. Both funds are measured at net asset value. For ColoTrust, there are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period. For CSAF Core, there are no unfunded commitments, the redemption frequency is limited to three redemptions per month with a redemption notice of one business day.

At December 31, 2022, the City had \$10,173,006 in the Colorado Surplus Asset Fund Trust (CSAFE) Cash Fund, which is measured at amortized cost and included within cash deposits for financial statement presentation. Purchases and redemption are available daily at a net asset value (NAV) of \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the entities. CSAF Cash is rated AA+mmf by Fitch Ratings. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

Restricted Cash and Investments

The General Fund has restricted cash, pooled cash, and investments of \$391,264 representing the required HUD Section 108 deposit reserve account of \$391,264 (See Note 5). The TABOR Fund has cash, pooled cash, and investments of \$31,492,074 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, 2022:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 156,781,788	\$ 22,512,003	\$ -	\$ 179,293,791
Construction in progress	13,915,732	11,700,071	(12,719,862)	12,895,941
Works of art/historical treasures	555,353	-	-	555,353
Total capital assets, not being depreciated	171,252,873	34,212,074	(12,719,862)	192,745,085
Capital assets, being depreciated:				
Infrastructure	236,086,603	11,008,618	-	247,095,221
Park buildings, facilities and improvements	126,176,405	5,258,944	-	131,435,349
Buildings	72,914,327	1,957,925	-	74,872,252
Improvements other than buildings	1,287,431	-	-	1,287,431
Machinery and equipment	56,873,930	3,816,060	(874,339)	59,815,651
Solar power capacity	933,232	-	-	933,232
Total capital assets, being depreciated	494,271,928	22,041,547	(874,339)	515,439,136
Less accumulated depreciation for:				
Infrastructure	(58,072,913)	(3,846,309)	-	(61,919,222)
Park buildings, facilities and improvements	(49,634,963)	(2,654,607)	-	(52,289,570)
Buildings	(38,400,968)	(1,926,756)	-	(40,327,724)
Improvements other than buildings	(161,105)	(64,336)	-	(225,441)
Machinery and equipment	(45,573,488)	(3,925,577)	759,967	(48,739,098)
Solar power capacity	(303,453)	(46,636)	-	(350,089)
Total accumulated depreciated	(192,146,890)	(12,464,221)	759,967	(203,851,144)
Total capital assets, being depreciated, net	302,125,038	9,577,326	(114,372)	311,587,992
Governmental activities capital assets, net	\$ 473,377,911	\$ 43,789,400	\$ (12,834,234)	\$ 504,333,077

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

Governmental Activities:

General government	\$ 1,887,010
Public safety	2,437,853
Public works	5,162,598
Culture and recreation	2,929,998
Economic development	20,279
Economic opportunity	26,483
Total depreciation expense - governmental activities	<u>\$ 12,464,221</u>

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 7,478,224	\$ 1,340,048	\$ -	\$ 8,818,272
Construction in progress	10,246,090	775,000	(4,998,015)	6,023,075
Total capital assets, not being depreciated	<u>17,724,314</u>	<u>2,115,048</u>	<u>(4,998,015)</u>	<u>14,841,347</u>
Capital assets, being depreciated:				
Infrastructure	32,450,690	971,111	-	33,421,801
Buildings	4,732,305	-	-	4,732,305
Improvements	3,702,408	5,029,557	(1,131,792)	7,600,173
Machinery and equipment	3,234,828	196,214	(5,750)	3,425,292
Right-of-Use Lease Asset	547,371	-	-	547,371
Total capital assets, being depreciated	<u>44,667,602</u>	<u>6,196,882</u>	<u>(1,137,542)</u>	<u>49,726,942</u>
Less accumulated depreciation for:				
Infrastructure	(19,488,871)	(795,428)	-	(20,284,299)
Buildings	(3,554,221)	(150,897)	-	(3,705,118)
Improvements	(3,655,599)	(127,963)	1,131,792	(2,651,770)
Machinery and equipment	(2,347,904)	(208,464)	5,750	(2,550,618)
Right-of-Use Lease Asset	-	(172,854)	-	(172,854)
Total accumulated depreciation	<u>(29,046,595)</u>	<u>(1,455,606)</u>	<u>1,137,542</u>	<u>(29,364,659)</u>
Total capital assets, being depreciated, net	<u>15,621,007</u>	<u>4,741,276</u>	<u>-</u>	<u>20,362,283</u>
Total business-type activities capital assets, net	<u>\$ 33,345,321</u>	<u>\$ 6,856,324</u>	<u>\$ (4,998,015)</u>	<u>\$ 35,203,630</u>

As a result of implementation of GASB Statement No. 87 (GASB 87), Leases, \$547,371 in lease assets were added to the beginning balance presented above. As these lease assets are offset by an equal amount of lease liabilities, the City does not report a restatement of beginning net position for the implementation of GASB 87.

NOTE 5 - LONG-TERM DEBT

Governmental Activities

Following is a summary of long-term debt transactions for the year ended December 31, 2022:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Governmental activities:					
Certificates of participation					
Certificates of participation, 2006A	\$ 4,970,000	\$ -	\$ 4,970,000	\$ -	\$ -
Certificates of participation, 2020A	1,160,000	-	260,000	900,000	265,000
Certificates of participation, 2020B	4,500,000	-	-	4,500,000	-
Financed Purchases					
Police facility building	1,214,341	-	140,387	1,073,954	143,503
Solar power capacity financed purchases	327,115	-	106,092	221,023	109,011
Energy performance improvements financed purchases	1,267,123	-	1,267,123	-	-
Notes payable					
LRA station betterments loan	1,056,510	-	125,325	931,185	128,780
Compensated absences					
Sick leave	2,161,430	2,211,032	2,146,134	2,226,328	493,429
Vacation	4,797,218	3,518,960	3,921,614	4,394,564	600,000
Postemployment benefits					
Postemployment benefits	7,880,425	500,895	266,181	8,115,139	-
Net pension liability					
Net pension liability	(2,105,771)	1,632,434	560,543	(1,033,880)	-
Total	<u>\$ 27,228,391</u>	<u>\$ 7,863,321</u>	<u>\$ 13,763,399</u>	<u>\$ 21,328,313</u>	<u>\$ 1,739,723</u>

2006A Certificate 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 matured serially May 2022.

2020A Certificate of Participation

On September 1, 2020, the City 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
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	<u>\$ 900,000</u>	<u>\$ 29,737</u>	<u>\$ 929,737</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.

2020B Certificate of Participation

On September 1, 2020, the City 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
2023	-	96,750	96,750
2024	-	96,750	96,750
2025	-	96,750	96,750
2026	205,000	94,546	299,546
2027	290,000	89,225	379,225
2028-2032	1,545,000	349,109	1,894,109
2033-2037	1,720,000	173,614	1,893,614
2038-2039	740,000	16,017	756,017
Total	<u>\$ 4,500,000</u>	<u>\$ 1,012,761</u>	<u>\$ 5,512,761</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.

Leases

Golf Equipment Leases – The City entered into a lease with PNC Equipment Finance, LLC for the rental of golf carts at Homestead and Fox Hollow golf courses. The lease commenced September 2, 2020. As a result of the implementation of GASB Statement No. 87 (GASB 87), *Leases*, the City will be recognizing this lease beginning in 2022 as a lease liability and right-to-use leased asset. The lease term is 52 months, with remaining 38 months beginning 2022. Monthly payments of \$15,080, including principal and interest are made at the first of each calendar month, through 2025.

	Beginning Balance	Additions	Deletions	Ending Balance
Lease Payable	\$ 547,371	\$ -	\$ 168,225	\$ 379,146

As a result of implementation of GASB Statement No. 87 (GASB 87), Leases, \$547,371 in lease liabilities were added to the beginning balance presented above. As these lease liabilities are offset by an equal amount of lease assets, the City does not report a restatement of beginning net position for the implementation of GASB 87.

Following is a schedule of future principal and interest payments for this financed purchase at December 31, 2022:

Year	Principal	Interest	Total
2023	171,935	9,023	180,958
2024	177,164	3,794	180,958
2025	30,047	113	30,160
Total	\$ 379,146	\$ 12,930	\$ 392,076

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.

Police Facility Building Financed Purchase - On September 30, 2009, the City entered into a lease purchase agreement for \$2,330,000 to purchase property for public safety use. This lease is classified as a financed purchase therefore is not applicable to GASB 87 requirements.

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.

Following is a schedule of future principal and interest payments for this financed purchase at December 31, 2022:

Year	Principal	Interest	Total
2023	143,503	23,842	167,345
2024	146,689	20,656	167,345
2025	149,946	17,399	167,345
2026	153,274	14,071	167,345
2027	156,677	10,668	167,345
2028-2029	323,866	10,825	334,691
	<u>\$ 1,073,955</u>	<u>\$ 97,461</u>	
Total future minimum payments			1,171,416
Less: discount for interest			(97,462)
Present value of future minimum payments			<u>\$ 1,073,954</u>

Solar Power Capacity Financed Purchase - 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 an 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 Financed Purchase 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 payments under this financed purchase, and the present value of the net minimum payments at December 31, 2022:

Year	Principal	Interest	Total
2023	109,011	6,078	115,089
2024	112,009	3,080	115,089
	<u>\$ 221,020</u>	<u>\$ 9,158</u>	
Total future minimum payments			230,178
Less: discount for interest			(9,155)
Present value of future minimum payments			<u>\$ 221,023</u>

Energy Performance Improvements Financed Purchase – 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 financed purchase 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 bank may repossess the equipment. In November 2022, the City paid off the remaining liability with the total payoff totaling \$1,242,981.

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 matured on August 1, 2021. Due to contractual obligations the remaining restricted cash was not available for withdrawal until December 2022. This amount has been left as restricted cash until the City withdraws the funds in 2023.

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, 2022, incremental property tax revenues of \$2,342,804.

Remaining debt service at December 31, 2022, was as follows:

Year	Principal	Interest	Total
2023	128,780	24,273	153,053
2024	132,268	20,772	153,040
2025	135,976	17,176	153,152
2026	139,723	13,479	153,202
2027	143,575	9,681	153,256
2028-2029	250,863	7,870	258,733
Total	\$ 931,185	\$ 93,251	\$ 1,024,436

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.

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, 2022, totaled \$5,039,159 and is reported as restricted fund balance in the General Fund.

NOTE 7 – INTERFUND BALANCES AND TRANSFERS**Interfund Transfers:**

Transfers between funds during the year ended December 31, 2022, were as follows:

Transfers In	Transfers Out	Amount
Capital Improvement Fund	General Fund	6,885,599
Grants Fund	General Fund	100,117
TABOR	General Fund	10,578,089
Lakewood Public Building Authority	General Fund	1,055,496
Equipment Replacement Fund	General Fund	7,875,000
Property & Casualty	General Fund	3,000,000
Workers Compensation	General Fund	2,000,000
Heritage, Culture, Arts Fund	General Fund	1,100,000
		<u>\$32,594,301</u>
Grants Fund	Capital Improvement Fund	567,381
Grants Fund	Economic Development	659
Grants Fund	TABOR	164,390
		<u>732,430</u>
Economic Development Fund	Lakewood Reinvestment Authority	2,000,000
Lakewood Public Building Authority	Conservation Trust Fund	725,654
General Fund	Heritage, Culture, Arts Fund	479,000
Lakewood Public Building Authority	Open Space Fund	417,801
General Fund	Golf Course Enterprise Fund	4,500,000
Property Casualty	Medical & Dental	600,000
Workers Compensation	Medical & Dental	600,000
		<u>1,200,000</u>
Total		<u><u>\$42,649,186</u></u>

The General Fund annually provides funding for capital projects to the Capital Improvements Fund. The General Fund, 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 for the amount of expenditures over revenues. Heritage, Culture and Arts Fund transferred to the General Fund the excess of the original transfer received. The Golf Course Enterprise Fund transferred \$4,500,000 to the General Fund to eliminate the 2021 transfer from Certificate of Participation Funds (see Note 5 – 2020B); this is subsequently recorded as an advance from General Fund to the Golf Course Enterprise Fund.

Interfund Receivables and Payables

Interfund receivable and payables between funds for the year ended December 31, 2022, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Grants Fund	\$ 1,250,280
Economic Development Fund	Lakewood Reinvestment Authority	2,000,000
		<u>\$ 3,250,280</u>

<u>Advance From</u>	<u>Advance To</u>	
General Fund	Golf Course Enterprise Fund	\$ 4,500,000
		<u>\$ 4,500,000</u>

The amount payable to the General Fund relates to interfund loans made to the Grant Fund due to the time lag between when working capital is available in the Grants Fund to cover grant expenditures. The balance is scheduled to be collected in the subsequent year when unavailable revenues are collected in the grants fund. The amount payable to the Economic Development Fund relates to an interfund loan to the Lakewood Reinvestment Authority for completion of the LRA Streetscape Project; Lakewood Reinvestment Authority is scheduled to complete payment of this loan by June 2023.

The amount payable to the General Fund from the Golf Enterprise Fund is an advance from General Fund to the Golf Enterprise Fund to fund the Fox Hollow Irrigation project. This advance will be collected by the General Fund in installments over the next sixteen years from the Golf Enterprise Fund. Payments will follow the amortization schedule of the 2020B certificate of participation (see Note 5).

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 increased 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:

<u>Date of Contribution</u>	<u>Employee percentage</u>	<u>Employer percentage</u>
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, 2022, the City and employees made contributions to the plan of \$5,334,971 and \$4,456,718 (including voluntary contributions of \$6,855), 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 2022, \$349,991 was used from this account to fund a portion of the City's contribution, and \$114,200 was available to fund future City contributions.

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 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, 2021, the City and employees made contributions to the plan of \$3,427,783 and \$2,898,341 (including voluntary contributions of \$3,486), 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 2022, \$57,531 was used from this account to fund a portion of the City's contribution, and \$20,462 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

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 years' total compensation, calculated from the City Manager's final day of employment. In the event the City Manager elects to become retired from the City, the City shall pay to the City Manager, in lump sum, an amount equal to the pro-rata Total Compensation earned as of her final day of employment.

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 was required to make sufficient contributions to generate a guaranteed income stream for the City Manager during retirement. The final contribution to the plan by the City was completed in 2021.

The guaranteed pension annuity of the plan is administered by the City, and the life insurance is held in two separate policies, one administered by Massachusetts Mutual Life Insurance Company and one administered by Omaha Mutual.

Retired City Manager Pension Plan

Summary of Significant Accounting Policies

Pensions – For purposes of measuring the net pension liability, 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, Chief Financial Officer, 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 2023 is \$251,602.

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, 2022 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, 2022, were \$255,000.

Investments

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, 2022, plan investments consisted solely of mutual funds. The annual money-weighted rate of return on plan investments, net of pension plan investment expense, was 4.77%. 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, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. However; net pension liability was restated to adjust for a change in valuation of the annuity investment in the Retired City Manager plan (see Note 14 – Restatement of Net Position).

Actuarial Assumptions – The total pension liability in the actuarial valuation as of December 31, 2022, 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

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, 2021	\$ 3,185,851	\$ 2,783,364	\$ 402,487
Restatement for change in Fiduciary Investment Value	-	(850,426)	850,426
Balances at December 31, 2021, as restated	3,185,851	1,932,938	1,252,913
Changes for the year:			
Interest	207,113	-	207,113
Differences between expected and actual experience	13,605	-	13,605
Contributions - Employer	-	255,000	(255,000)
Net investment income	-	(313,088)	313,088
Benefit payments	(244,408)	(244,408)	-
Administrative expense	-	(485)	485
Net changes	(23,690)	(302,981)	279,291
Balances at December 31, 2022	\$ 3,162,161	\$ 1,629,957	\$ 1,532,204

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following table presents the net pension liability, per actuarial value total pension liability, of the City at December 31, 2022, 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	\$ 1,810,281	\$ 1,532,204	\$ 1,290,146

Pension Expense Related to Pensions

For the year ended December 31, 2022, the City recognized pension expense of \$20,888. The net difference between projected and actual earnings on plan investments of \$13,605 was recorded in pension expense.

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Information - 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. As of 2022, officers and the City no longer contribute to the plan as it has been actuarially deemed as adequately funded.

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, 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, 2022, 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 \$2,097,639. During the year ended December 31, 2022, benefit payments totaling \$38,411 were paid. At December 31, 2022, assets totaling \$4,663,723 were available for benefits. Under the plan document, there is no provision for benefits to be paid if sufficient assets are not available.

During 2022, the employees contributed \$16,830 to the Police Duty Death and Disability Plan. In 2022, the City reported this fund as a fiduciary fund (see Note 14, Restatement of Net Position).

Changes in Net Pension Liability:

	Net Pension Liability
Balances at December 31, 2021	\$ -
Restatement for change in Fiduciary Investment Value	(3,358,684)
Balances at December 31, 2021, as restated	(3,358,684)
Changes for the year:	
Service Cost	145,270
Interest	106,170
Differences between expected and actual experience	(111,035)
Benefit payments	(45,611)
Net changes	94,794
Total Pension Liability at December 31, 2022	2,097,639
Total Plan Assets at December 31, 2022	4,663,723
Total Net Pension Liability at December 31, 2022	\$ (2,566,084)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following table presents the net pension liability, per actuarial value total pension liability, of the City at December 31, 2022, calculated using the discount rate of 5.00%, 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 (4.00%) or one percentage point higher (6.00%) than the current rate, as follows:

	1% decrease (4.00%)	Current discount rate (5.00%)	1% increase (6.00%)
Net pension liability	\$ (2,366,072)	\$ (2,566,084)	\$ (2,736,770)

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

For the year ended December 31, 2022, the City recognized pension expense of \$(15,401). The net difference between projected and actual earnings on plan investments of \$(111,035) was recorded in pension expense.

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to the Duty, Death, and Disability Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 665,206	\$ 1,745,598
Total	\$ 665,206	\$ 1,745,598

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Duty, Death, and Disability Plan will be recognized in the plans expense as follow:

Year ended December 31:

2023	\$	(8,606)
2024		(62,171)
2025		(33,125)
2026		(6,691)
2027		38,290
Thereafter		(1,008,089)
	\$	<u>(1,080,392)</u>

Plan Information – Retiree Health Care Plan

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.

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.

Employees Covered By Benefit Terms – As of December 31, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	40
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	832

Total OPEB Liability

The City's total OPEB liability of \$8,115,139 was measured as of December 31, 2022 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs —The total OPEB liability in the December 31, 2022 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 2021 with an estimated ultimate rate of 4.6% in 2024 and thereafter
Retirees' share of benefit-related costs	27.65 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, 2022 valuation were based on the results of an actuarial experience study for the period 2012 through 2017.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 12/31/21	<u>\$ 7,880,425</u>
Changes for the year:	
Service cost	302,581
Interest	361,747
Changes of benefit terms	-
Differences between expected and actuarial experience	(163,433)
Changes in assumptions or other inputs	-
Changes in actuarial methods	-
Benefit payments	<u>(266,181)</u>
Net changes	<u>234,714</u>
Balance at 12/31/22	<u><u>\$ 8,115,139</u></u>

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 \$	8,685,019	\$ 8,115,139	\$ 7,606,933

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 \$	7,628,647	\$ 8,115,139	\$ 8,675,136

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

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Experience Deviation	\$ 524,112	\$ 893,758
Differences between Plan Asset Resources	3,568,703	109,920
Total	<u>\$ 4,092,815</u>	<u>\$ 1,003,678</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:	
2023	\$ 153,356
2024	153,356
2025	183,956
2026	216,703
2027	170,984
Thereafter	<u>2,210,782</u>
	<u>\$ 3,089,137</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.

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, 2020 to December 31, 2022:

	Property and Casualty	Workers' Compensation	Medical and Dental	Total
Claims payable, December 31, 2020	\$ 964,642	\$ 1,123,927	\$ 466,961	\$ 2,555,530
Claims and changes in provisions	499,910	620,180	9,233,380	10,353,470
Claims payments	(602,397)	(519,540)	(9,245,261)	(10,367,198)
Claims payable, December 31, 2021	862,155	1,224,567	455,080	2,541,802
Claims and changes in provisions	1,018,914	785,523	8,885,844	10,690,281
Claims payments	(896,058)	(737,339)	(8,794,982)	(10,428,379)
Claims payable, December 31, 2022	<u>\$ 985,011</u>	<u>\$ 1,272,751</u>	<u>\$ 545,942</u>	<u>\$ 2,803,704</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, 2022, the City had TABOR revenues of \$10,741,395 and total fund balance of \$30,199,467.

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.

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.

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	2022 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	\$2,007,795	N/A
Stevinson II ⁽³⁾ Annexation	Not Limited	10/9/2026	1/4 th of 2% Sales Tax	\$251,100	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.”

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	2022 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	\$1,482,206	\$4,369,440

⁽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 – COVID PANDEMIC

In 2021, the City of Lakewood was awarded \$21,581,066 from the American Rescue Plan Act funding to replace revenue loss as a result of the COVID pandemic. The first half of the award, \$10,790,533 was received in 2021, with the remaining half of the award, \$10,790,533 received in June 2022.

NOTE 14 – RESTATEMENT OF NET POSITION

The City presents a restatement of fiduciary net position relating to a change in the valuation for an annuity investment held in the Retired City Manager Plan and to add the Duty, Death, and Disability Fund as a fiduciary fund, which was previously only included in the footnotes. In addition, the City present a restatement of governmental net position for the change in the net pension liability relating to the change in the valuation of fiduciary plan assets, the change in deferred inflows of resources and deferred outflows of resources for a change in the amortization period, and to add the net OPEB liability and related deferred outflows of resources and deferred inflows of resources for the Duty, Death, and Disability Fund.

Retired City Manager Pension Plan Fund

Beginning Fiduciary Net Position	\$ 2,783,364
Restatement for Change in Investment Valuation	(850,426)
Beginning Fiduciary Net Position, as restated	<u>\$ 1,932,938</u>

Duty, Death, and Disability Fund

Beginning Fiduciary Net Position	\$ -
Restatement to add Fiduciary Fund	5,361,529
Beginning Fiduciary Net Position, as restated	<u>\$ 5,361,529</u>

Governmental Activities

Beginning Net Position	\$ 624,170,122
Restatement of net pension liability and related deferred inflows of resources and deferred outflows of resources	(1,865,360)
Restatement to add the net OPEB liability and related deferred inflows of resources and deferred outflows of resources for the Duty, Death, and Disability Plan	1,971,828
Beginning Net Position, as restated	<u>\$ 624,276,590</u>

NOTE 15 – ADOPTION OF ACCOUNTING STANDARDS

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases* (GASB 87). This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The City has adopted GASB 87 beginning in calendar year 2022.



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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

	2022	2021	2020	2019
Total Pension Liability				
Interest Cost	\$ 207,113	\$ 208,568	\$ 209,644	\$ 210,354
Actuarial Variations	13,605	10,596	8,093	6,010
Benefits Paid	(244,408)	(237,280)	(230,360)	(223,648)
Net Change in Pension Liability	(23,690)	(18,116)	(12,623)	(7,284)
Total Pension Liability - Beginning	3,185,851	3,203,967	3,216,590	3,223,874
Total Pension Liability - Ending	3,162,161	3,185,851	3,203,967	3,216,590
Plan Fiduciary Net Position				
Contributions - Employer	255,000	210,000	240,000	250,000
Net Investment Income	(313,088)	156,237	147,529	139,361
Benefit Payments	(244,408)	(237,280)	(230,360)	(223,648)
Administrative Expenses	(485)	(485)	(1,372)	(731)
Net Change in Plan Fiduciary Net Position	(302,981)	128,472	155,797	164,982
Plan Fiduciary Net Position - Beginning	2,783,364	2,654,892	2,499,095	2,334,113
Restatement of Investment Value	(850,426)	-	-	-
Plan Fiduciary Net Position - Beginning	1,932,938	2,654,892	2,499,095	2,334,113
Plan Fiduciary Net Position - Ending	1,629,957	2,783,364	2,654,892	2,499,095
Net Pension Liability - Ending	\$ 1,532,204	\$ 402,487	\$ 549,075	\$ 717,495
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	51.55%	87.37%	82.86%	77.69%
Covered Payroll	No Active Employees			
Net Pension Liability as a Percentage of Covered Payroll	NA	NA	NA	NA
City Contributions				
Actuarially Determined Contribution	\$ 29,625	\$ 40,414	\$ 52,810	\$ 65,490
Contribution in Relation to the Actuarially Determined Contribution	237,146	237,146	230,230	223,522
Contribution Deficiency (Excess)	\$ (207,521)	\$ (196,732)	\$ (177,420)	\$ (158,032)
Investment Returns				
Annual Money-Weighted Rate of Return, Net of Investment Expense	4.77%	5.91%	5.85%	5.92%

See the accompanying Independent Auditors' Report.

2018	2017	2016	2015	2014	2013
\$ 210,706	\$ 210,714	\$ 210,500	\$ 215,196	\$ 208,748	\$ 224,215
4,343	2,593	(2,517)	(88,399)	79,686	(263,475)
(217,138)	(210,000)	(200,000)	(193,008)	(192,803)	(187,181)
(2,089)	3,307	7,983	(66,211)	95,631	(226,441)
3,225,963	3,222,656	3,214,673	3,280,884	3,185,253	3,411,694
3,223,874	3,225,963	3,222,656	3,214,673	3,280,884	3,185,253
225,000	210,000	210,000	193,008	292,803	190,516
131,302	123,758	116,860	107,041	240,727	124,369
(217,138)	(210,810)	(204,664)	(193,008)	(192,803)	(187,181)
(485)	(486)	(547)	(1,918)	(1,903)	(3,335)
138,679	122,462	121,649	105,123	338,824	124,369
2,195,434	2,072,972	1,951,323	1,846,200	1,507,376	1,383,007
-	-	-	-	-	-
2,195,434	2,072,972	1,951,323	1,846,200	1,507,376	1,383,007
2,334,113	2,195,434	2,072,972	1,951,323	1,846,200	1,507,376
\$ 889,761	\$ 1,030,529	\$ 1,149,684	\$ 1,263,350	\$ 1,434,684	\$ 1,677,877
72.40%	68.06%	64.32%	60.70%	56.27%	47.32%
No Active Employees					
NA	NA	NA	NA	NA	NA
\$ 84,621	\$ 84,621	\$ 92,987	\$ 105,598	\$ 123,498	\$ 149,319
210,810	210,810	204,664	193,008	192,803	187,181
\$ (126,189)	\$ (126,189)	\$ (111,677)	\$ (87,410)	\$ (69,305)	\$ (37,862)
5.96%	5.96%	5.97%	5.71%	15.42%	9.02%

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

	2022	2021	2020	2019
Total Pension Liability				
Service cost	\$ 145,270	\$ 162,996	\$ 188,025	\$ 160,620
Interest	106,170	128,341	126,404	127,158
Changes of benefit terms	-	-	-	-
Differences between expected and actual experiences	(111,035)	(189,002)	(191,949)	(254,286)
Changes of assumptions or other inputs	-	(482,399)	-	-
Benefit payments	(45,611)	(45,611)	(74,206)	(78,071)
Total Pension Liability Changes	94,794	(425,675)	48,274	(44,579)
Total Net Pension Liability - beginning	(3,358,684)	(2,400,143)	(1,935,813)	(1,322,079)
Total Pension Liability at December 31	2,097,639	2,002,845	2,428,520	2,380,246
Plan Assets at December 31	4,663,723	5,361,529	4,828,663	4,316,059
Total Net Pension Liability - ending	<u>\$ (2,566,084)</u>	<u>\$ (3,358,684)</u>	<u>\$ (2,400,143)</u>	<u>\$ (1,935,813)</u>
Covered employee payroll	\$ 28,237,643	\$ 27,336,406	\$ 26,712,235	\$ 27,501,094
Total Pension liability as a percentage of covered-employee payroll	-9.09%	-12.29%	-8.99%	-7.04%

See the accompanying Independent Auditors' Report.

2018	2017	2016	2015	2014	2013
\$ 93,148	\$ 85,399	\$ 91,787	\$ 85,052	\$ 68,703	\$ 60,824
148,219	132,855	138,579	127,694	115,744	96,513
-	-	-	-	-	-
-	-	(241,314)	40,018	76,440	233,367
(651,992)	602,199	-	-	-	-
(78,071)	(78,071)	(78,071)	(78,071)	(78,071)	(78,071)
(488,696)	742,382	(89,019)	174,693	182,816	312,633
(793,016)	(115,970)	(813,395)	(929,726)	(878,572)	(878,795)
2,424,825	2,913,521	2,171,139	2,260,158	2,085,465	1,902,649
3,746,904	3,706,537	3,327,109	3,073,553	3,015,191	2,781,221
\$ (1,322,079)	\$ (793,016)	\$ (1,155,970)	\$ (813,395)	\$ (929,726)	\$ (878,572)
\$ 25,819,331	\$ 24,519,955	\$ 23,074,813	\$ 22,933,955	\$ 21,735,938	\$ 20,422,757
-5.12%	-3.23%	-5.01%	-3.55%	-4.28%	-4.30%

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

	2022	2021	2020
Total OPEB liability			
Service cost	\$ 302,581	\$ 255,256	\$ 261,647
Interest	361,747	340,101	321,821
Changes of benefit terms	-	-	-
Differences between expected and actual experiences	(163,433)	139,440	126,239
Changes of assumptions or other inputs	-	-	-
Benefit payments	(266,181)	(342,354)	(243,600)
Net change in total OPEB liability	234,714	392,443	466,107
Total OPEB liability-beginning	7,880,425	7,487,982	7,021,875
Total OPEB liability-ending	<u>\$ 8,115,139</u>	<u>\$ 7,880,425</u>	<u>\$ 7,487,982</u>
 Covered employee payroll	 \$ 74,424,533	 \$ 67,798,719	 \$ 64,039,964
 Total OPEB liability as a percentage of covered-employee payroll	 10.90%	 11.62%	 11.69%

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan

See the accompanying Independent Auditors' Report.

2019	2018	2017	2016	2015	2014	2013
\$ 180,151	\$ 177,901	\$ 173,096	\$ 162,610	\$ 144,265	\$ 159,595	\$ 147,777
246,335	196,359	198,391	200,326	197,097	168,670	183,569
-	-	-	-	-	-	-
144,283	(212,463)	(337,876)	(308,623)	(186,809)	548,630	(393,003)
1,303,246	1,151,291	-	-	-	-	-
(318,768)	(70,020)	(99,575)	(117,538)	(81,742)	(404,889)	(135,147)
1,555,247	1,243,068	(65,964)	(63,225)	72,811	472,006	(196,804)
5,466,628	4,223,560	4,289,524	4,352,749	4,279,938	3,807,932	4,004,736
<u>\$ 7,021,875</u>	<u>\$ 5,466,628</u>	<u>\$ 4,223,560</u>	<u>\$ 4,289,524</u>	<u>\$ 4,352,749</u>	<u>\$ 4,279,938</u>	<u>\$ 3,807,932</u>
\$ 64,694,985	\$ 65,031,226	\$ 63,161,430	\$ 61,690,440	\$ 60,114,584	\$ 57,677,144	\$ 55,741,700
10.85%	8.41%	6.69%	6.95%	7.24%	7.42%	6.83%

CITY OF LAKEWOOD, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes				
Property Tax	\$ 12,740,069	\$ 13,090,476	\$ 12,983,236	\$ (107,240)
Sales Tax	66,492,969	80,625,485	81,110,673	485,188
General Use Tax	4,729,001	3,671,836	3,699,760	27,924
Building Material Use Tax	3,919,434	2,544,371	4,561,716	2,017,345
Business and Occupational Tax	4,278,999	4,574,117	3,632,833	(941,284)
Specific Ownership Tax	1,030,286	978,514	940,239	(38,275)
Motor Vehicle Use Tax	6,650,025	7,944,076	7,768,717	(175,359)
Franchise Tax	5,954,405	6,254,895	7,768,262	1,513,367
Total Taxes	105,795,188	119,683,770	122,465,436	2,781,666
Licenses and Permits				
Business Licenses and Permits	590,770	565,568	691,793	126,225
Nonbusiness Licenses and Permits	3,649,468	3,281,260	4,544,246	1,262,986
Total Licenses and Permits	4,240,238	3,846,828	5,236,039	1,389,211
Charges for Services				
General Government	992,825	904,045	741,315	(162,730)
Public Safety	1,046,796	1,003,546	749,949	(253,597)
Culture and Recreation	4,241,246	5,093,997	5,056,614	(37,383)
Other Sales and Services	4,494,578	4,283,980	4,971,692	687,712
Total Charges for Services	10,775,445	11,285,568	11,519,570	234,002
Fines and Forfeitures				
	1,287,106	1,586,500	974,839	(611,661)
Intergovernmental Revenue				
Federal Government Grants	10,790,533	10,790,533	11,398,164	607,631
State Government Shared Revenue	4,439,760	5,090,489	4,254,616	(835,873)
Local Government Grants	51,756	1,500	1,128	(372)
Local Government Shared Revenue	1,457,087	1,568,938	1,547,003	(21,935)
Total Intergovernmental Revenue	16,739,136	17,451,460	17,200,911	(250,549)
Miscellaneous				
Investment Income	895,200	895,200	(2,851,834)	(3,747,034)
Other	550,892	552,562	2,820,158	2,267,596
Total Miscellaneous	1,446,092	1,447,762	(31,676)	(1,479,438)
Total Revenues	140,283,205	155,301,888	157,365,119	2,063,231

(Continued)

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXPENDITURES				
General Government				
Legislative				
Personnel Services	393,103	377,156	352,478	24,678
Services and Supplies	177,851	236,524	217,508	19,016
Total Legislative	570,954	613,680	569,986	43,694
Judicial				
Personnel Services	2,866,624	2,916,073	2,698,085	217,988
Services and Supplies	292,226	311,978	291,615	20,363
Total Judicial	3,158,850	3,228,051	2,989,700	238,351
Executive				
Personnel Services	2,082,325	2,091,419	2,147,804	(56,385)
Services and Supplies	363,653	371,774	311,060	60,714
Capital Outlay	-	69	-	69
Total Executive	2,445,978	2,463,262	2,458,864	4,398
Administrative				
Personnel Services	7,828,574	7,927,600	7,484,273	443,327
Services and Supplies	3,023,046	2,874,812	2,432,741	442,071
Debt Service		-	280,085	(280,085)
Total Administrative	10,851,620	10,802,412	10,197,099	605,313
Other				
Personnel Services	9,840,021	9,757,744	8,178,305	1,579,439
Services and Supplies	11,107,302	12,551,999	8,736,624	3,815,375
Debt Service	434,102	1,676,118	1,656,287	19,831
Capital Outlay	120,000	1,127,082	299,282	827,800
Total Other	21,501,425	25,112,943	18,870,498	6,242,445
Total General Government	38,528,827	42,220,348	35,086,147	7,134,201

(Continued)

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXPENDITURES (Continued)				
Public Safety				
Law Enforcement				
Personnel Services	48,515,139	46,528,301	48,545,257	(2,016,956)
Services and Supplies	6,535,894	6,515,660	6,392,184	123,476
Capital Outlay	2,239	133,000	4,960	128,040
Total Law Enforcement	<u>55,053,272</u>	<u>53,176,961</u>	<u>54,942,401</u>	<u>(1,765,440)</u>
Corrections				
Personnel Services	864,014	971,269	908,227	63,042
Services and Supplies	12,226	12,183	10,851	1,332
Total Corrections	<u>876,240</u>	<u>983,452</u>	<u>919,078</u>	<u>64,374</u>
Protective Inspection				
Personnel Services	3,101,140	3,076,238	2,770,399	305,839
Services and Supplies	372,269	963,940	450,387	513,553
Total Protective Inspection	<u>3,473,409</u>	<u>4,040,178</u>	<u>3,220,786</u>	<u>819,392</u>
Other Protection				
Personnel Services	1,661,007	1,766,705	1,963,638	(196,933)
Services and Supplies	486,374	503,792	505,499	(1,707)
Capital Outlay	362	10,994	26,355	(15,361)
Total Other Protection	<u>2,147,743</u>	<u>2,281,491</u>	<u>2,495,492</u>	<u>(214,001)</u>
Total Public Safety	<u>61,550,664</u>	<u>60,482,082</u>	<u>61,577,757</u>	<u>(1,095,675)</u>
Public Works				
Highways and Streets				
Personnel Services	3,570,361	3,484,781	3,151,754	333,027
Services and Supplies	4,812,131	4,072,033	3,854,336	217,697
Capital Outlay	11,500	11,500	4,430	7,070
Total Highways and Streets	<u>8,393,992</u>	<u>7,568,314</u>	<u>7,010,520</u>	<u>557,794</u>
Total Public Works	<u>8,393,992</u>	<u>7,568,314</u>	<u>7,010,520</u>	<u>557,794</u>

(Continued)

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXPENDITURES (Continued)				
Culture and Recreation				
Recreation				
Personnel Services	7,541,379	6,769,388	6,285,656	483,732
Services and Supplies	1,817,130	1,652,265	1,299,925	352,340
Capital Outlay	30,713	30,713	50,360	(19,647)
Total Recreation	<u>9,389,222</u>	<u>8,452,366</u>	<u>7,635,941</u>	<u>816,425</u>
Parks				
Personnel Services	3,106,678	3,096,031	3,058,482	37,549
Services and Supplies	1,435,952	1,714,715	1,875,449	(160,734)
Capital Outlay	-	5,000	-	5,000
Total Parks	<u>4,542,630</u>	<u>4,815,746</u>	<u>4,933,931</u>	<u>(118,185)</u>
Total Culture and Recreation	<u>13,931,852</u>	<u>13,268,112</u>	<u>12,569,872</u>	<u>698,240</u>
Urban Development and Housing				
Personnel Services	608,587	585,965	556,913	29,052
Services and Supplies	81,563	82,463	72,558	9,905
Total Urban Development and Housing	<u>690,150</u>	<u>668,428</u>	<u>629,471</u>	<u>38,957</u>
Economic Opportunity				
Personnel Services	1,423,879	1,190,123	1,113,305	76,818
Services and Supplies	393,528	406,894	163,033	243,861
Capital Outlay	400,000	-	-	-
Total Economic Opportunity	<u>2,217,407</u>	<u>1,597,017</u>	<u>1,276,338</u>	<u>320,679</u>
Total Expenditures	<u>125,312,892</u>	<u>125,804,301</u>	<u>118,150,105</u>	<u>7,654,196</u>
Excess of Revenues				
Over Expenditures	<u>14,970,313</u>	<u>29,497,587</u>	<u>39,215,014</u>	<u>9,717,427</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	4,979,000	4,979,000
Transfers Out	<u>(29,102,216)</u>	<u>(31,956,419)</u>	<u>(32,594,301)</u>	<u>(637,882)</u>
Total Other Financing Sources (Uses)	<u>(29,102,216)</u>	<u>(31,956,419)</u>	<u>(27,615,301)</u>	<u>4,341,118</u>
Net Change in Fund Balance	<u><u>\$ (14,131,903)</u></u>	<u><u>\$ (2,458,832)</u></u>	<u>11,599,713</u>	<u><u>\$ 14,058,545</u></u>
FUND BALANCE, Beginning of Year			<u>65,089,573</u>	
FUND BALANCE, End of Year			<u><u>\$ 76,689,286</u></u>	

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
TABOR FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Investment Income	\$ -	\$ -	\$ 163,306	\$ 163,306
Total Revenues	-	-	163,306	163,306
EXPENDITURES				
General Government				
Services and Supplies	-	-	37,400	(37,400)
Total General Government	-	-	37,400	(37,400)
Public Safety				
Personnel Services	674,676	750,517	546,538	203,979
Services and Supplies	935,865	940,771	1,076,631	(135,860)
Capital Outlay	145,000	463,980	388,896	75,084
Total Public Safety	1,755,541	2,155,268	2,012,065	143,203
Public Works				
Personnel Services	213,559	172,536	106,660	65,876
Services and Supplies	-	10,000	-	10,000
Capital Outlay	-	1,014,999	897,603	117,396
Total Public Works	213,559	1,197,535	1,004,263	193,272
Culture and Recreation				
Capital Outlay	1,213,640	7,477,961	5,043,595	2,434,366
Total Culture and Recreation	1,213,640	7,477,961	5,043,595	2,434,366
Total Expenditures	3,182,740	10,830,764	8,097,323	2,733,441
Excess (Deficiency) of Revenues Over Expenditures	(3,182,740)	(10,830,764)	(7,934,017)	2,896,747
OTHER FINANCING SOURCES (USES)				
Transfers In	3,691,882	9,961,656	10,578,089	616,433
Transfers Out	-	-	(164,390)	(164,390)
Total Other Financing Sources	3,691,882	9,961,656	10,413,699	452,043
Net Change in Fund Balance	\$ 509,142	\$ (869,108)	2,479,682	\$ 3,348,790
FUND BALANCE, Beginning of Year			27,719,785	
FUND BALANCE, End of Year			\$ 30,199,467	

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended December 31, 2022

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, 2021, 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.
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.

CITY OF LAKEWOOD, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended December 31, 2022

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, 2022, Economic Development Fund, Stormwater Fund, Golf Course Enterprise Fund, and the Medical and Dental Fund expenditures exceeded the amounts budgeted by \$31,847, \$1,047,312, \$3,868,647, and \$211,105, respectively. These may be a violation of State statutes.

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**



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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

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.



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NON-MAJOR FUNDS

GRANTS FUND

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

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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes				
Sales Tax	\$ 12,635,115	\$ 15,348,612	\$ 15,566,884	\$ 218,272
General Use Tax	911,691	915,435	737,581	(177,854)
Building Material Use Tax	756,833	773,029	912,650	139,621
Motor Vehicle Use Tax	1,330,005	1,387,325	1,553,744	166,419
Total Taxes	15,633,644	18,424,401	18,770,859	346,458
Intergovernmental				
State Government Shared Revenue	2,660,728	2,171,153	1,864,504	(306,649)
Miscellaneous				
Investment Income	415,392	415,392	251,567	(163,825)
Total Miscellaneous	415,392	415,392	251,567	(163,825)
Total Revenues	18,709,764	21,010,946	20,886,930	(124,016)
EXPENDITURES				
General Government				
Personnel Services	70,587	85,561	111,427	(25,866)
Services and Supplies	1,440,000	1,863,784	2,544,176	(680,392)
Capital Outlay	7,787,221	7,822,161	1,450,222	6,371,939
Total General Government	9,297,808	9,771,506	4,105,825	5,665,681
Public Safety				
Personnel Services	692,047	611,311	471,388	139,923
Services and Supplies	467,165	493,044	225,832	267,212
Capital Outlay	1,895,000	1,895,000	794,096	1,100,904
Total Public Safety	3,054,212	2,999,355	1,491,316	1,508,039
Public Works				
Personnel Services	1,433,716	1,324,297	1,146,146	178,151
Services and Supplies	14,800	18,500	(6,171)	24,671
Capital Outlay	14,932,922	13,280,367	10,979,781	2,300,586
Total Public Works	16,381,438	14,623,164	12,119,756	2,503,408

(Continued)

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
CAPITAL IMPROVEMENTS FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXPENDITURES (Continued)				
Economic Development				
Services and Supplies	13,000	23,266	17,371	5,895
Capital Outlay	2,095,139	2,101,398	2,258,895	(157,497)
Total Economic Development	2,108,139	2,124,664	2,276,266	(151,602)
Total Expenditures	30,841,597	29,518,689	19,993,163	9,525,526
Excess (Deficiency) of Revenues Over Expenditures	(12,131,833)	(8,507,743)	893,767	9,401,510
OTHER FINANCING SOURCES (USES)				
Transfers In	9,285,599	6,885,599	6,885,599	-
Transfers Out	-	-	(567,381)	(567,381)
Total Other Financing Sources (Uses)	9,285,599	6,885,599	6,318,218	(567,381)
Net Change in Fund Balance	\$ (2,846,234)	\$ (1,622,144)	7,211,985	\$ 8,834,129
FUND BALANCE, Beginning of Year			19,964,615	
FUND BALANCE, End of Year			\$ 27,176,600	

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
LAKEWOOD REINVESTMENT AUTHORITY FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes				
Property Taxes Increment	\$ 12,797,533	\$ 12,797,533	\$ 13,162,558	\$ 365,025
General Sales Taxes Increment	269,543	269,543	53,528	(216,015)
Investment Income	19,940	19,940	58,324	38,384
Miscellaneous	966,814	966,814	853,277	(113,537)
Total Revenues	<u>14,053,830</u>	<u>14,053,830</u>	<u>14,127,687</u>	<u>73,857</u>
EXPENDITURES				
Urban Development and Housing				
Personnel Services	102,752	102,751	73,094	29,657
Services and Supplies	490,506	490,506	1,016,875	(526,369)
Capital Outlay	12,646,973	12,731,973	10,674,193	2,057,780
Debt Service	152,721	152,720	153,019	(299)
Total Expenditures	<u>13,392,952</u>	<u>13,477,950</u>	<u>11,917,181</u>	<u>1,560,769</u>
Excess of Revenues Over Expenditures	<u>660,878</u>	<u>575,880</u>	<u>2,210,506</u>	<u>1,634,626</u>
OTHER FINANCING SOURCES				
Transfers Out	<u>-</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>-</u>
Total Other Financing Sources	<u>-</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 660,878</u>	<u>\$ (1,424,120)</u>	210,506	<u>\$ 1,634,626</u>
FUND BALANCE, Beginning of Year			<u>8,560,615</u>	
FUND BALANCE, End of Year			<u>\$ 8,771,121</u>	

See the accompanying Independent Auditor's Report.



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CITY OF LAKEWOOD, COLORADO
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2022

	Special Revenue Funds			
	Conservation Trust Fund	Economic Development Fund	Grants Fund	Heritage, Culture and Arts Fund
ASSETS				
Cash, Pooled Cash & Investments	\$ 1,485,947	\$ 10,885,351	\$ -	\$ 1,833,590
Accounts Receivable	-	112,883	2,608,616	136,855
Interfund Receivable	-	2,000,000		-
Inventories	-	-	-	33,907
Prepays	-	-	-	4,750
Total Assets	<u>\$ 1,485,947</u>	<u>\$ 12,998,234</u>	<u>\$ 2,608,616</u>	<u>\$ 2,009,102</u>
LIABILITIES				
Accounts Payable	\$ -	\$ 84,339	\$ 608,164	\$ 64,491
Interfund Payable	-		1,250,280	-
Accrued Liabilities	39	9,502	54,407	45,214
Refundable Deposits	-	-	-	210,862
Retainage Payable	-	-	13,446	-
Unearned Revenues	-	-	571,334	316,766
Total Liabilities	<u>39</u>	<u>93,841</u>	<u>2,497,631</u>	<u>637,333</u>
DEFERRED INFLOWS OF RESOURCES				
Grants	-	-	1,261,799	136,855
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>1,261,799</u>	<u>-</u>
FUND BALANCES				
Nonspendable:				
Inventories	-	-	-	33,907
Prepays	-	-	-	4,750
Restricted for:				
Parks and Open Space	1,485,908	-	-	-
Economic Development	-	12,904,393	-	-
Assigned to:				
Cultural Activities	-	-	-	1,196,257
Capital Improvements	-	-	-	-
Unassigned:	-	-	(1,150,814)	-
Total Fund Balances	<u>1,485,908</u>	<u>12,904,393</u>	<u>(1,150,814)</u>	<u>1,234,914</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,485,947</u>	<u>\$ 12,998,234</u>	<u>\$ 2,608,616</u>	<u>\$ 2,009,102</u>

See the accompanying Independent Auditor's Report.

Open Space Fund	Debt Service		Capital Projects	
	Lakewood Public Building Authority		Equipment Replacement Fund	Total Non-Major Governmental Funds
\$ 10,696,035	\$ -		\$ 10,872,687	\$ 35,773,610
1,965,014	-		30,395	4,853,763
	-		-	2,000,000
-	-		-	33,907
-	-		-	4,750
<u>\$ 12,661,049</u>	<u>\$ -</u>		<u>\$ 10,903,082</u>	<u>\$ 42,666,030</u>
\$ 316,127	\$ -		\$ 305,569	\$ 1,378,690
-	-		-	1,250,280
48,810	-		4,270	162,242
-	-		-	210,862
39,088	-		-	52,534
-	-		-	888,100
<u>404,025</u>	<u>-</u>		<u>309,839</u>	<u>3,942,708</u>
-	-		-	1,398,654
-	-		-	1,398,654
-	-		-	33,907
-	-		-	4,750
12,257,024	-		-	13,742,932
-	-		-	12,904,393
-	-		-	1,196,257
-	-		10,593,243	10,593,243
-	-		-	(1,150,814)
<u>12,257,024</u>	<u>-</u>		<u>10,593,243</u>	<u>37,324,668</u>
<u>\$ 12,661,049</u>	<u>\$ -</u>		<u>\$ 10,903,082</u>	<u>\$ 42,666,030</u>

CITY OF LAKEWOOD, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2022

	Special Revenue Funds			
	Conservation Trust Fund	Economic Development Fund	Grants Fund	Heritage, Culture and Arts Fund
REVENUES				
Taxes	\$ -	\$ 1,974,364	\$ -	\$ -
Charges for Services	-	95,687	-	1,667,168
Intergovernmental	1,957,125	25,000	9,668,531	682,304
Investment Income	15,008	102,581	46	-
Miscellaneous	-	-	2,186	14,777
Total Revenues	1,972,133	2,197,632	9,670,763	2,364,249
EXPENDITURES				
Current				
General Government	-	-	87,389	-
Public Safety	-	-	2,478,106	-
Public Works	-	-	11,021	-
Culture and Recreation	1,239,385	-	497,210	2,931,066
Urban Development and Housing	-	740,949	815,334	-
Economic Opportunity	-	-	1,637,436	-
Capital Outlay				
General Government	-	-	920,510	-
Public Safety	-	-	1,092,353	-
Public Works	-	-	1,729,679	-
Culture and Recreation	-	75,785	-	54,196
Debt Service				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Bond Issuance Costs	-	-	-	-
Total Expenditures	1,239,385	816,734	9,269,038	2,985,262
Excess (Deficiency) of Revenues Over Expenditures	732,748	1,380,898	401,725	(621,013)
OTHER FINANCING SOURCES (USES)				
Gain on Sale of Capital Asset	-	-	-	-
Transfers In	-	2,000,000	832,547	1,100,000
Transfers Out	(725,654)	(659)	-	(479,000)
Total Other Financing Sources (Uses)	(725,654)	1,999,341	832,547	621,000
Net Change in Fund Balances	7,094	3,380,239	1,234,272	(13)
FUND BALANCES, Beginning of Year	1,478,814	9,524,154	(2,385,086)	1,234,927
FUND BALANCES, End of Year	\$ 1,485,908	\$ 12,904,393	\$ (1,150,814)	\$ 1,234,914

See the accompanying Independent Auditor's Report.

	Debt Service	Capital Projects	
Open Space Fund	Lakewood Public Building Authority	Equipment Replacement Fund	Total Non-Major Governmental Funds
\$ -	\$ -	\$ -	\$ 1,974,364
11,310	-	2,399,641	4,173,806
10,441,845	-	-	22,774,805
105,535	69,653	-	292,823
3,500	1,538	-	22,001
10,562,190	71,191	2,399,641	29,237,799
-	1,200	3,397,262	3,485,851
-	-	-	2,478,106
61,033	-	-	72,054
5,426,203	-	30,860	10,124,724
-	-	-	1,556,283
-	-	-	1,637,436
-	-	2,216,615	3,137,125
-	-	-	1,092,353
-	-	-	1,729,679
5,223,671	-	32,759	5,386,411
-	4,970,000	-	4,970,000
-	124,250	-	124,250
-	2,276	-	2,276
10,710,907	5,097,726	5,677,496	35,796,548
(148,717)	(5,026,535)	(3,277,855)	(6,558,749)
-	-	287,547	287,547
-	2,198,951	7,875,000	14,006,498
(417,801)	-	-	(1,623,114)
(417,801)	2,198,951	8,162,547	12,670,931
(566,518)	(2,827,584)	4,884,692	6,112,182
12,823,542	2,827,584	5,708,551	31,212,486
\$ 12,257,024	\$ -	\$ 10,593,243	\$ 37,324,668

CITY OF LAKEWOOD, COLORADO
CONSERVATION TRUST FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental				
State Government Shared Revenue	\$ 1,600,000	\$ 1,931,378	\$ 1,957,125	\$ 25,747
Investment Income	11,806	27,485	15,008	(12,477)
Total Revenues	1,611,806	1,958,863	1,972,133	13,270
EXPENDITURES				
Culture and Recreation				
Recreation				
Capital Outlay	-	22,000	-	22,000
Total Recreation	-	22,000	-	22,000
Parks				
Personnel Services	-	-	38	(38)
Services and Supplies	-	-	2,155	(2,155)
Capital Outlay	945,000	1,425,700	1,237,192	188,508
Total Parks	945,000	1,425,700	1,239,385	186,315
Total Culture and Recreation	945,000	1,447,700	1,239,385	208,315
Total Expenditures	945,000	1,447,700	1,239,385	208,315
Excess of Revenues Over Expenditures	666,806	511,163	732,748	221,585
OTHER FINANCING (USES)				
Transfers Out	(625,600)	(725,654)	(725,654)	-
Net Change in Fund Balance	\$ 41,206	\$ (214,491)	7,094	\$ 221,585
FUND BALANCE, Beginning of Year			1,478,814	
FUND BALANCE, End of Year			\$ 1,485,908	

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
ECONOMIC DEVELOPMENT FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Hotel Accommodation Taxes	\$ 1,878,010	\$ 1,808,140	\$ 1,974,364	\$ 166,224
Charges for Services	85,000	79,537	95,687	16,150
Intergovernmental				
State Government Grants			25,000	25,000
Investment Income	125,000	102,023	102,581	558
Miscellaneous	700,000	-	-	-
Total Revenues	2,788,010	1,989,700	2,197,632	207,932
EXPENDITURES				
Urban Development and Housing				
Personnel Services	607,459	566,961	525,626	41,335
Services and Supplies	796,000	85,000	215,323	(130,323)
Capital Outlay	475,926	132,926	75,785	57,141
Total Expenditures	1,879,385	784,887	816,734	(31,847)
Excess of				
Revenues Over Expenditures	908,625	1,204,813	1,380,898	176,085
OTHER FINANCING SOURCES (USES)				
Transfers In	-	2,000,000	2,000,000	-
Transfers Out	(20,000)	(200,000)	(659)	199,341
Net Change in Fund Balance	\$ 888,625	\$ 3,004,813	3,380,239	\$ 375,426
FUND BALANCE, Beginning of Year			9,524,154	
FUND BALANCE, End of Year			\$ 12,904,393	

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
GRANTS FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental				
Federal Government Grants	\$ 6,945,459	\$ 10,935,930	\$ 6,801,175	\$ (4,134,755)
State Government Grants	3,855,759	5,147,390	2,748,076	(2,399,314)
Local Government Grants	44,410	1,114,768	119,280	(995,488)
Total Intergovernmental	10,845,628	17,198,088	9,668,531	(7,529,557)
Investment Income	-	36,652	46	(36,606)
Miscellaneous	-	530	2,186	1,656
Total Revenues	10,845,628	17,235,270	9,670,763	(7,564,507)
EXPENDITURES				
General Government				
Services and Supplies	-	201,393	87,389	114,004
Capital Outlay	455,000	1,246,667	920,510	326,157
Total General Government	455,000	1,448,060	1,007,899	440,161
Public Safety				
Personnel Services	1,786,852	1,463,799	763,064	700,735
Services and Supplies	2,598,557	2,605,726	1,715,042	890,684
Capital Outlay	711,000	889,115	1,092,353	(203,238)
Total Public Safety	5,096,409	4,958,640	3,570,459	1,388,181
Public Works				
Personnel Services	-	6,226	11,021	(4,795)
Capital Outlay	-	3,254,951	1,729,679	1,525,272
Total Public Works	-	3,261,177	1,740,700	1,520,477

(Continued)

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
GRANTS FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXPENDITURES (Continued)				
Culture and Recreation				
Personnel Services	20,000	155,427	425,210	(269,783)
Services and Supplies	-	72,000	72,000	-
Total Culture and Recreation	20,000	227,427	497,210	(269,783)
Urban Development and Housing				
Personnel Services	170,117	161,053	144,421	16,632
Services and Supplies	1,684,836	1,723,631	670,913	1,052,718
Total Urban Development and Housing	1,854,953	1,884,684	815,334	1,069,350
Economic Opportunity				
Personnel Services	1,457,454	1,434,234	1,306,889	127,345
Services and Supplies	422,007	239,750	330,547	(90,797)
Total Economic Opportunity	1,879,461	1,673,984	1,637,436	36,548
Total Expenditures	9,305,823	13,453,972	9,269,038	4,184,934
Excess (Deficiency) of Revenues Over Expenditures	1,539,805	3,781,298	401,725	(3,379,573)
OTHER FINANCING SOURCES				
Transfers In	-	-	832,547	832,547
Net Change in Fund Balance	\$ 1,539,805	\$ 3,781,298	1,234,272	\$ (2,547,026)
FUND BALANCE, Beginning of Year			(2,385,086)	
FUND BALANCE, End of Year			\$ (1,150,814)	

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
HERITAGE, CULTURE AND ARTS FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 1,497,245	\$ 1,647,079	\$ 1,667,168	\$ 20,089
Intergovernmental				
Federal Grants	2,500	202,711	200,211	(2,500)
State Government Grants	460,000	470,000	482,093	12,093
Local Government Grants	11,000	11,000	-	(11,000)
Miscellaneous	17,950	9,480	14,777	5,297
Total Revenues	1,988,695	2,340,270	2,364,249	23,979
EXPENDITURES				
Culture and Recreation				
Personnel Services	2,166,151	2,211,067	2,216,749	(5,682)
Services and Supplies	1,046,783	1,112,477	714,317	398,160
Capital Outlay	14,500	37,740	54,196	(16,456)
Total Expenditures	3,227,434	3,361,284	2,985,262	376,022
Deficiency of Revenues Over Expenditures	(1,238,739)	(1,021,014)	(621,013)	400,001
OTHER FINANCING SOURCES (USES)				
Transfers Out			(479,000)	(479,000)
Transfers In	1,100,000	1,100,000	1,100,000	-
Net Change in Fund Balance	\$ (138,739)	\$ 78,986	(13)	\$ (78,999)
FUND BALANCE, Beginning of Year			1,234,927	
FUND BALANCE, End of Year			\$ 1,234,914	

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
OPEN SPACE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 5,000	\$ 7,683	\$ 11,310	\$ 3,627
County Open Space Shared Revenues	7,350,280	8,914,350	10,441,845	1,527,495
Investment Income	96,670	118,104	105,535	(12,569)
Miscellaneous	3,500	11,222	3,500	(7,722)
Total Revenues	7,455,450	9,051,359	10,562,190	1,510,831
EXPENDITURES				
Public Works				
Water Distribution				
Services and Supplies	100,000	107,274	61,033	46,241
Total Public Works	100,000	107,274	61,033	46,241
Culture and Recreation				
Parks and Open Space				
Personnel Services	3,589,190	3,637,752	3,411,427	226,325
Services and Supplies	2,058,360	2,564,705	2,014,776	549,929
Capital Outlay	7,114,112	9,514,219	5,223,671	4,290,548
Total Culture and Recreation	12,761,662	15,716,676	10,649,874	5,066,802
Total Expenditures	12,861,662	15,823,950	10,710,907	5,113,043
(Deficiency) of Revenues Over Expenditures	(5,406,212)	(6,772,591)	(148,717)	6,623,874
OTHER FINANCING (USES)				
Transfers Out	(353,519)	(417,801)	(417,801)	-
Total Other Financing Uses	(353,519)	(417,801)	(417,801)	-
Net Change in Fund Balance	\$ (5,759,731)	\$ (7,190,392)	(566,518)	\$ 6,623,874
FUND BALANCE, Beginning of Year			12,823,542	
FUND BALANCE, End of Year			\$ 12,257,024	

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
LAKEWOOD PUBLIC BUILDING AUTHORITY
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Investment Income	\$ 140,000	\$ 140,000	\$ 69,653	\$ (70,347)
Miscellaneous	-	-	1,538	1,538
Total Revenues	140,000	140,000	71,191	(68,809)
EXPENDITURES				
General Government				
Services and Supplies	1,700	1,700	1,200	500
Total General Government	1,700	1,700	1,200	500
Debt Service				
Principal	5,340,000	5,230,000	4,970,000	260,000
Interest and Fiscal Charges	133,500	241,085	124,250	116,835
Bond Fees	26,325	25,825	2,276	23,549
Total Debt Service	5,499,825	5,496,910	5,096,526	400,384
Total Expenditures	5,501,525	5,498,610	5,097,726	400,884
Deficiency of Revenues Over Expenditures	(5,361,525)	(5,358,610)	(5,026,535)	332,075
OTHER FINANCING SOURCES				
Transfers In	2,576,750	2,576,750	2,198,951	(377,799)
Net Change in Fund Balance	<u>\$ (2,784,775)</u>	<u>\$ (2,781,860)</u>	(2,827,584)	<u>\$ (45,724)</u>
FUND BALANCE, Beginning of Year			<u>2,827,584</u>	
FUND BALANCE, End of Year			<u>\$ -</u>	

See the accompanying Independent Auditors' Report.



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CITY OF LAKEWOOD, COLORADO
EQUIPMENT REPLACEMENT FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 2,317,989	\$ 2,564,659	\$ 2,399,641	\$ (165,018)
Total Revenues	2,317,989	2,564,659	2,399,641	(165,018)
EXPENDITURES				
General Government				
Executive				
Services and Supplies	25,000	25,000	13,143	11,857
Capital Outlay	75,000	75,000	47,540	27,460
Total Executive	100,000	100,000	60,683	39,317
Administrative				
Personnel Services	-	-	97,804	(97,804)
Services and Supplies	1,325,000	1,325,000	993,324	331,676
Total Administrative	1,325,000	1,325,000	1,091,128	233,872
Other				
Services and Supplies	3,454,806	3,304,806	2,292,991	1,011,815
Capital Outlay	2,953,000	2,953,000	2,169,075	783,925
Total Other	6,407,806	6,257,806	4,462,066	1,795,740
Total General Government	7,832,806	7,682,806	5,613,877	2,068,929

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
EQUIPMENT REPLACEMENT FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXPENDITURES (continued)				
Culture and Recreation				
Recreation				
Services and Supplies	-	-	30,860	(30,860)
Capital Outlay	-	100,000	32,759	67,241
Total Recreation	-	100,000	63,619	36,381
Total Expenditures	7,832,806	7,782,806	5,677,496	2,105,310
Deficiency of Revenues Over Expenditures	(5,514,817)	(5,218,147)	(3,277,855)	1,940,292
OTHER FINANCING SOURCES				
Gain on Sale of Capital Assets	200,000	200,000	287,547	87,547
Transfers In	7,775,000	7,875,000	7,875,000	-
Total Other Financing Sources (Uses)	7,975,000	8,075,000	8,162,547	-
Net Change in Fund Balance	\$ 2,460,183	\$ 2,856,853	4,884,692	\$ 2,027,839
FUND BALANCE, Beginning of Year			5,708,551	
FUND BALANCE, End of Year			\$ 10,593,243	

See the accompanying Independent Auditor's Report.



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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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 5,933,260	\$ 6,857,500	\$ 7,278,048	\$ 420,548
Investment Income	-	3,596	23,969	20,373
Total Revenues	5,933,260	6,861,096	7,302,017	440,921
EXPENDITURES				
Cost of Goods Sold	335,000	354,596	450,150	(95,554)
Personnel Services	3,032,953	3,047,823	3,226,359	(178,536)
Services and Supplies	2,046,800	2,013,135	1,410,751	602,384
Capital Outlay	210,000	772,492	6,583	765,909
Depreciation	242,632	242,632	595,051	(352,419)
Interest and Fiscal Charges			110,431	(110,431)
Transfers Out	-	-	4,500,000	(4,500,000)
Total Expenditures	5,867,385	6,430,678	10,299,325	(3,868,647)
Change in Net Position, Budgetary Basis	\$ 65,875	\$ 430,418	(2,997,308)	\$ (3,427,726)
ADJUSTMENTS TO GAAP BASIS				
Gain on Disposal of Capital Assets			24,310	
CHANGE IN NET POSITION, GAAP BASIS			(2,972,998)	
NET POSITION, Beginning of Year			15,645,766	
NET POSITION, End of Year			\$ 12,672,768	

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
SEWER ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 4,630,000	\$ 4,632,599	\$ 4,279,437	\$ (353,162)
Investment Income	41,700	44,146	85,808	41,662
System Investment Fees	500,000	495,000	999,848	504,848
Capital Contributions	-	-	1,337,248	1,337,248
Total Revenues	5,171,700	5,171,745	6,702,341	1,530,596
EXPENDITURES				
Personnel Services	720,337	723,109	703,128	19,981
Services and Supplies	3,331,327	3,332,759	3,231,780	100,979
Capital Outlay	1,950,000	875,000	128,527	746,473
Depreciation	408,896	272,597	178,551	94,046
Total Expenditures	6,410,560	5,203,465	4,241,986	961,479
Change in Net Position, Budgetary Basis	\$ (1,238,860)	\$ (31,720)	2,460,355	\$ 2,492,075
ADJUSTMENTS TO GAAP BASIS				
Capital Additions			128,527	
CHANGE IN NET POSITION, GAAP BASIS			2,588,882	
NET POSITION, Beginning of Year			13,292,506	
NET POSITION, End of Year			\$ 15,881,388	

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
STORMWATER ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 5,720,000	\$ 5,754,386	\$ 5,396,003	\$ (358,383)
Investment Income	100,000	100,000	109,135	9,135
Total Revenues	5,820,000	5,854,386	5,505,138	(349,248)
EXPENDITURES				
Personnel Services	1,641,043	1,572,111	1,312,535	259,576
Services and Supplies	1,209,808	1,221,449	910,677	310,772
Capital Outlay	-	-	1,311,704	(1,311,704)
Depreciation	542,079	361,386	667,342	(305,956)
Total Expenditures	3,392,930	3,154,946	4,202,258	(1,047,312)
Change in Net Position, Budgetary Basis	<u>\$ 2,427,070</u>	<u>\$ 2,699,440</u>	1,302,880	<u>\$ (1,396,560)</u>
ADJUSTMENTS TO GAAP BASIS				
Capital Additions			<u>1,311,704</u>	
CHANGE IN NET POSITION, GAAP BASIS			2,614,584	
NET POSITION, Beginning of Year			<u>26,541,641</u>	
NET POSITION, End of Year			<u>\$ 29,156,225</u>	

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
WATER ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 1,320,000	\$ 1,357,698	\$ 1,285,212	\$ (72,486)
Investment Income	15,000	13,911	17,757	3,846
System Investment Fees	50,000	63,122	26,080	(37,042)
Total Revenues	1,385,000	1,434,731	1,329,049	(105,682)
EXPENDITURES				
Personnel Services	185,945	176,735	166,028	10,707
Services and Supplies	129,378	192,525	134,761	57,764
Water Purchased	1,010,000	1,010,000	951,131	58,869
Capital Outlay	1,750,000	1,050,000	2,977	1,047,023
Depreciation	-	-	14,661	(14,661)
Total Expenditures	3,075,323	2,429,260	1,269,558	1,159,702
Change in Net Position, Budgetary Basis	<u>\$ (1,690,323)</u>	<u>\$ (994,529)</u>	59,491	<u>\$ 1,054,020</u>
ADJUSTMENTS TO GAAP BASIS				
Capital Additions			<u>2,977</u>	
CHANGE IN NET POSITION, GAAP BASIS			62,468	
NET POSITION, Beginning of Year			<u>2,753,330</u>	
NET POSITION, End of Year			<u>\$ 2,815,798</u>	

See the accompanying Independent Auditor's Report.



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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.

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, 2022

	Property and Casualty	Workers' Compensation	Medical and Dental	Retirees' Health	Total
ASSETS					
Cash & Equity in Pooled Cash	5,678,482	4,434,737	14,049,823	4,626,814	28,789,856
Total Assets	<u>\$ 5,678,482</u>	<u>\$ 4,434,737</u>	<u>\$ 14,049,823</u>	<u>\$ 4,626,814</u>	<u>\$ 28,789,856</u>
LIABILITIES AND NET POSITION					
LIABILITIES					
Accounts Payable	\$ 119,090	\$ 21,356	\$ 250	\$ -	\$ 140,696
Accrued Liabilities	2,531	2,268	3,756	-	8,555
Claims Payable	985,011	1,272,751	545,942	-	2,803,704
Total Liabilities	<u>1,106,632</u>	<u>1,296,375</u>	<u>549,948</u>	<u>-</u>	<u>2,952,955</u>
NET POSITION					
Unrestricted	<u>4,571,850</u>	<u>3,138,362</u>	<u>13,499,875</u>	<u>4,626,814</u>	<u>25,836,901</u>
Total Net Position	<u>4,571,850</u>	<u>3,138,362</u>	<u>13,499,875</u>	<u>4,626,814</u>	<u>25,836,901</u>
Total Liabilities and Net Position	<u>\$ 5,678,482</u>	<u>\$ 4,434,737</u>	<u>\$ 14,049,823</u>	<u>\$ 4,626,814</u>	<u>\$ 28,789,856</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, 2022

	Property and Casualty	Workers' Compensation	Medical and Dental	Retirees' Health	Total
OPERATING REVENUES					
Charges for Services	\$ 600,000	\$ 600,000	\$ 13,353,652	\$ -	\$ 14,553,652
Miscellaneous	-	-	417,824	-	417,824
Total Revenues	600,000	600,000	13,771,476	-	14,971,476
OPERATING EXPENSES					
Personnel Services	166,779	134,364	237,323	3,010	541,476
Other Expenses	151,942	96,884	562,172	-	810,998
Claims	1,018,914	785,523	8,885,844	-	10,690,281
Premiums	617,670	141,871	2,406,171	48,837	3,214,549
Total Expenses	1,955,305	1,158,642	12,091,510	51,847	15,257,304
Operating Income (Loss)	(1,355,305)	(558,642)	1,679,966	(51,847)	(285,828)
NONOPERATING REVENUES					
Investment Income	32,721	25,979	131,111	42,789	232,600
Total Nonoperating Revenues	32,721	25,979	131,111	42,789	232,600
Income (Loss) Before Transfers	(1,322,584)	(532,663)	1,811,077	(9,058)	(53,228)
Transfers In	3,600,000	2,600,000	-	-	6,200,000
Transfers Out	-	-	(1,200,000)	-	(1,200,000)
Change in Net Position	2,277,416	2,067,337	611,077	(9,058)	4,946,772
NET POSITION, Beginning of Year	2,294,434	1,071,025	12,888,798	4,635,872	20,890,129
NET POSITION, End of Year	\$ 4,571,850	\$ 3,138,362	\$ 13,499,875	\$ 4,626,814	\$ 25,836,901

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
Year Ended December 31, 2022

	Property and Casualty	Workers' Compensation	Medical and Dental	Retirees' Health	Total
Cash Flows From Operating Activities					
Cash Received from Customers	\$ 697,083	\$ 600,000	\$ 13,483,940	\$ -	\$ 14,781,023
Other Receipts	-	-	417,824	-	417,824
Cash Paid to Suppliers	(1,547,129)	(969,488)	(11,763,075)	(48,837)	(14,328,529)
Cash Paid to Employees	(166,641)	(134,218)	(236,925)	(3,010)	(540,794)
Net cash provided by (used for) operating activities	(1,016,687)	(503,706)	1,901,764	(51,847)	329,524
Cash Flows from Noncapital Financing Activities					
Transfers from (to) other funds	3,600,000	2,600,000	(1,200,000)	-	5,000,000
Net cash provided by (used for) noncapital financing activities	3,600,000	2,600,000	(1,200,000)	-	5,000,000
Cash Flows From Investing Activities					
Investment Income	32,721	25,979	131,111	42,789	232,600
Net cash provided by (used for) investing activities	32,721	25,979	131,111	42,789	232,600
Net increase (decrease) in cash and cash equivalents	2,616,034	2,122,273	832,875	(9,058)	5,562,124
Cash & Equity in Pooled Cash - Beginning of Year	3,062,448	2,312,464	13,216,948	4,635,872	23,227,732
Total Cash & Equity in Pooled Cash End of Year	<u>\$ 5,678,482</u>	<u>\$ 4,434,737</u>	<u>\$ 14,049,823</u>	<u>\$ 4,626,814</u>	<u>\$ 28,789,856</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities					
Operating Income (Loss)	\$ (1,355,305)	\$ (558,642)	\$ 1,679,966	\$ (51,847)	\$ (285,828)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Accounts Receivable	97,083	-	130,288	-	227,371
Accounts Payable	118,541	6,606	250	-	125,397
Accrued Liabilities	138	146	398	-	682
Claims Payable	122,856	48,184	90,862	-	261,902
Net cash provided by (used in) operating activities	<u>\$ (1,016,687)</u>	<u>\$ (503,706)</u>	<u>\$ 1,901,764</u>	<u>\$ (51,847)</u>	<u>\$ 329,524</u>

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
PROPERTY AND CASUALTY SELF-INSURANCE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	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	21,354	32,721	11,367
Total Revenues	625,000	621,354	632,721	11,367
EXPENDITURES				
Personnel Services	283,081	283,155	166,779	116,376
Other Expenses	687,500	396,109	151,942	244,167
Claims	691,159	893,864	1,018,914	(125,050)
Premiums	850,000	1,161,781	617,670	544,111
Total Expenditures	2,511,740	2,734,909	1,955,305	779,604
Loss Before Transfers	(1,886,740)	(2,113,555)	(1,322,584)	790,971
Transfers In	3,600,000	3,600,000	3,600,000	-
Change in Net Position	<u>\$ 1,713,260</u>	<u>\$ 1,486,445</u>	2,277,416	<u>\$ 790,971</u>
NET POSITION, Beginning of Year			<u>2,294,434</u>	
NET POSITION, End of Year			<u>\$ 4,571,850</u>	

See the accompanying Independent Auditor's Report.

CITY OF LAKEWOOD, COLORADO
WORKERS' COMPENSATION SELF-INSURANCE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	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	24,278	25,979	1,701
Total Revenues	633,000	624,278	625,979	1,701
EXPENDITURES				
Personnel Services	131,442	131,932	134,364	(2,432)
Other Expenses	127,500	127,135	96,884	30,251
Claims	820,000	820,000	785,523	34,477
Premiums	137,500	219,734	141,871	77,863
Total Expenditures	1,216,442	1,298,801	1,158,642	140,159
Loss Before Transfers	(583,442)	(674,523)	(532,663)	141,860
Transfers In	2,600,000	2,600,000	2,600,000	-
Change in Net Position	<u>\$ 2,016,558</u>	<u>\$ 1,925,477</u>	2,067,337	<u>\$ 141,860</u>
NET POSITION, Beginning of Year			<u>1,071,025</u>	
NET POSITION, End of Year			<u>\$ 3,138,362</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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 12,921,544	\$ 13,020,566	\$ 13,353,652	\$ 333,086
Investment Income	20,000	37,222	131,111	93,889
Miscellaneous Revenue	25,000	182,924	417,824	234,900
Total Revenues	12,966,544	13,240,712	13,902,587	661,875
EXPENDITURES				
Personnel Services	293,573	273,918	237,323	36,595
Other Expenses	660,464	636,371	562,172	74,199
Claims	10,182,105	8,525,781	8,885,844	(360,063)
Premiums	2,496,962	2,444,335	2,406,171	38,164
Total Expenditures	13,633,104	11,880,405	12,091,510	(211,105)
Income Before Transfers	(666,560)	1,360,307	1,811,077	450,770
Transfers Out	-	-	(1,200,000)	(1,200,000)
Change in Net Position	<u>\$ (666,560)</u>	<u>\$ 1,360,307</u>	611,077	<u>\$ (749,230)</u>
NET POSITION, Beginning of Year			<u>12,888,798</u>	
NET POSITION, End of Year			<u>\$ 13,499,875</u>	

See the accompanying Independent Auditor's Report.

**CITY OF LAKEWOOD, COLORADO
RETIREES' HEALTH PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Investment Income	\$ 25,000	\$ 25,000	\$ 42,789	\$ 17,789
Total Revenues	<u>25,000</u>	<u>25,000</u>	<u>42,789</u>	<u>17,789</u>
EXPENDITURES				
Personnel Services	60,000	60,005	3,010	56,995
Premiums	<u>160,000</u>	<u>160,000</u>	<u>48,837</u>	<u>111,163</u>
Total Expenditures	<u>220,000</u>	<u>220,005</u>	<u>51,847</u>	<u>168,158</u>
Change in Net Position	<u>\$ (195,000)</u>	<u>\$ (195,005)</u>	(9,058)	<u>\$ 185,947</u>
NET POSITION, Beginning of Year			<u>4,635,872</u>	
NET POSITION, End of Year			<u>\$ 4,626,814</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)

	2013	2014	2015	2016
Governmental activities				
Net investment in capital assets	\$ 381,609,040	\$ 384,728,358	\$ 389,207,761	\$ 401,018,598
Restricted	37,533,053	41,479,996	49,133,274	53,564,615
Unrestricted	<u>39,259,813</u>	<u>39,214,362</u>	<u>37,736,590</u>	<u>37,663,933</u>
Total governmental activities net position	<u>\$ 458,401,906</u>	<u>\$ 465,422,716</u>	<u>\$ 476,077,625</u>	<u>\$ 492,247,146</u>
Business-type activities				
Net investment in capital assets	\$ 21,462,965	\$ 22,356,764	\$ 21,781,809	\$ 21,592,444
Unrestricted	<u>7,933,903</u>	<u>8,710,594</u>	<u>9,969,049</u>	<u>13,199,417</u>
Total business-type activities net position	<u>\$ 29,396,868</u>	<u>\$ 31,067,358</u>	<u>\$ 31,750,858</u>	<u>\$ 34,791,861</u>
Primary government				
Net investment in capital assets	\$ 403,072,005	\$ 407,085,122	\$ 410,989,570	\$ 422,611,042
Restricted	37,533,053	41,479,996	49,133,274	53,564,615
Unrestricted	<u>47,193,716</u>	<u>47,924,956</u>	<u>47,705,639</u>	<u>50,863,350</u>
Total primary government net position	<u>\$ 487,798,774</u>	<u>\$ 496,490,074</u>	<u>\$ 507,828,483</u>	<u>\$ 527,039,007</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 Annual Comprehensive Financial Report

Schedule 1

2017	2018	2019	2020	2021	2022
\$ 406,147,538	\$ 422,135,173	\$ 441,082,405	\$ 447,176,590	\$ 461,458,446	\$ 499,067,666
60,771,877	71,071,769	77,041,106	86,964,016	88,072,309	100,914,154
37,827,320	35,836,599	39,996,577	52,057,483	74,639,367	92,436,697
<u>\$ 504,746,735</u>	<u>\$ 529,043,541</u>	<u>\$ 558,120,088</u>	<u>\$ 586,198,089</u>	<u>\$ 624,170,122</u>	<u>\$ 692,418,517</u>
\$ 22,033,747	\$ 23,432,371	\$ 27,308,451	\$ 27,873,676	\$ 26,269,686	\$ 34,719,150
15,281,306	17,040,208	17,271,068	21,277,016	31,963,557	25,807,029
<u>\$ 37,315,053</u>	<u>\$ 40,472,579</u>	<u>\$ 44,579,519</u>	<u>\$ 49,150,692</u>	<u>\$ 58,233,243</u>	<u>\$ 60,526,179</u>
\$ 428,181,285	\$ 445,567,544	\$ 468,390,856	\$ 475,050,266	\$ 487,728,132	\$ 533,786,816
60,771,877	71,071,769	77,041,106	86,964,016	88,072,309	100,914,154
53,108,626	52,876,807	57,267,645	73,334,499	106,602,924	118,243,726
<u>\$ 542,061,788</u>	<u>\$ 569,516,120</u>	<u>\$ 602,699,607</u>	<u>\$ 635,348,781</u>	<u>\$ 682,403,365</u>	<u>\$ 752,944,696</u>

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

Expenses	2013	2014	2015	2016	2017
Governmental activities:					
General government	\$ 30,085,415	\$ 40,054,077	\$ 38,309,285	\$ 33,523,638	\$ 33,364,806
Public safety	50,635,595	52,596,221	53,441,033	58,281,345	59,452,180
Public works	18,528,117	12,744,230	13,573,693	12,204,246	17,930,662
Culture and recreation	18,724,863	18,829,506	21,017,674	21,389,068	22,703,154
Urban development and housing	12,811,514	11,923,053	10,616,107	11,528,561	10,284,829
Economic opportunity	1,886,174	2,066,087	2,228,416	2,374,391	4,294,677
Interest and fees on long-term debt	2,194,969	2,005,119	1,879,178	1,614,934	1,378,589
Total governmental activities expenses	134,866,647	140,218,293	141,065,386	140,916,183	149,408,897
Business-type activities:					
Golf course	3,747,277	4,036,918	4,099,274	4,149,108	4,423,571
Sewer	3,854,381	3,622,591	3,972,398	3,879,114	4,891,624
Stormwater	2,075,559	2,274,398	2,219,674	2,387,282	2,317,783
Water	951,787	963,402	1,008,011	1,013,114	1,257,877
Total business-type activities	10,629,004	10,897,309	11,299,357	11,428,618	12,890,855
Total primary government expenses	\$ 145,495,651	\$ 151,115,602	\$ 152,364,743	\$ 152,344,801	\$ 162,299,752
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 8,406,938	\$ 8,189,453	\$ 7,414,938	\$ 7,275,623	\$ 8,750,573
Public safety	4,867,400	6,150,066	6,113,323	6,214,784	6,959,710
Public works	523,838	527,951	536,287	510,462	557,247
Culture and recreation	5,342,330	5,529,773	5,984,015	6,388,691	6,771,306
Urban development and housing	1,458,204	1,502,026	984,407	1,025,298	1,187,163
Economic opportunity	856,895	982,199	1,111,309	1,166,022	1,203,221
Operating grants and contributions	11,210,485	12,285,903	12,693,115	13,961,253	15,243,100
Capital grants and contributions	8,404,044	7,205,953	6,348,540	6,880,770	6,623,045
Total governmental activities program revenues	41,070,134	42,373,324	41,185,934	43,422,903	47,295,365
Business-type activities:					
Charges for services:					
Golf course	4,339,298	4,648,585	4,728,997	4,836,356	4,866,509
Sewer	3,566,999	3,750,838	4,046,357	3,927,807	4,155,404
Stormwater	2,481,899	2,456,281	2,553,599	4,570,573	4,644,376
Water	1,102,484	1,131,155	1,135,710	1,113,591	1,167,275
Operating grants and contributions	--	--	--	--	--
Capital grants and contributions	--	1,157,091	89,300	528,230	1,006,100
Total business-type activities program revenues	11,490,680	13,143,950	12,553,963	14,976,557	15,839,664
Total primary government program revenues	\$ 52,560,814	\$ 55,517,274	\$ 53,739,897	\$ 58,399,460	\$ 63,135,029
Net (Expense)/Revenue					
Governmental activities	\$ (93,796,513)	\$ (97,844,969)	\$ (99,879,452)	\$ (97,493,280)	\$ (102,113,532)
Business-type activities	861,676	2,246,641	1,254,606	3,547,939	2,948,809
Total primary government net expense	\$ (92,934,837)	\$ (95,598,328)	\$ (98,624,846)	\$ (93,945,341)	\$ (99,164,723)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Property and specific ownership	\$ 15,516,166	\$ 15,715,606	\$ 15,413,513	\$ 16,630,365	\$ 17,528,452
Sales and use	77,387,186	83,208,721	87,251,437	90,146,096	95,874,916
Franchise & other	10,293,898	10,749,372	10,228,753	11,128,813	11,360,718
Grants and contributions not restricted to specific programs	357,990	349,592	343,229	354,755	321,768
Investment earnings	456,169	1,114,230	1,007,841	436,653	1,326,433
Miscellaneous	274,809	260,786	148,591	114,423	61,943
Transfers	754,485	676,928	676,647	675,630	675,395
TABOR Refund	(1,277,365)	(5,200,119)	(4,535,650)	(5,823,934)	(12,536,504)
Total governmental activities	103,763,338	106,875,116	110,534,361	113,662,801	114,613,121
Business-type activities:					
Investment earnings	84,841	81,317	98,058	135,819	199,144
Miscellaneous	93,016	19,460	7,483	32,875	50,634
Transfers	(754,485)	(676,928)	(676,647)	(675,630)	(675,395)
Total business-type activities	(576,628)	(576,151)	(571,106)	(506,936)	(425,617)
Total primary government	\$ 103,186,710	\$ 106,298,965	\$ 109,963,255	\$ 113,155,865	\$ 114,187,504
Change in Net Position					
Governmental activities	\$ 9,966,825	\$ 9,030,147	\$ 10,654,909	\$ 16,169,521	\$ 12,499,589
Business-type activities	285,048	1,670,490	683,500	3,041,003	2,523,192
Total primary government	\$ 10,251,873	\$ 10,700,637	\$ 11,338,409	\$ 19,210,524	\$ 15,022,781

Source: City's Annual Comprehensive Financial Report

Schedule 2

	2018	2019	2020	2021	2022
\$	46,008,217	\$ 39,927,557	\$ 50,330,898	\$ 40,219,326	\$ 46,497,543
	61,659,817	65,644,796	60,147,939	64,183,608	69,988,682
	11,010,780	3,831,135	15,848,463	15,897,390	14,040,550
	22,691,427	25,305,871	17,232,070	25,119,024	29,265,659
	12,347,347	17,229,186	15,073,803	14,473,077	13,987,566
	4,837,612	4,974,827	4,106,686	4,612,386	5,192,053
	1,196,617	1,107,604	775,564	613,290	279,448
	159,751,817	158,020,976	163,515,423	165,118,101	179,251,501
	4,499,986	4,731,740	4,951,024	5,244,232	5,799,325
	4,464,144	4,420,324	4,420,953	4,192,490	4,113,459
	2,683,444	2,640,772	2,916,510	3,017,137	2,890,554
	1,039,641	1,142,962	1,161,531	1,222,288	1,266,581
	12,687,215	12,935,798	13,450,018	13,676,147	14,069,919
\$	172,439,032	\$ 170,956,774	\$ 176,965,441	\$ 178,794,248	\$ 193,321,420
\$	8,142,753	\$ 7,786,478	\$ 6,348,491	\$ 7,212,038	\$ 8,044,048
	6,550,358	6,701,776	6,246,127	5,703,949	6,985,789
	548,695	559,256	554,725	544,873	524,512
	7,141,698	7,467,291	3,332,325	6,163,334	6,853,340
	1,173,191	1,145,567	1,037,197	1,062,608	948,964
	1,287,174	1,126,282	675,802	533,386	680,910
	14,312,975	16,051,999	34,374,614	27,279,068	32,635,383
	7,268,406	7,456,864	6,547,728	13,573,070	31,140,277
	46,425,250	48,295,513	59,117,009	62,072,326	87,813,223
	4,988,439	4,879,402	6,565,267	6,947,435	7,278,048
	4,244,838	4,344,665	4,387,290	4,325,514	4,279,437
	4,847,531	4,954,558	5,187,219	5,406,692	5,396,003
	1,151,744	1,067,937	1,317,214	1,288,171	1,285,212
	--	--	--	--	--
	1,007,510	2,172,564	1,093,550	147,090	2,363,176
	16,240,062	17,419,126	18,550,540	18,114,902	20,601,876
\$	62,665,312	\$ 65,714,639	\$ 77,667,549	\$ 80,187,228	\$ 108,415,099
\$	(113,326,567)	\$ (109,725,463)	\$ (104,398,414)	\$ (103,045,775)	\$ (91,438,278)
	3,552,847	4,483,328	5,100,522	4,438,755	6,531,957
\$	(109,773,720)	\$ (105,242,135)	\$ (99,297,892)	\$ (98,607,020)	\$ (84,906,321)
\$	21,200,905	\$ 22,941,102	\$ 25,633,928	\$ 25,494,075	\$ 27,086,033
	92,856,656	83,246,192	77,791,872	95,055,651	101,169,977
	11,310,808	23,177,857	23,908,036	23,570,947	28,170,735
	327,964	297,242	371,894	75,549	219,127
	1,707,727	4,800,751	3,811,743	(49,455)	(1,853,214)
	168,724	232,635	196,910	1,251,671	287,547
	685,148	663,654	762,032	(4,380,630)	4,500,000
	12,536,504	--	--	--	--
	140,794,436	135,359,433	132,476,415	141,017,808	159,580,205
	239,266	271,231	230,143	169,139	236,669
	50,561	16,035	2,540	94,027	24,310
	(685,148)	(663,654)	(762,032)	4,380,630	(4,500,000)
	(395,321)	(376,388)	(529,349)	4,643,796	(4,239,021)
\$	140,399,115	\$ 134,983,045	\$ 131,947,066	\$ 145,661,604	\$ 155,341,184
\$	27,467,869	\$ 25,633,970	\$ 28,078,001	\$ 37,972,033	\$ 68,141,927
	3,157,526	4,106,940	4,571,173	9,082,551	2,292,936
\$	30,625,395	\$ 29,740,910	\$ 32,649,174	\$ 47,054,584	\$ 70,434,863

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

	2013	2014	2015	2016	2017
General Fund					
Nondisposable	\$ 128,247	\$ 132,354	\$ 196,504	\$ 266,562	\$ 283,908
Restricted	2,858,903	4,222,206	4,353,215	4,487,234	4,633,173
Assigned	-	-	-	-	-
Unassigned	32,363,563	35,598,763	37,423,037	31,302,115	25,234,678
Total General Fund	35,350,713	39,953,323	41,972,756	36,055,911	30,151,759
All Other Governmental Funds					
Nondisposable	40,865	34,536	29,640	39,912	31,810
Restricted	34,674,150	37,257,790	44,780,059	49,077,381	56,138,704
Assigned	4,233,647	4,528,092	4,975,337	4,936,870	6,063,720
Unassigned	(647,381)	(316,733)	(605,812)	(779,253)	(132,095)
Total all other governmental funds	38,301,281	41,503,685	49,179,224	53,274,910	62,102,139
Total all governmental funds	\$ 73,651,994	\$ 81,457,008	\$ 91,151,980	\$ 89,330,821	\$ 92,253,898

Source: City's Annual Comprehensive Financial Report

Schedule 3

2018	2019	2020	2021	2022
\$ 238,507	\$ 271,317	\$ 1,119,706	\$ 1,253,744	\$ 5,119,118
11,178,024	4,945,999	4,919,261	5,173,200	5,553,557
-	-	4,603,838	10,413,751	10,593,343
25,185,969	25,978,966	30,706,179	48,248,878	55,343,268
36,602,500	31,196,282	41,348,984	65,089,573	76,609,286
24,759	29,733	40,480	40,362	38,657
59,618,745	72,095,107	82,044,755	82,899,109	92,794,513
5,914,090	5,449,147	4,345,702	6,903,116	11,789,600
(329,803)	(327,462)	(2,548,884)	(2,385,086)	(1,150,814)
65,227,791	77,246,525	83,882,053	87,457,501	103,471,956
\$ 101,830,291	\$ 108,442,807	\$ 125,231,037	\$ 152,547,074	\$ 180,081,242

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

	2013	2014	2015	2016	2017
Revenues					
Taxes	\$ 102,303,258	\$ 109,666,669	\$ 112,889,810	\$ 117,905,274	\$ 124,764,086
Licenses and permits	2,983,251	3,963,589	3,770,885	4,173,666	6,395,757
Charges for services	14,545,071	14,679,323	14,331,781	14,611,126	15,172,392
Fines and forfeitures	1,279,097	1,451,120	1,599,055	1,348,190	1,200,775
Intergovernmental	18,394,300	20,421,087	19,803,064	21,641,837	23,403,955
Investment income	313,481	990,636	885,195	293,225	1,104,820
Other revenues	3,197,967	2,352,414	1,916,126	1,854,572	1,866,776
TABOR refund	(1,277,365)	(5,200,119)	(4,535,650)	(5,823,934)	(12,536,504)
Total revenues	141,739,060	148,324,719	150,660,266	156,003,956	161,372,057
Expenditures					
General government	27,214,581	28,585,442	29,536,810	36,699,831	33,176,171
Public safety	48,328,891	50,594,496	51,622,011	55,370,581	56,969,269
Public works	7,939,452	8,495,828	8,672,155	8,505,714	10,498,621
Culture and recreation	16,360,324	17,188,004	17,983,812	18,750,071	19,698,085
Urban development and housing	2,336,376	2,265,819	2,057,475	1,675,377	2,049,451
Economic opportunity	1,841,430	2,021,343	2,189,740	2,337,470	2,517,426
Capital outlay	24,609,459	26,906,966	23,253,012	28,908,414	28,042,799
Debt service:					
Principal	4,685,816	4,142,565	4,446,045	4,647,620	4,804,628
Interest and fiscal charges	2,176,260	1,953,170	1,880,881	1,605,667	1,367,925
Total expenditures	135,492,589	142,153,633	141,641,941	158,500,745	159,124,375
Excess of revenues over (under) expenditures	6,246,471	6,171,086	9,018,325	(2,496,789)	2,247,682
Other Financing Sources (Uses)					
Sale of Capital Asset	-	-	-	-	-
Proceeds from borrowing	-	-	-	-	-
Proceeds from refunding	-	-	-	-	-
Proceeds from capital lease	-	957,000	-	-	-
Payments to escrow agent	-	-	-	-	-
Operating transfers in	13,326,455	10,267,501	11,075,437	11,122,500	13,106,692
Operating transfers out	(12,571,970)	(9,590,573)	(10,398,790)	(10,446,870)	(12,431,297)
Total other financing sources (uses)	754,485	1,633,928	676,647	675,630	675,395
Net change in fund balances	\$ 7,000,956	\$ 7,805,014	\$ 9,694,972	\$ (1,821,159)	\$ 2,923,077
Debt service as a percentage of noncapital expenditures	5.4%	4.6%	4.8%	4.5%	4.2%

Source: City's Annual Comprehensive Financial Report

Schedule 4

2018	2019	2020	2021	2022
\$ 125,368,369	\$ 129,365,151	\$ 127,333,836	\$ 144,120,673	\$ 156,426,745
4,902,432	4,661,369	4,111,663	3,447,993	5,236,039
16,154,436	16,133,169	10,384,594	13,999,226	15,693,376
1,241,903	1,306,555	1,339,908	1,482,711	974,839
22,596,907	24,391,707	39,275,877	38,256,923	41,840,220
1,403,640	4,453,987	3,510,723	(237,737)	(2,085,814)
2,051,959	2,302,059	1,539,873	1,554,411	3,695,436
12,536,504	-	-	-	-
186,256,150	182,613,997	187,496,474	202,624,200	221,780,841
36,317,120	35,954,335	46,284,248	33,734,017	39,029,347
60,108,519	63,720,520	58,145,503	62,993,282	66,344,937
7,905,435	9,789,121	8,031,956	7,572,054	8,324,779
22,059,611	21,980,199	17,230,679	18,616,114	22,644,236
2,029,880	2,641,060	2,501,021	3,501,455	3,293,094
2,800,016	2,850,576	2,497,884	2,452,458	2,913,774
41,572,537	33,627,454	35,334,029	40,258,783	44,218,236
4,938,664	8,051,274	5,366,702	2,460,581	6,868,927
1,143,977	1,100,748	773,773	590,460	316,990
178,875,759	179,715,287	176,165,795	172,179,204	193,954,320
7,380,391	2,898,710	11,330,679	30,444,996	27,826,521
-	-	196,910	1,251,671	287,547
-	-	-	-	-
-	-	5,660,000	-	-
1,510,854	2,775,152	-	-	-
-	-	(1,161,391)	-	-
27,554,369	40,349,789	14,000,302	15,713,905	36,449,186
(26,869,221)	(39,411,135)	(13,238,270)	(20,094,535)	(36,949,186)
2,196,002	3,713,806	5,457,551	(3,128,959)	(212,453)
\$ 9,576,393	\$ 6,612,516	\$ 16,788,230	\$ 27,316,037	\$ 27,614,068
4.0%	5.9%	3.9%	2.0%	4.2%

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

	2013	2014	2015	2016
Accommodation & Food Services	\$ 381,037,346	\$ 408,245,016	\$ 449,554,901	\$ 461,970,873
Ag, Forestry, Fishing, Hunting	93,382	366,409	451,474	402,716
Art, Entertainment, Recreation	27,101,908	24,825,731	32,528,279	35,017,932
Construction	11,315,064	16,011,073	17,482,459	16,701,330
Educational Services	985,425	1,011,783	1,129,499	1,032,450
Finance and Insurance	7,014,801	8,493,511	10,039,666	12,118,581
Health Care, Social Assistance	3,123,409	4,950,405	5,288,410	6,055,882
Information	180,179,637	191,725,253	163,724,094	152,945,713
Manufacturing	27,018,793	33,858,565	32,904,890	38,840,453
Mgmt of Companies, Enterprises	585	550,531	1,295	4,686
Mining	205,050	236,226	166,562	116,042
Miscellaneous/Random Filers	1,156,862	16,765	-	-
Other Services	62,713,986	79,363,921	56,544,781	57,562,361
Professional, Scientific, & Technical Svcs	11,243,515	17,033,686	15,051,591	14,563,441
Public Administration	112,297	101,359	260,699	197,571
Real Estate, Rental, Leasing	41,004,757	39,806,823	50,043,806	54,206,742
Retail Trade	1,286,882,574	1,339,502,528	1,470,089,651	1,530,521,070
Transportation & Warehousing	1,116,069	5,542,408	2,149,265	2,493,054
Utilities	152,930,446	154,914,127	147,677,320	141,101,743
Waste Mgmt & Remediation Services	8,269,879	9,186,620	11,316,000	13,457,481
Wholesale Trade	51,071,736	65,041,856	70,061,942	77,084,541
Total all categories	<u>\$ 2,254,577,521</u>	<u>\$ 2,400,784,596</u>	<u>\$ 2,536,466,584</u>	<u>\$ 2,616,394,662</u>
City direct sales tax rate ⁽¹⁾	3.0%	3.0%	3.0%	3.0%

The City's sales tax rate may be increased only by a majority vote of the City's residents. Effective
⁽¹⁾ 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

2017	2018	2019	2020	2021	2022
\$ 475,256,644	\$ 492,020,947	\$ 502,615,911	\$ 378,834,592	\$ 478,340,399	\$ 530,410,006
465,766	470,479	708,412	437,314	699,409	897,971
34,658,388	36,189,635	36,664,419	21,738,785	30,454,342	37,731,605
19,466,552	22,112,333	23,889,052	21,343,890	23,686,911	27,159,203
944,406	837,501	948,923	899,437	1,632,231	2,231,396
13,823,268	13,772,599	14,714,864	13,558,311	12,565,082	12,921,121
5,207,230	4,450,327	4,119,112	3,720,435	3,839,492	12,218,226
137,788,403	132,999,261	123,166,478	144,286,794	136,288,182	149,152,664
44,670,499	42,273,061	44,494,804	48,073,042	53,432,356	64,324,896
20,482	5,817	2,568	1,153	2,396	23,013
11,362	52,058	139,325	270,002	230,472	272,179
-	-	-	318	-	152,483
59,756,351	61,501,640	63,053,239	56,625,425	63,971,923	69,353,600
19,046,404	15,660,958	15,794,938	19,814,173	19,412,804	25,617,145
103,578	115,118	401,222	475,000	445,838	467,431
63,914,638	67,381,332	67,989,548	56,750,741	59,927,959	60,761,640
1,463,604,295	1,517,607,543	1,527,150,678	1,463,471,048	1,870,702,057	1,991,771,158
2,907,813	2,954,568	3,616,271	7,915,242	21,321,643	33,477,347
141,712,433	141,820,052	144,397,208	138,581,339	155,446,649	186,328,127
11,412,402	12,272,408	12,228,059	13,144,993	13,862,166	16,614,455
90,553,256	84,077,437	81,494,732	87,136,727	99,902,330	114,655,483
<u>\$ 2,585,324,170</u>	<u>\$ 2,648,575,074</u>	<u>\$ 2,667,589,763</u>	<u>\$ 2,477,078,761</u>	<u>\$ 3,046,164,641</u>	<u>\$ 3,336,541,149</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

	2013	2014	2015	2016	2017
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	0.00%	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

2018	2019	2020	2021	2022
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%

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

Category of Taxpayer ⁽¹⁾	2022			2013		
	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>						
Clothing, gifts, jewelry	\$ 6,875,870	1	6.80%	4,022,209	2	5.81%
Utility	6,780,250	2	6.70%	6,275,900	1	9.07%
Electronic Shopping and Mail-Order Houses	6,368,471	3	6.29%			
Building materials	4,731,932	4	4.68%	3,044,930	3	4.40%
Computers and software	2,947,598	5	2.91%	1,636,606	4	2.36%
Grocery store	1,542,799	6	1.52%	1,302,705	6	1.88%
Car Dealerships	1,409,013	7	1.39%			
Cellular Wireless	702,765	8	0.69%	1,305,705	5	1.89%
Tire Dealers	464,909	9	0.46%			
Cosmetics, Beauty Supplies, Perfume	457,029	10	0.45%			

⁽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



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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⁾	
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
2021	1,742,999,572	1,028,706,157	31,073,661	32,802,981	71,624,152	2,907,206,523
2022	1,704,901,898 ⁽⁶⁾	1,004,864,964 ⁽⁷⁾	30,770,481	28,046,885	77,660,191	2,846,244,419

(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).

(6) "Residential Property" includes Multi Family properties.

(7) "Commercial Property" includes Commercial Renewable Energy properties.

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%	\$ 14,393,963,387	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%
4.711	7.15%	29.00%	28,411,159,376	10.23%
4.711	7.15%	29.00%	28,590,513,734	9.96%

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
CITY DIRECT RATE:										
Property Tax Operating Mill Levy	4.711	4.711	2.031	2.392	2.148	4.711	4.711	4.711	4.711	4.711
OVERLAPPING RATES:⁽¹⁾										
Jefferson County	25.846	25.846	24.212	24.709	22.420	23.739	23.332	24.578	26.241	26.978
School District R-1	50.369	50.165	47.487	45.941	42.878	49.416	47.075	47.038	45.808	46.133
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	1.628	1.633	1.442	1.454	1.295	1.296	1.205	1.238
Bear Creek Water & Sanitation District	4.420	4.425	3.820	3.745	3.860	4.030	3.745	3.951	3.823	4.102
Bennett Bear Creek Farms Water & San. Dist.	2.468	2.468	1.884	1.884	1.570	1.784	1.806	1.709	1.898	1.893
Bowles Metro District	42.000	42.000	42.000	42.000	42.000	42.000	42.000	40.000	40.000	40.000
College Park Water & Sanitation Dist.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.786	6.814
Daniels Sanitation District	0.462	0.390	0.390	0.375	0.284	0.282	0.265	0.265	0.246	0.246
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	23.945	26.395	25.056	25.373	22.876	23.556	19.658	20.476	20.445	20.857
Denver West Metro District Ex. 14	N/A	29.431	27.931	28.068	26.179	27.682	23.091	24.040	24.019	24.464
Denver West Metro District Ex. 98	12.091	14.620	13.866	14.140	5.942	0.957	0.837	0.939	0.999	1.081
Denver West Promenade Metro District	60.000	60.000	60.000	60.000	60.000	60.000	60.000	60.000	60.000	60.000
East Jefferson County Sanitation District	1.115	1.115	0.914	0.914	0.744	0.744	0.679	0.679	0.647	0.647
East Lakewood Sanitation District	4.840	4.840	4.101	4.262	3.682	3.745	3.204	3.413	3.749	4.550
Foothills Rec & Park Sub A	7.559	7.551	7.237	7.191	9.671	9.691	9.539	9.477	9.498	9.498
Fossil Ridge Metro District No. 1	0.000	0.000	0.000	0.000	0.000	5.000	0.000	0.000	0.000	0.000
Fossil Ridge Metro District No. 2	30.000	38.500	40.000	40.000	43.668	37.668	43.668	39.000	35.500	36.500
Fossil Ridge Metro District No. 3	30.000	40.000	40.000	40.000	43.668	37.668	43.668	39.000	35.500	36.500
Highview Water District	0.183	0.183	0.158	0.152	0.139	0.139	0.135	0.135	0.130	0.130
Lakewood West Colfax Business Improve.	5.000	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	11.475	12.007	9.955	9.959	0.000	0.000	0.000	0.000
Mount Carbon Metro District	37.000	37.000	37.000	37.000	40.421	40.569	40.918	29.118	28.664	27.000
Mount Carbon Metro District Ex. 07	20.000	20.000	20.000	20.000	21.849	21.929	22.118	22.118	21.664	20.000
Mount Carbon Metro District Ex. 08	20.000	20.000	20.000	20.000	21.849	21.929	22.118	22.118	21.664	20.000
Mount Carbon Metro District Ex. 20	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20.000
Mount Carbon Metro District Ex. 21	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20.000
Northwest Lakewood Sanitation District	7.285	7.703	6.878	6.522	6.825	5.437	5.987	6.047	5.661	6.317
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	22.990	22.990	22.990	25.416	25.416	25.533	25.324	25.348	26.353
Pleasant View Metro District	7.000	7.000	7.000	7.000	7.000	7.000	7.000	7.000	14.000	14.000
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	4.000	6.600	6.600	6.600	6.600	6.600	6.600	6.600
Section 14 Metro District	23.356	23.422	23.290	23.669	23.691	23.803	20.465	20.128	20.000	11.000
Section 14 Metro District Ex. 04	18.961	19.088	18.180	18.559	14.006	16.150	0.000	0.000	0.000	0.000
Sheridan Station West Metro	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	66.686	66.686
South Metro Fire Rescue Protection	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9.319	9.288
South Sheridan Water & Sanitation	7.896	7.896	7.896	5.748	6.314	6.700	7.896	6.356	6.874	5.302
Urban Drainage & Flood	0.608	0.632	0.553	0.559	0.500	0.726	0.097	0.900	0.900	0.900
Urban Drainage & Flood Control South Platte	0.064	0.068	0.058	0.061	0.057	0.094	0.900	0.100	0.100	0.100
West Metro Fire Protection District	13.632	13.595	13.550	13.394	13.219	13.732	13.268	13.227	12.530	13.431
Wheat Ridge Fire District	7.500	12.586	12.527	0.000	0.000	0.000	0.000	0.000	0.000	0.000 ⁽²⁾
Wheat Ridge Sanitation District	0.537	0.537	0.468	0.468	0.468	0.398	0.354	0.354	0.334	0.334

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 2022 rate above applies to the property taxes levied in 2022 but paid in 2023. 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⁾ Wheat Ridge Fire District became part of West Metro Fire Protection District at the end of 2016.

Source: Jefferson County Assessor's Office

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

Taxpayer	2022			2013		
	Taxable		Percentage of Total City Assessed	Taxable		Percentage of Total City Assessed
	Assessed	Rank		Assessed	Rank	
	Value		Value	Value		Value
Public Service Co of Colorado	\$ 52,083,788	1	1.83%	\$ 27,558,935	2	1.59%
Colorado Mills Mall LP	36,623,784	2	1.29%	31,320,000	1	1.81%
Belmar Commercial Owner LP ⁽¹⁾	33,540,572	3	1.18%	19,571,894	4	1.13%
Terumo BCT Inc ⁽²⁾	29,816,900	4	1.05%	6,311,555	8	0.36%
Lakewood MOB LLC	21,761,412	5	0.76%			
Qwest Corp.	13,875,390	6	0.49%	23,125,500	3	1.34%
Lakewood City Commons LP	12,337,209	7	0.43%	11,503,720	5	0.66%
Firstbank Holding Company	11,729,125	8	0.41%			
BR CWS Lakewood LLC	9,191,627	9	0.32%			
Denver West Village LP ⁽³⁾	8,846,909	10	0.31%	7,573,611	7	0.44%
The Section 14 Development Company				6,272,439	9	0.36%
Centro Westland LLC				6,146,840	10	0.36%
Gov Lakewood Properties Trust (4)				7,607,860	6	0.44%
Solterra LLC						

⁽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
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
2020	2021	12,100,810	11,816,003	97.65%	4.711	-	11,816,003
2021	2022	13,408,657	12,983,236	96.83%	4.711	-	12,983,236

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 Annual Comprehensive 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			
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
2021	-	10,630,000	2,808,579	1,056,510	14,495,089	-	14,495,089	0.21%	91
2022	-	5,400,000	1,294,977	931,185	7,626,162	-	7,626,162	0.10%	48

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 Annual Comprehensive Financial Report

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

	2013		2014		2015		2016		2017	
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⁾	\$	431,818,902	\$	435,601,599	\$	525,304,491	\$	532,508,235	\$	609,246,136
Legal debt margin ⁽⁵⁾	\$	431,818,902	\$	435,601,599	\$	525,304,491	\$	532,508,235	\$	609,246,136
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

Source: City's Annual Comprehensive Financial Report

Schedule 13

2018		2019		2020		2021		2022	
\$	--	\$	--	\$	--	\$	--	\$	--
	0.00%		0.00%		0.00%		0.00%		0.00%
\$	--	\$	--	\$	--	\$	--	\$	--
\$	613,009,674	\$	771,133,652	\$	775,372,236	\$	852,334,781	\$	857,715,412
\$	613,009,674	\$	771,133,652	\$	775,372,236	\$	852,334,781	\$	857,715,412
	100.00%		100.00%		100.00%		100.00%		100.00%

CITY OF LAKEWOOD, COLORADO
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Bowles Metropolitan District	\$ 17,005,000	42.92%	\$ 7,298,546
Denver West Metropolitan District	36,245,585	83.57%	30,290,435
Denver West Metropolitan District EX 04	1,099,648	89.55%	984,735
Denver West Metropolitan District EX 14	1,208,865	98.14%	1,186,380
Denver West Metropolitan District EX 98	60,902	0.00%	-
Denver West Promenade Metro District	4,875	98.87%	4,820
Fossil Ridge Metropolitan District 3	35,284,159	98.62%	34,797,238
Indy Oak TOD Metropolitan District	3,956,000	98.14%	3,882,418
Jefferson County R-1 School District	812,290,000	23.44%	190,400,776
Mount Carbon Metropolitan District	25,100,000	0.67%	168,170
Prospect Recreation and Park District	7,904,527	19.32%	1,527,155
Sheridan Station West Metropolitan District	3,625,000	98.58%	3,573,525
West Metro Fire Protection District	14,195,000	54.67%	7,760,407
Other debt:			
Alameda Water & Sanitation District	2,959,736	97.73%	2,892,550
Big Sky Metropolitan District No. 1	2,324,553	26.73%	621,353
Jefferson County	40,222,706	23.44%	9,428,202
Jefferson County R-1 School District	57,020,000	23.44%	13,365,488
Plaza Metropolitan District No. 1	54,580,000	13.40%	7,313,720
West Metro Fire Protection District	401,900	54.67%	219,719
Subtotal, overlapping debt	1,115,488,456		315,715,637
City direct debt	7,626,162	100.00%	7,626,162
Total direct and overlapping debt	\$ 1,123,114,618		\$ 323,341,799

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		
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
2021	1,962,473	121,963	30,982	152,945	12.83
2022	2,342,804	125,325	27,694	153,019	15.31

⁽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:

2012	18,557
2013	43,668
2014	12,542
2015	50,000
2016	32,896
2017	-
2018	100,000
2019	181,155
2020	-
2021	-

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 Annual Comprehensive 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⁾
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
2021	159,076	7,320,518,444	46,019	39	14.4	20,343	5.9
2022	156,425	7,289,717,850	46,602	39	14.6	19,809	3.0

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	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Denver Federal Center	8,000	1	9.01%	7,000	1	9.52%
Jefferson County R-1 School District	3,700	2	4.17%	2,300	3	3.13%
State of Colorado (various departments)	2,610	3	2.94%	700	8	0.95%
Terumo BCT ⁽¹⁾	2,325	4	2.62%	1,771	4	2.41%
St. Anthony Medical Campus	2,000	5	2.25%	2,800	2	3.81%
First Bank	1,485	6	1.67%	782	7	1.06%
Home Advisor ⁽²⁾	1,000	7	1.13%	789	6	1.07%
City of Lakewood	815	8	0.92%	884	5	1.20%
Colorado Christian University	522	9	0.59%			
West Metro Fire Protection and Rescue	435	10	0.49%			

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

⁽²⁾ Home Advisor was formerly known as Service Magic

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, 2013	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017
Mayor and City Council	-	-	-	-	-
City Manager's Office	19.12	18.46	17.68	19.22	18.14
City Attorney's Office	10.80	10.07	10.68	10.77	10.93
City Clerk's Office	8.91	8.99	8.11	8.11	9.29
Lakewood Reinvestment Authority	1.13	1.13	0.43	0.10	0.34
Community Resources	167.44	192.58	191.87	191.67	199.83
Human Resources	13.29	14.36	13.29	12.68	14.41
Finance	28.74	32.09	32.75	32.40	30.60
Information Technology	25.52	26.25	27.37	28.60	30.01
Municipal Court	30.00	30.27	30.57	30.34	30.33
Planning	15.44	15.91	16.99	17.21	16.36
Police	403.87	409.38	406.10	407.00	412.49
Public Works	110.96	113.40	113.23	114.08	116.53
Total	835.22	872.89	869.07	872.18	889.26

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, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
-	-	-	-	-
19.43	18.88	14.66	12.95	13.72
10.75	10.28	9.81	10.61	10.72
9.96	8.55	7.74	6.94	6.99
0.26	0.25	0.35	0.35	0.43
203.35	204.04	188.67	181.09	178.43
14.89	14.77	13.04	12.95	13.93
31.85	30.08	27.31	21.61	21.12
29.97	31.64	29.06	26.72	26.50
31.49	31.17	30.34	29.17	28.71
16.65	15.67	14.98	19.52	22.58
391.55	399.59	396.92	377.18	368.23
118.60	121.14	112.94	106.63	111.31
878.75	886.06	845.82	805.72	802.67

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

Function/Program	December 31, 2013	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017
Building Department					
Permits ⁽¹⁾ issued:					
Building	1,915	2,175	2,322	2,303	2,910
Other (electrical, plumbing, (mechanical, sign, miscellaneous)	7,141	9,131	9,621	9,891	22,310
Municipal Court					
Cases received	18,228	19,519	19,858	17,662	16,937
Public Safety					
Physical arrests	5,262	5,625	5,560	5,688	5,978
Parking violations	2,260	2,093	2,942	3,420	3,642
Traffic violations	16,446	14,382	12,882	11,874	11,550
Public Works					
Highways and Streets					
Street resurfacing (miles)	54.60	55.04	62.30	60.00	62.54
Potholes repaired	800-1,000	900-1,000	1,800-2,000	2,186	521
Water					
New connections/accounts ⁽²⁾	8	0	25	12	20
Average daily consumption (gallons)	547,351	540,556	534,833	534,833	530,564
Sewer					
New connections/accounts ⁽²⁾	12	13	10	8	10
Average daily treatment (gallons)	2,536,493	2,691,397	3,094,274	2,823,890	2,614,767
Culture and Recreation					
Rounds of golf (two courses)	98,205	102,553	103,979	104,791	103,351
Cultural admissions (paid and unpaid)	139,655	171,093	177,043	186,072	200,319

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, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
2,578	1,847	1,605	1,347	1,056
12,838	10,014	8,491	8,405	6,856
16,966	17,366	12,753	13,535	9,770
6,253	4,729	6,909	5,245	16,885
3,331	3,722	2,997	2,536	1,997
11,974	8,915	10,119	18,147	9,314
71.65	74.86	64.72	31.89	30.35
500	1,800	1,000	500	465
8	22	-	-	9
522,090	565,710	601,605	558,636	540,836
-	29	45	23	-
2,531,973	2,633,836	2,418,329	2,568,137	2,389,205
100,212	97,770	128,938	136,454	127,280
206,738	217,944	71,083	218,754	135,822

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

Function/Program	December 31, 2013	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017
General Government					
Area (square miles)	44.210	44.210	44.210	44.210	44.210
Public Safety					
Number of police stations	2	2	2	2	2
Public Works					
Highways and Streets					
Streets (miles)	543	543	543	543	543
Streetlights	7,823	7,812	7,868	7,878	7,909
Traffic signals	200	201	201	201	198
Water					
Number of taps/accounts ⁽³⁾	739	739	764	791	811
Water mains (miles)	14	14	23	23	13
Sewer					
Number of taps/accounts ⁽³⁾	6,870	6,890	6,900	6,879	6,889
Sewer mains (miles)	106	106	133	133	107
Stormwater					
Stormwater mains (miles)	228	228	325	325	200
Culture and Recreation					
Number of parks	99	99	99	99	101
Park acreage	7,163	7,163	7,163	7,163	7,181
Playgrounds	76	76	76	76	76
Athletic fields ^{(1) (2)}	56	56	56	56	56
Tennis courts	34	34	34	34	34
Basketball courts (outdoor)	32	32	32	32	32
Pickleball courts (outdoor)	-	-	-	-	-
Community Center	1	1	1	1	1
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, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
44.210	44.660	44.660	44.660	44.660
2	2	2	2	2
543	537	1,540	1,658	1,658
8,000	8,015	8,076	8,076	8,081
198	198	198	197	198
820	820	799	793	802
13	13	13	13	13
6,888	6,888	6,962	6,985	6,917
107	107	107	107	106
200	200	202	202	237
104	110	110	113	113
7,240	7,240	7,459	7,474	7,364
76	76	76	80	80
56	56	56	56	56
34	34	34	34	34
33	21	21	32	32
-	-	-	4	10
1	1	1	1	1
4	4	4	4	4
3	3	3	3	3
3	3	3	3	3
2	2	2	2	2



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COMPLIANCE SECTION

SINGLE AUDIT

Schedule of Expenditures of Federal Awards, which is required for all state and local governments with more than \$750,000 of federal expenditures.

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.



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Lakewood, Colorado (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 6, 2023.

Report on Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a material weakness.

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

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as item 2022-002 to be a significant deficiency.

Report on Compliance and Other Matters


As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Response to Findings

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

Purpose of This Report

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



CliftonLarsonAllen LLP

Greenwood Village, Colorado
July 6, 2023



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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Lakewood, Colorado's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2022. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

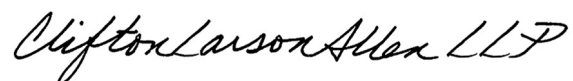
Report on Internal Control Over Compliance

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

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

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

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



CliftonLarsonAllen LLP

Greenwood Village, Colorado
July 6, 2023

CITY OF LAKEWOOD, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2022

Section I – Summary of Auditors' Results

Financial Statements

- | | | |
|--|-----------------------|----------------------|
| 1. Type of auditors' report issued: | Unmodified | |
| 2. Internal control over financial reporting: | | |
| • Material weakness(es) identified? | <u> x </u> yes | <u> </u> no |
| • Significant deficiency(ies) identified? | <u> x </u> yes | <u> </u> no |
| 3. Noncompliance material to financial statements noted? | <u> </u> yes | <u> x </u> no |

Federal Awards

- | | | |
|---|-----------------------|---------------------|
| 1. Internal control over major federal programs: | | |
| • Material weakness(es) identified? | <u> </u> yes | <u> x </u> no |
| • Significant deficiency(ies) identified? | <u> </u> yes | <u> x </u> no |
| 2. Type of auditors' report issued on compliance for major federal programs: | Unmodified | |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | <u> </u> yes | <u> x </u> no |

Identification of Major Federal Programs

Assistance Listing Numbers

Name of Federal Program or Cluster

14.218

Community Development Block Grant

21.027

Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 x yes no

CITY OF LAKEWOOD, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2022

Section II – Financial Statement Findings

2022 – 001 Pension and Other Postemployment Benefits Reporting

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

Condition: The City was previously reporting the investment in the Retired City Manager Pension Plan Fund based on expected minimum future annuity payments rather than fair value and was excluding the Duty, Death and Disability Plan from inclusion as a fiduciary activity of the City. In addition, the deferred inflows of resources and deferred outflows of resources for the Retired City Manager Pension Plan Fund were being amortized over the expected remaining life of the participant rather than the average service life of participants.

Criteria: Based on the guidance in Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans*, unallocated insurance contracts, which includes annuities, are reported as interest-earning investment contracts at fair value. To meet the criteria to be reported as an allocated insurance contract, the City would have to irrevocably transfer responsibility for benefit payments to the insurer and determine that it is unlikely that any additional payments would be necessary to satisfy future benefit payments. GASB Statement No. 84, *Fiduciary Activities*, contains the guidance for including other postemployment benefit plans that are administered through a trust as a fiduciary activity. GASB Statement No. 68 contains the requirement to amortize changes in the net pension liability for differences between actual and expected experience over a period equal to the average of the expected remaining service lives of all employees, both active and inactive, that are provided with pensions through the pension plan.

Effect: The City restated beginning fiduciary net position by (\$850,426) for the Retired City Manager Pension Plan Fund to report the annuity investment at fair value. The City added a fiduciary fund with beginning fiduciary net position of \$5,361,529 for the Duty, Death, and Disability Plan which was previously only presented in the notes to the financial statements. The City restated beginning governmental net position by \$686,132 for the net effect of the changes to the net pension liability, net OPEB asset, and related deferred outflows of resources and deferred inflows of resources.

Cause: The City did not properly assess the fair value of the Retired City Manager plan investment, the amortization of deferred inflows of resources and deferred outflows of resources, and did not properly assess the criteria for inclusion of the Duty, Death, and Disability Plan as a fiduciary activity.

Repeat Finding: This is not a repeat finding.

Recommendation: The City has restated beginning fiduciary net position, governmental net position, and added the Duty, Death, and Disability Plan as a fiduciary fund in 2022 to resolve these items. In subsequent years, we recommend that the City routinely assess investment valuation and fiduciary activities against applicable criteria.

In addition, we recommend that the City reevaluate the investments in the Retired City Manager Pension Plan Fund once the annuity option is exercised to assess if the investment meets the criteria to be considered an allocated insurance contract as defined in GASB Statement No. 67, *Financial Reporting for Pension Plans*.

CITY OF LAKEWOOD, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2022

Views of responsible officials and planned corrective actions: The City does not disagree with the finding, has restated fiduciary net position to report the annuity investment at fair value, has restated beginning governmental net position, and has added the Duty, Death, and Disability Fund as a fiduciary fund in 2022.

Responsible Official: Peggy Starr, Controller

2022 – 002 Wholesale Sewer Revenue and Accounts Receivable

Type of Finding: Significant Deficiency in Internal Control over Financial Reporting

Condition: Certain wholesale sewer utility accounts were not billed timely and were not properly recorded in accounts receivable as of December 31, 2022 for services provided in 2022 and billed in 2023.

Criteria: GASB Statement No. 62 requires that enterprise funds recognize sales revenue in the period in which the revenues are earned.

Effect: The City posted an adjustment to increase revenues and accounts receivable by \$461,182 in the Sewer Fund.

Cause: Due to staffing turnover, certain wholesale sewer utility billings were not performed timely and occurred after the end of the year. The Revenue/Utility Billing team and Public Works Department did not have a year-end process in place that properly identified these billings as receivables as of December 31, 2022.

Repeat Finding: This is not a repeat finding.

Recommendation: We recommend that the City improve the process for billing wholesale sewer utility customers timely and recording receivables for uncollected amounts at the end of the year.

Views of responsible officials and planned corrective actions: The City agrees with the finding and has adjusted revenue and accounts receivable accordingly. The City will improve the process for ensuring that wholesale sewer utility billings are performed timely and that any outstanding receivables are properly recorded.

Responsible Official: Peggy Starr, Controller

CITY OF LAKEWOOD, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2022

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

CITY OF LAKEWOOD, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2022

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Pass Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Housing and Urban Development				
Community Development Block Grant		N/A	\$ 1,305,401	\$ 61,304
COVID-19 Community Development Block Grant	14.218		324,924	
Total U.S. Department of Housing and Urban Development			<u>1,630,325</u>	<u>61,304</u>
U.S. Department of the Treasury				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	11,414,020	
Total U.S. Department of the Treasury			<u>11,414,020</u>	
U.S. Department of Justice				
Edward Byrne Memorial Justice Assistance Grant	16.738	N/A	367,276	
Passed through State of Colorado, Division of Criminal Justice				
MOSST Program	16.738	202DCJ-21-05-1-1	69,154	
Passed through City of Colorado Springs				
Missing Children's Assistance	16.543	15PJDP-GK-03813-MECP	14,853	
Total U.S. Department of Justice			<u>451,283</u>	
National Endowment of the Arts				
Passed through State of Colorado, Office of Economic Dev				
Promotion of the Arts Partnership	45.025	1886858-61-21	10,000	
Total National Endowment of the Arts			<u>10,000</u>	
U.S. Department of Health and Human Services				
Head Start		N/A	1,429,678	
COVID-19 Head Start American Rescue Plan	93.600	N/A	117,164	
Head Start Cluster Total			<u>1,546,842</u>	
Passed through Denver Regional Council of Government (DRCOG)				
Assisted Transportation-OAA Title III	93.044	EX22023	293,816	
Total U.S. Department of Health and Human Services			<u>1,840,659</u>	
U.S. Department of Agriculture				
Passed through Colorado Department of Public Health and Environment				
Child and Adult Care Food Program	10.558	10-03080	59,984	
Total U.S. Department of Agriculture			<u>59,984</u>	
U.S. Department of Transportation				
Passed through Colorado Department of Transportation		20-HA1-XC-03007		
		STA-391A-014		
		21HA1-XC-00059		
		SHE 391A-05		
Highway Planning and Construction	20.205	STU M760-049	1,173,316	
Metropolitan Transportation Planning and State and Non-Metropolitan				
Planning and Research	20.505	22-HDT-ZL-00267	8,991	
State and Community Highway Safety	20.600	23-NHT-SA-402.0206	81,787	
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	411031452	7,955	
National Priority Safety Programs	20.616	22-HTS-ZL-00012	7,886	
Pedestrian Safety Campaign	20.620	22NHTSA405h-0903	68,592	
Passed through Denver Regional Council of Government (DRCOG)				
FTA 5310				
Assisted Transportation	20.513	EX22021	38,992	
Total U.S. Department of Transportation			<u>1,387,519</u>	
Small Business Administration				
COVID-19 Shuttered Venue Operations	59.075	N/A	190,211	
Total Small Business Administration			<u>190,211</u>	
Total Expenditures of Federal Awards			<u>\$ 16,984,002</u>	<u>\$ 61,304</u>

See the accompanying Independent Auditor's Report.



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CITY OF LAKEWOOD, COLORADO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2022

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, using the accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

NOTE 2– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance, because the City does not use an indirect cost allocation.

**CITY OF LAKEWOOD COLORADO
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2022**

City of Lakewood, Colorado respectfully submits the following summary schedule of prior audit findings for the year ended December 31, 2022.

Audit period: 2021

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS - FINANCIAL STATEMENT AUDIT

Finding 2021-001

Unavailable Revenue

Significant Deficiency in Internal Control over Financial Reporting

Condition: Accounts receivable and the related deferred inflows of resources for unavailable grant revenue presented by the City did not agree to cash receipts received or expected to be received more than sixty days after year end.

Status: Corrective action was taken



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**CITY OF LAKEWOOD COLORADO
CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2022**

City of Lakewood respectfully submits the following corrective action plan for the year ended December 31, 2022.

Audit period: 2022

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS – FINANCIAL STATEMENT AUDIT

2022 – 001 Pension and Other Postemployment Benefits Reporting

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

Condition: The City was previously reporting the investment in the Retired City Manager Pension Plan Fund based on expected minimum future annuity payments rather than fair value and was excluding the Duty, Death and Disability Plan from inclusion as a fiduciary activity of the City. In addition, the deferred inflows of resources and deferred inflows of resources for the Retired City Manager Pension Plan Fund were being amortized over the expected remaining life of the participant rather than the average service life of participants.

Recommendation: The City has restated beginning fiduciary net position, governmental net position, and added the Duty, Death, and Disability Plan as a fiduciary fund in 2022 to resolve these items. In subsequent years, we recommend that the City routinely assess investment valuation and fiduciary activities against applicable criteria.

Views of responsible officials and planned corrective actions: The City does not disagree with the finding, has restated fiduciary net position to report the annuity investment at fair value, has restated beginning governmental net position, and has added the Duty, Death, and Disability Fund as a fiduciary fund in 2022. The City will continue to assess the proper valuation of investments and reporting for fiduciary activities.

Responsible Official: Peggy Starr, Controller

Planned completion date for corrective action plan: December 31, 2023



2022 – 002 Wholesale Sewer Revenue and Accounts Receivable

Type of Finding: Significant Deficiency in Internal Control over Financial Reporting

Condition: Certain wholesale sewer utility accounts were not billed timely and were not properly recorded in accounts receivable as of December 31, 2022 for services provided in 2022 and billed in 2023.

Recommendation: We recommend that the City improve the process for billing wholesale sewer utility customers timely and recording receivables for uncollected amounts at the end of the year.

Views of responsible officials and planned corrective actions: The City agrees with the finding and has adjusted revenue and accounts receivable accordingly. The City will improve the process for ensuring that wholesale sewer utility billings are performed timely and that any outstanding receivables are properly recorded.

Responsible Official: Peggy Starr, Controller

Planned completion date for corrective action plan: December 31, 2023

LOCAL HIGHWAY FINANCE REPORT		City or County: CITY OF LAKEWOOD, COLORADO	
		YEAR ENDING : 12/22	
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)	15,307,869
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,687,775
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	3,523,858
2. General fund appropriations	4,788,667	b. Snow and ice removal	1,238,420
3. Other local imposts (from page 2)	19,491,606	c. Other	2,716,776
4. Miscellaneous local receipts (from page 2)	1,509,048	d. Total (a. through c.)	7,479,054
5. Transfers from toll facilities		4. General administration & miscellaneous	459,950
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	9,065,219
a. Bonds - Original Issues		6. Total (1 through 5)	33,999,867
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	-	a. Interest	
7. Total (1 through 6)	25,789,321	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	
C. Receipts from State government		2. Notes:	
(from page 2)	6,786,794	a. Interest	
D. Receipts from Federal Government		b. Redemption	
(from page 2)	1,423,752	c. Total (a. + b.)	
E. Total receipts (A.7 + B + C + D)	33,999,867	3. Total (1.c + 2.c)	
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	33,999,867

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

V. LOCAL ROAD AND STREET FUND BALANCE					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		33,999,867	33,999,867		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado YEAR ENDING (mm/yy): 12/22	
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	251,567
b. Other local imposts:		b. Traffic Fines & Penalties	757,471
1. Sales Taxes	16,511,964	c. Parking Garage Fees	-
2. Infrastructure & Impact Fees	-	d. Parking Meter Fees	10.00
3. Liens	-	e. Sale of Surplus Property	-
4. Licenses	492,400	f. Charges for Services	-
5. Specific Ownership &/or Other	2,487,242	g. Other Misc. Receipts	-
6. Total (1. through 5.)	19,491,606	h. Other	500,000
c. Total (a. + b.)	19,491,606	i. Total (a. through h.)	1,509,048
(Carry forward to page 1)		(Carry forward to page 1)	
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	4,287,004	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	514,968	d. Federal Transit Admin	-
d. Other (Specify) - DOLA Grant	919,909	e. U.S. Corps of Engineers	-
e. Other (Specify)	1,064,913	f. Other Federal	1,423,752
f. Total (a. through e.)	2,499,790	g. Total (a. through f.)	1,423,752
4. Total (1. + 2. + 3.f)	6,786,794	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	-	-	-
b. Engineering Costs	-	900,222	900,222
c. Construction:			
(1). New Facilities	-	-	-
(2). Capacity Improvements	-	-	-
(3). System Preservation	-	11,086,148	11,086,148
(4). System Enhancement & Operation	-	3,321,499	3,321,499
(5). Total Construction (1) + (2) + (3) + (4)	-	14,407,647	14,407,647
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	15,307,869	15,307,869
		(Carry forward to page 1)	
Notes and Comments:			



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