City of Louisville
COLORADO ▪ SINCE 1878

Annual Comprehensive Financial Report

FOR THE YEAR ENDED DECEMBER 31, 2022

City of Louisville

COLORADO ▪ SINCE 1878

Annual Comprehensive Financial Report

For the Year Ended December 31, 2022

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Office *of* the City Manager

City *of* Louisville

COLORADO ▪ SINCE 1878

July 26, 2023

Citizens, Mayor Maloney, Members of the City Council:

We submit to you the Annual Comprehensive Financial Report of the City of Louisville for the fiscal year ended December 31, 2022. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data reflects accurately in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the City. We have also included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities. We also suggest that readers of this document review the Management's Discussion and Analysis section for a more detailed discussion on the financial information.

This report includes all funds of the City. In addition, the Urban Revitalization District meets established criteria for inclusion in the reporting entity and, therefore, is also included within this report.

ECONOMIC CONDITION AND OUTLOOK

The City of Louisville has often been recognized for its livability. Since 2009, Money Magazine has named Louisville among the Best Place to Live five times. Many things contribute to this exemplary quality of life. Louisville has beautiful open spaces and parks around and throughout the city, dozens of great eateries, a thriving arts and music scene, great neighborhoods, among the best schools in the State and numerous job opportunities with employers such as Sierra Space, Centura Avista Adventist Hospital, Design Mechanical Inc., Global Healthcare Exchange, Fresca Foods, JumpCloud Inc., and other employers expanding and moving to the community.

Louisville is located in the Denver metropolitan region, approximately 6 miles east of the City of Boulder and 25 miles northwest of Denver. Louisville has an incorporated area of approximately 7.9 square miles and a population of approximately 20,000. The City's residential growth peaked in 1992, then remained fairly steady through the 2010 Census, and then picked up in the last decade as the last large developable parcels build out and the city nears the target population of about 23,000 that is reflected in the Louisville Comprehensive Plan. Development in the city is strongly influenced by the U.S. Highway 36 corridor from Denver to Boulder, proximity to nearby national laboratories and universities, easy access to Denver International Airport, and numerous world-class recreational and cultural opportunities.

MARSHALL FIRE

On December 30, 2021, the devastating Marshall Fire roared through the City of Louisville. Wind gusts from 70 to 100 miles per hour fanned a destructive grass fire that originated near Marshall in unincorporated Boulder County and then quickly spread east to Superior and Louisville. Erratic winds paired with extremely dry conditions caused the fire to spread at an unprecedented rate. The Marshall Fire was initially reported at 11 AM and by 7 PM that evening, the fire had destroyed 551 homes and businesses in Louisville, 381 in Superior and 158 in unincorporated Boulder County. In total, Marshall Fire destroyed 1,090 homes and businesses and damaged another 179. Damage across the region is estimated at approximately $2 billion.

The full financial impact of the Marshall Fire has yet to be determined. The City currently estimates financial impacts of the disaster to continue for years to come. While many costs have been and are expected to be reimbursed by insurance or FEMA, the City has identified $9.6M in disaster related costs that have no known external funding source, and will likely be borne by the City.

MAJOR INITIATIVES IN 2022

Strategic Goals and Objectives

The City of Louisville Home Rule Charter states that the City's mission is to provide basic municipal services in an efficient and cost-effective manner and maintain the qualities that make Louisville unique by protecting and preserving the City's scenic, historic, and aesthetic features through open and ethical government in which every member of the community has an opportunity to participate. The City's Strategic Plan, completed in 2018, provides the following Vision, Mission and Values for the organization:

Vision
The City of Louisville – dedicated to providing a vibrant, healthy community with the best small town atmosphere.

Mission
Our commitment is to protect, preserve, and enhance the quality of life in our community.

Values
Innovation, Collaboration, Accountability, Respect, Excellence

Consistent with the City's goals and objectives, City leaders and staff accomplished the following during 2022:

- Adjusted finances, fees and budget in response to Marshall Fire related economic impacts, including necessary budgetary and organizational changes.
- Planned, designed and constructed repairs to City infrastructure and property damaged by the Marshall Fire, including roads, sidewalks, water meters, fire hydrants, traffic signs and signals, playground equipment, fencing and landscaping.

- Implemented recommendations of the 2021 Equity, Diversity & Inclusion (EDI) Task Force and internal Equity Blueprint to help employees and residents thrive and improve the health and well-being of the organization and community by closing equity gaps.
- Prioritized projects and programs for the 2023-2024 Biennial Budget and 2023-2028 Capital Improvement Program.
- Continued implementation of Street Reconstruction and the Pavement Booster Program to maintain the City's pavement infrastructure.
- Complete improvements of City facilities to support energy efficiency efforts consistent with the Louisville Sustainability Action Plan.
- Continued replacement of playground facilities to improve safety and meet ADA requirements.
- Increased natural resource management activities on City Open Space to improve native vegetation and reduce wildfire fuels.
- Completed Parks & Streetscapes Maintenance & Improvement Plan to identify priority investments, address resources needs for implementation and create asset management process.
- Completed design of Colorado 42 corridor improvements and Future 42 plan.
- Adopted the Commercial 2021 IECC building code with amendments.
- Completed 104th Empire Trail & Shoulder Improvements to provide multi-modal use options through a corridor where bike/pedestrian use did not exist and connected two heavily used regional trails.
- Completed Railroad Quiet Zone to provide safety improvements at crossings while ceasing routine locomotive horn sounding.
- Completed South Boulder Road Pedestrian Improvements to provide safety and mobility enhancements to benefit all users of South Boulder Road.
- Continued acquisition of water rights and construction of Windy Gap firming project to increase capacity.
- Continued implementation of technology applications and systems to enhance City services, including Police Records Management, Laserfiche, Energov, Lucity, RecTrak and GIS.
- Continued to increase City staff awareness of malware in an effort to protect the resources and assets of the City and community.
- Continued strengthening relationships with regional partners and considered shared service opportunities to leverage resources.

PROJECTS PLANNED FOR 2023

The City reviews and publishes its Six-Year Capital Improvements Plan on an annual basis. Currently, the projects planned for 2023, including the carry-forward budget amendment, amount to approximately $36 million. The following table lists some of the most significant projects within the original Six-Year Capital Improvements Plan.

Project Description	2023 Adjusted Budget	Source of Funds
SH42 Short Intersection Construct	5,274,780	Capital Projects Fund
WWTP Solids Handling Upgrade	4,600,000	Wastewater Utility Fund
Pavement Booster Program	4,536,000	Capital Projects Fund
Water Rights	2,756,570	Water Utility Fund
Utility Undergrounding	1,300,000	Capital Projects Fund
Raw Water Infrastructure	1,000,000	Water Utility Fund
Drainageway A1 at Garfield & C	942,519	Storm Water Utility Fund
Water Line Replacement	840,500	Water Utility Fund
Sewer Utility Lines	808,472	Wastewater Utility Fund
Machinery & Equipment	772,388	Capital Projects Fund
Marshall Lake Sediment Control	700,000	Water Utility Fund
Median Landscape Renovation	680,000	Capital Projects Fund

FINANCIAL INFORMATION

City management is responsible for establishing and maintaining internal controls that are designed to ensure the assets of the City are protected from loss, theft or misuse. Also, management ensures that financial statements are prepared in conformity with generally accepted accounting principles through the compilation of adequate accounting data. Internal controls are designed to provide reasonable, but not absolute, assurance these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls. The City maintains budgetary controls for all funds, the City's funds are annually appropriated. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts do not lapse at year-end and are generally re-appropriated the following year.

As demonstrated by the statements and schedules included in the financial section of the report, the City continues to meet its responsibility for sound financial management.

OTHER INFORMATION

Independent Audit. State statutes require an annual audit by independent certified public accountants. The accounting firm of Eide Bailly LLP was retained by City Council for this purpose. Eide Bailly has issued an unmodified opinion on the City's financial statements for the year ended December 31, 2022. The auditors' report on the Basic Financial Statements is included in the financial section of this report.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Louisville for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2021. This was the thirty-second consecutive year the City of Louisville has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition, the City of Louisville also received the GFOA's Award for Distinguished Budget Presentation for the 2023-2024 biennium. This was the thirty-third consecutive year the City of Louisville has received this award. In order to qualify for the Award, the City's budget document was judged to be proficient as a policy document, financial plan, operations guide, and communications device.

Acknowledgments. The preparation of this report would not have been possible without the efficient and dedicated efforts of the entire City staff. We especially thank all members of the City’s Finance Department for their exceptional efforts and the staff of Eide Bailly LLP for the professional manner in which they have accomplished our audit. We thank the Mayor, City Council, and Finance Committee for their effective fiscal and policy direction and their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully Submitted,

Jeff Durbin
Jeff Durbin
City Manager

Ryder Bailey
Ryder Bailey, CPA
Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

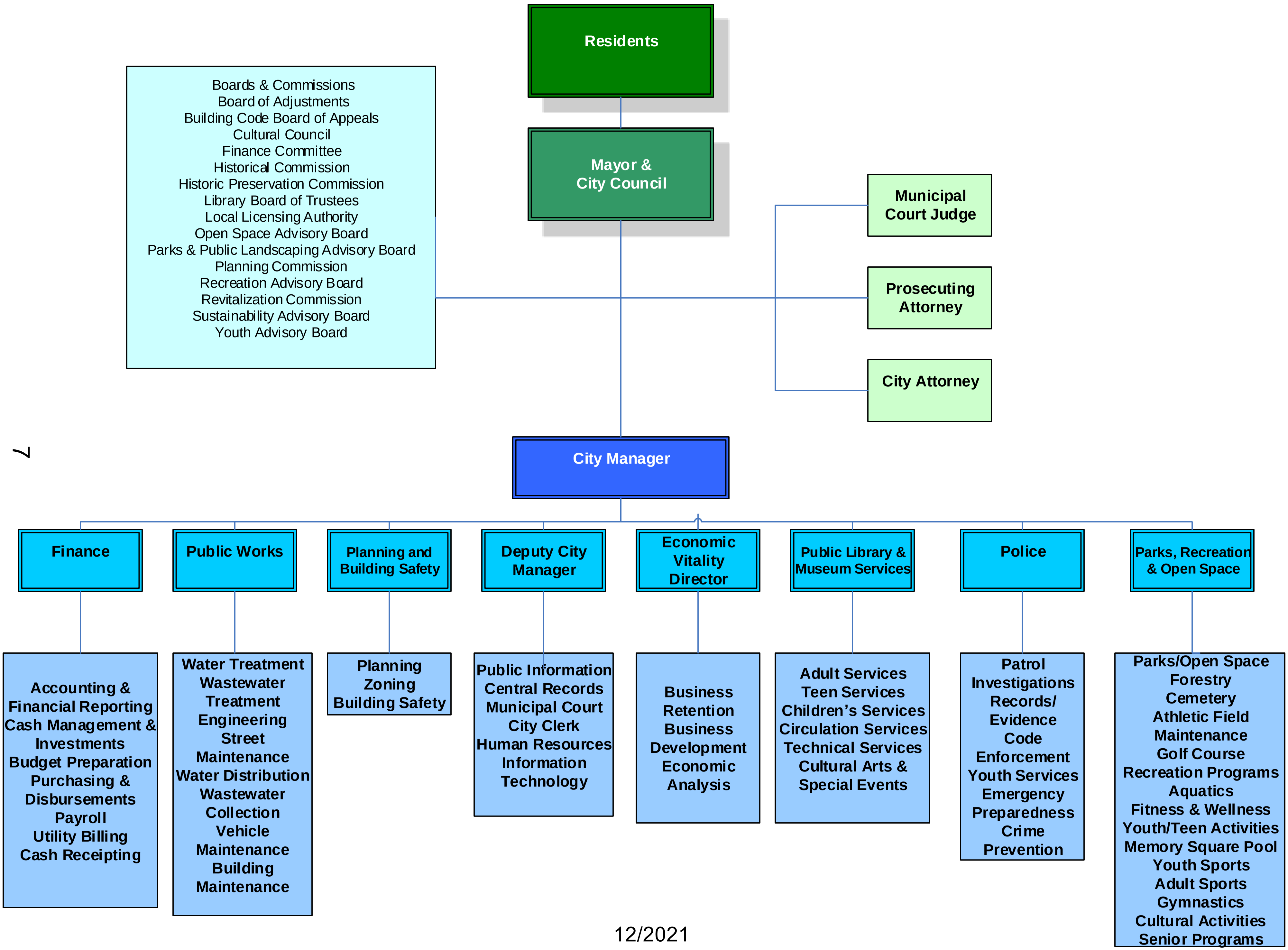
City of Louisville
Colorado

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

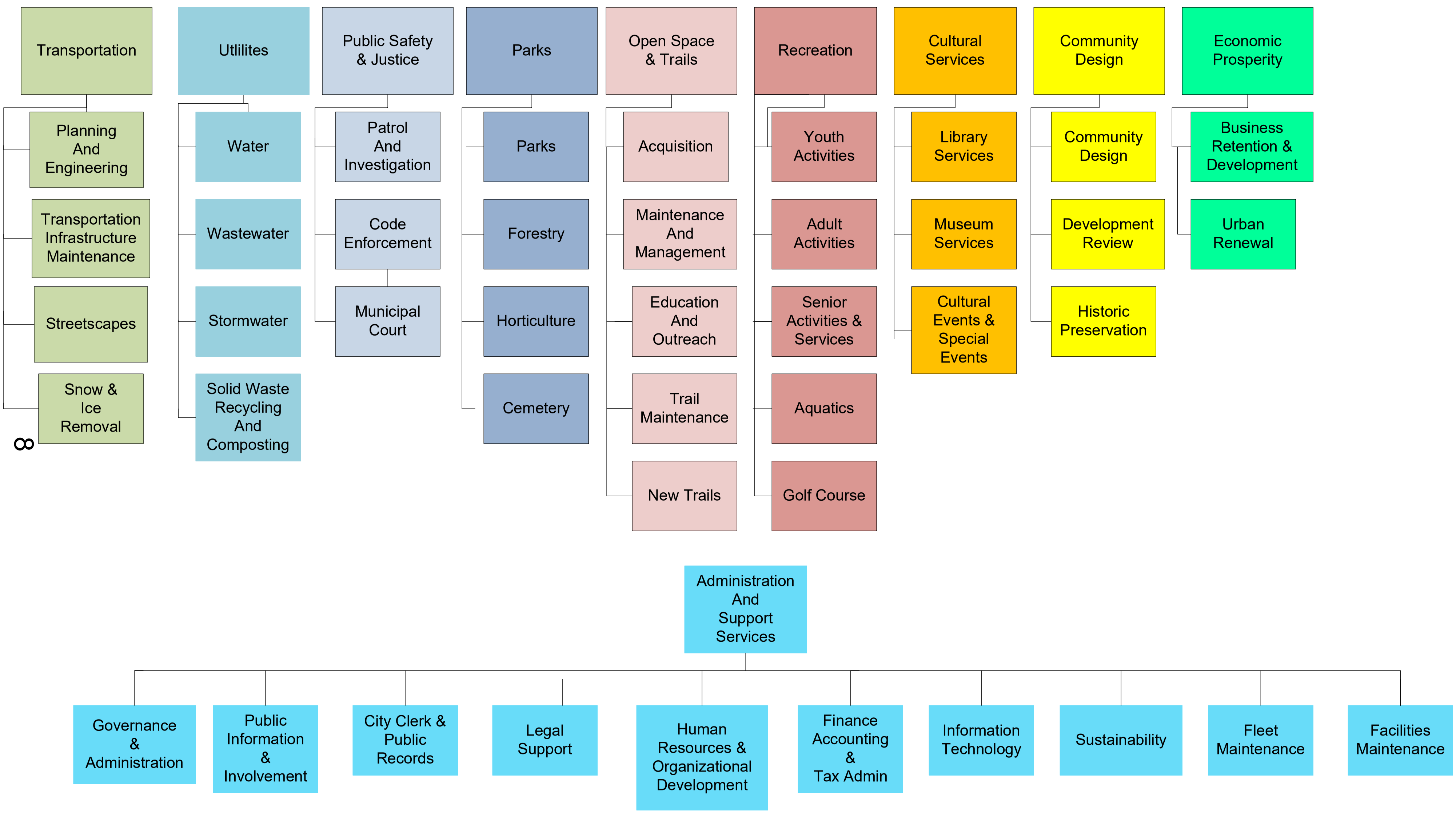
Executive Director/CEO

City of Louisville Organizational Chart



12/2021

Organization Chart by Program



12/2020

City of Louisville, Colorado
Directory of City Officials
December 31, 2022

Mayor

Dennis Maloney

City Council

Ward I... Chris Leh, Caleb Dickinson
Ward II.. Maxine Most
Ward III..Barbara Hamlington, Dietrich Hoefner

Appointed Officials

City Manager..Jeff Durbin
City Attorney..Kelly, PC
City Clerk.. Meredyth Muth
Municipal Judge ....David Thrower
Prosecuting Attorney... Colette Cribari

Department Directors

Assistant City Manager ....Emily Hogan
Chief of Police .... Rafael Gutierrez
Deputy City Manager.. Vacant
Director of Finance ....Ryder Bailey
Director of Human Resources ....Ronda Henger
Director of Information Technology ....Paulina Bennett
Director of Cultural Services...Sharon Nemechek
Director of Parks, Recreation & Open Space ....Adam Blackmore
Director of Planning & Building Safety...Rob Zuccaro
Director of Public Works..Kurt Kowar

City of Louisville

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Independent Auditor's Report

To the City Council
City of Louisville, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Louisville (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 accompanying 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 *(Government Auditing Standards).* Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the budgetary comparison information 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, other budgetary schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements, other budgetary schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

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

Eide Bailly LLP

Denver, Colorado
July 26, 2023

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Management's Discussion and Analysis

This section of City of Louisville, Colorado's annual financial report presents the discussion and analysis of the City's financial performance during the fiscal year that ended on December 31, 2022. City staff encourages readers to consider the information presented here in conjunction with the transmittal letter at the front of this report and the financial statements, which follow this section.

Financial Highlights

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the year by $323.7 million (net position). Of this amount, $49.0 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

- During the year, the City's revenue from taxes and other revenue for governmental programs exceeded the expenses by $13.1 million, resulting in an 8.1% increase in net position.

- In the City's business-type activities, net position increased by $7.1 million, or 5%.

- The City's total long-term debt, including leases payable, compensated absences payable and the Urban Revitalization District debt, decreased by $2.9 million to $58.5 million.

- At the close of the year, the City's governmental funds reported combined ending fund balances of $41.3 million, an increase of $7.3 million, or 21.5%, from the previous year. The largest increases occurred in the Capital Projects Fund, due to timing of completion in major capital projects, and in the General Fund, due to significant increases in revenue offset with small increases in expenditures.

- The General Fund balance increased by $3.1 million, from $12.5 million to $15.6 million. This 24.7% increase is mostly the result of the transfer of revenue from the American Rescue Plan Act fund. Expenditures stayed relatively constant from the previous year and came in well under budget.

- Of the total governmental funds ending fund balance amount, $13.4 million (32.4%) is deemed unassigned, $194,822 (0.5%) is assigned, $602,164 (1.5%) is committed, $26.2 million (63.4%) is restricted, and $946,812 (2.3%) is non-spendable.

Overview of the Financial Statements

This annual report consists of four parts – *management's discussion and analysis* (this section), *basic financial statements, required supplementary information,* and a section that presents *combining statements* for non-major governmental funds and internal service funds. The report also presents budgetary comparison statements.

The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the City's *overall* financial status.

- The remaining statements are *fund financial statements* that focus on *individual parts* of the City government, reporting the City's operations in *more detail* than the government-wide statements.

  - The governmental fund statements tell how general government services were financed in the short term as well as what remains for future spending.

  - Proprietary fund statements offer short-term and long-term financial information about the activities the government operates like businesses, such as utilities.

The basic financial statements also include *Notes to the Financial Statements* that explain some of the information in the financial statements and provide more detailed data. The basic financial statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure 1 shows how the individual sections of this annual report are arranged and related to one another.

Figure 2 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure 1

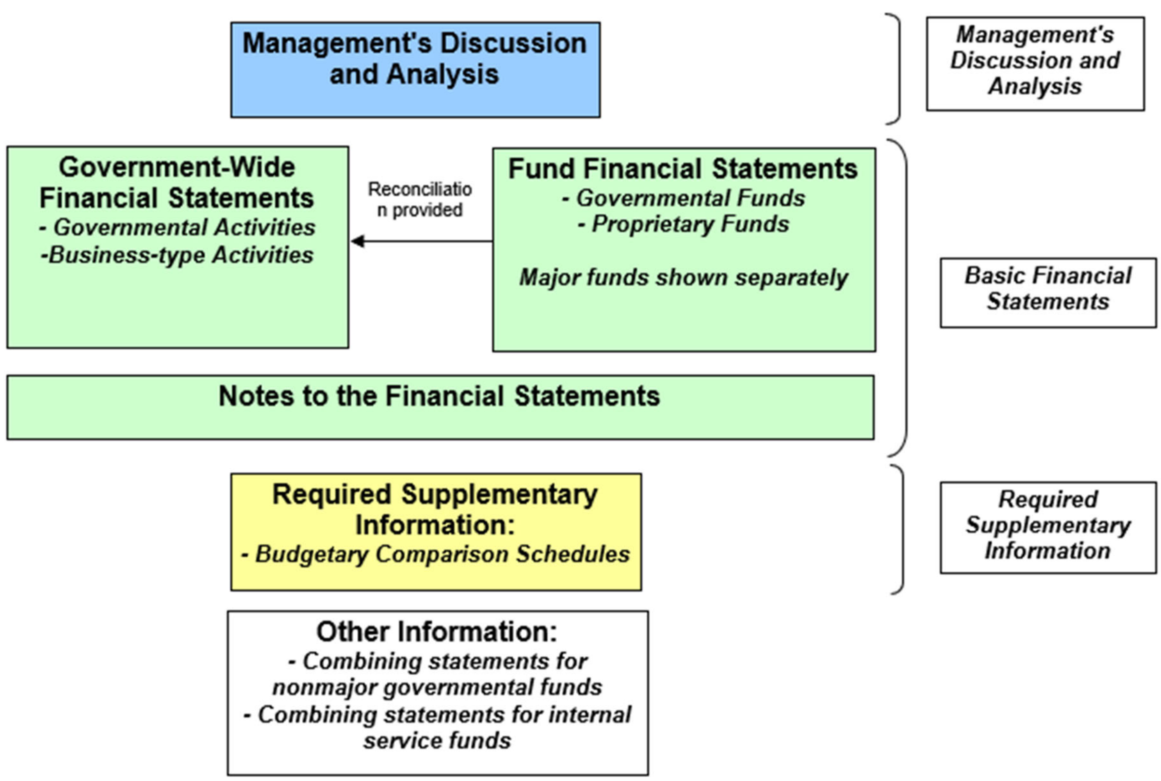


Figure 2

|------------------------Fund Statements----------------------|

	Government-wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire City government	The activities of the City that are not proprietary, such as police, public works, and parks and recreation	Activities the City operates similar to private businesses: The utilities and the golf course
Required financial statements	▪ Statement of net position ▪ Statement of activities	▪ Balance sheet ▪ Statement of revenues, expenditures, and changes in fund balances	▪ Statement of net position ▪ Statement of revenues, expenses, and changes in net position ▪ Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the City's assets and deferred outflows of resources and all liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the City, additional nonfinancial factors need to be considered, such as changes in the City's tax base and the condition of the City's infrastructure.

The government-wide financial statements of the City are divided into two categories:

Governmental activities – Most of the City's basic services are included here, such as the public safety, public works, parks and recreation, library services, historic preservation, parks, open space, and general administrative services. Sales and use taxes, property taxes, other taxes, charges for services, and intergovernmental revenue finance most of these activities.

Business-type activities – The City charges user fees to customers to recover most of the costs of providing certain services. The City's water, wastewater, storm water, and solid waste utilities, as well as golf facilities, are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant *funds* – not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some funds are required by State law and by bond covenants. Other funds are established by the City Council to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

All of the funds currently used by the City can be divided into two categories: governmental funds and proprietary funds:

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

- *Proprietary funds* – Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.

    - The City uses *enterprise funds* (one type of proprietary fund) to report its business-type activities and provide more detailed and additional information, such as cash flows.

    - The City uses *internal service funds* (the other type of proprietary fund) to report activities that provide services and asset replacement for the City's other programs and activities – such as the City's Fleet Management Fund. These funds are reported with governmental activities in the government-wide financial statements.

Government-Wide Financial Analysis

Net Position

As of December 31, 2022, the City's assets and deferred outflow of resources exceeded its liabilities and deferred inflow of resources by $323.7 million (Figure 3). This amounts to an increase in combined net position of $20.2 million, or 6.7%, from 2021 to 2022. The largest portion of the City's net position (77.2%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Figure 3
Schedule of Net Position
(millions)

	Governmental Activities		Business-type Activities		Total		% Of Change
	2022	2021	2022	2021	2022	2021	
Current & Other Assets	$ 54.8	$ 51.0	$ 36.6	$ 30.3	$ 91.4	$ 81.3	12.4%
Capital Assets - Net	163.9	159.3	142.8	143.1	306.7	302.4	1.4%
Total Assets	218.7	210.3	179.4	173.4	398.1	383.7	3.8%
Long-Term Debt Outstanding	30.3	31.2	28.2	30.1	58.5	61.3	-4.6%
Other Liabilities	3.9	8.0	2.3	2.3	6.2	10.3	-39.8%
Total Liabilities	34.2	39.2	30.5	32.4	64.7	71.6	-9.6%
Total Deferred Inflows of	8.7	8.5	1.0	-	9.7	8.5	14.1%
Resources	8.7	8.5	1.0	-	9.7	8.5	14.1%
Net Position:							
Net Investment in Capital Assets	135.1	129.6	114.8	113.3	249.9	242.9	2.9%
Restricted	23.7	20.2	1.1	1.1	24.7	21.3	16.0%
Unrestricted	17.0	12.8	32.1	26.6	49.1	39.4	24.6%
Total Net Position	$ 175.8	$ 162.6	$ 148.0	$ 141.0	$ 323.7	$ 303.6	6.6%

Sales and use tax are the City's largest revenue source and account for 35% of all revenues (Figure 4). Sales and use tax revenue are the main funding source for the City's governmental activities. Charges for services are the main funding source for the City's business-type activities and account for 29% of all City revenue. The City's largest expenses come from business activities that include water, wastewater, storm water, solid waste, and golf course services (Figure 5).

Figure 4

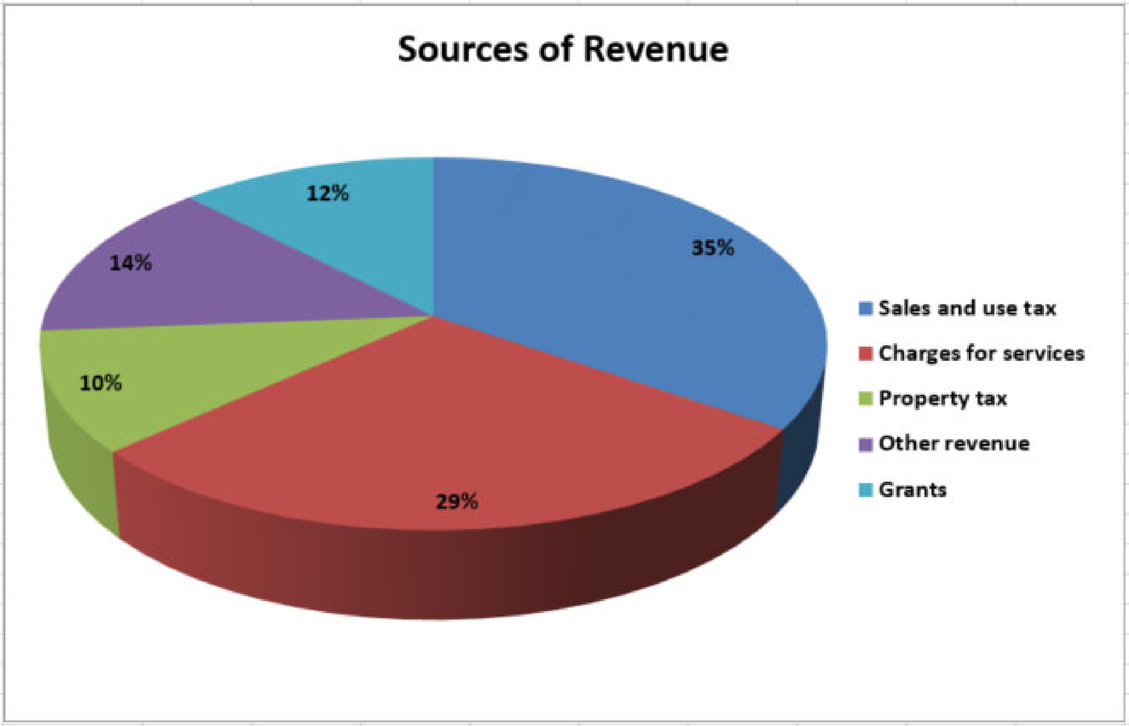
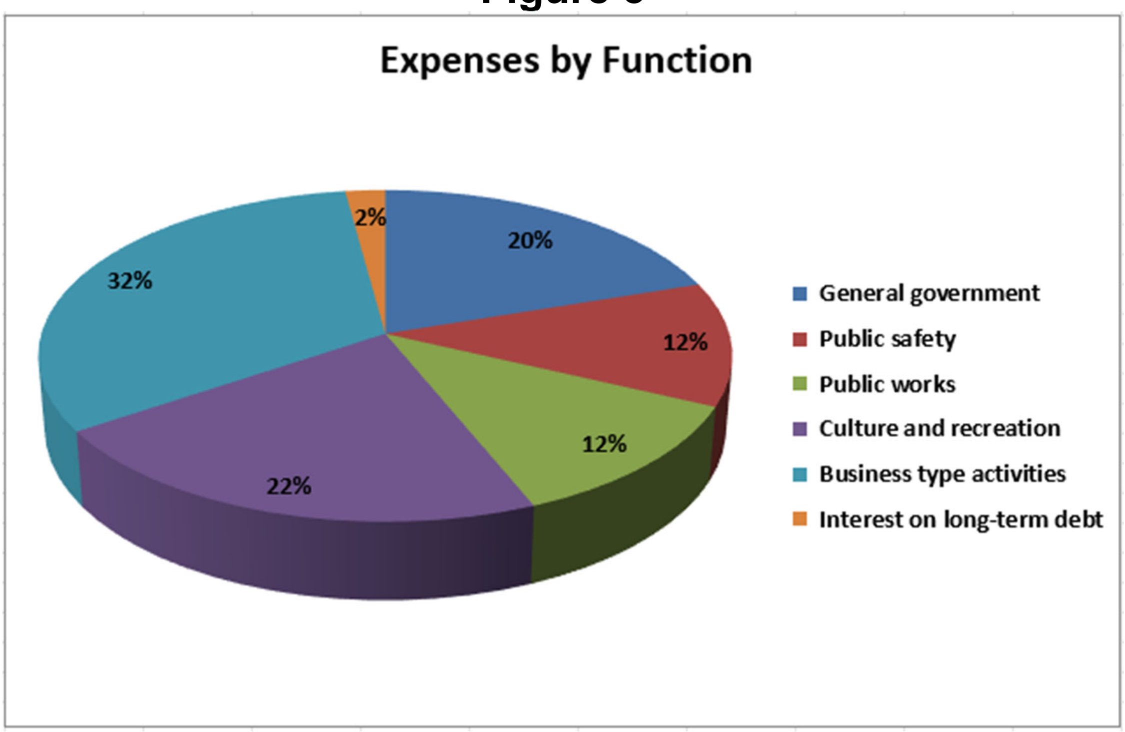


Figure 5



Changes in Net Position

During 2022, governmental activities increased the City's net position by $13.1 million and business-type activities increased the City's net position by $7.1 million.

Figure 6
Schedule of Changes in Net Position
(millions)

	Governmental Activities		Business-type Activities		Total		
	2022	2021	2022	2021	2022	2021	% Of Change
Revenues:							
Program Revenues:							
Charges for Services	$ 7.1	$ 5.3	$ 15.2	$ 15.6	$ 22.3	$ 20.9	6.7%
Operating Grants & Contributions	6.5	0.4	-	-	6.5	0.4	1525.0%
Capital Grants & Contributions	0.5	2.4	2.4	3.2	2.9	5.6	-48.2%
General Revenues:							
Sales & Use Taxes	27.0	24.5	-	-	27.0	24.5	10.2%
Property Taxes	8.1	7.6	-	-	8.1	7.6	6.6%
Investment Earnings	-	-	-	-	-	-	0.0%
Other	4.1	2.6	6.8	-	10.9	2.6	319.2%
Total Revenues	53.3	42.8	24.4	18.8	77.7	61.6	26.1%
Expenses:							
General Government	11.8	9.8	-	-	11.8	9.8	20.4%
Public Safety	7.1	6.0	-	-	7.1	6.0	18.3%
Public Works	6.9	6.6	-	-	6.9	6.6	4.5%
Culture & Recreation	12.4	11.4	-	-	12.4	11.4	8.8%
Interest on Long-Term Debt	1.2	1.2	-	-	1.2	1.2	0.0%
Consolidated Utility	-	-	13.8	11.0	13.8	11.0	25.5%
Golf	-	-	2.8	2.4	2.8	2.4	16.7%
Solid Waste & Recycling	-	-	1.6	1.7	1.6	1.7	-5.9%
Total Expenses	39.4	35.0	18.2	15.1	57.6	50.1	15.0%
Increase in net position	13.1	7.8	7.1	3.7	20.2	11.5	75.7%
Beginning Net Position	162.6	154.8	140.9	137.2	303.5	292.0	3.9%
Ending Net Position	$175.7	$162.6	$148.0	$140.9	$323.7	$303.5	6.7%

The $13.1 million increase in governmental activities net position is partly due to the significant one-time revenue sources such as the American Rescue Plan Act and Marshall Fire Insurance Proceeds, which were offset by an increase in expenses, driven by Marshall Fire Response and Recovery.

The $7.1 million increase in business-type activities net position was primarily due to a $6.8 million increase in the net position of the Water Utility Fund, a component of the Consolidated Utility Fund. This increase was mainly due to a gain on sale of water rights and insurance recovery proceeds.

Financial Analysis of Funds

As the City completed the year, its governmental funds reported a *combined* fund balance of $41.3 million, an increase of $7.3 million (21.5%). Some items to be noted within the various funds are:

- The *General Fund* balance increased by $3.1 million to $15.6 million during 2022. The ending fund balance equates to 69% of annual operating expenditures, defined as all expenditures less any one-time, non-recurring transfers to other funds. This is well above the 15% minimum, and 25% target, stipulated in the City's Financial Policies.

- The *Open Space & Parks Fund* balance decreased by $2.1 million to $1.7 million during 2022. The ending fund balance equates to 47% of annual operating expenditures, defined as open space and parks operations, excluding all interfund transfers and capital outlay. This is well above the 15% minimum stipulated in the City's Financial Policies. The Open Space & Parks Fund receives annual recurring support transfers from the General Fund.

- The *Recreation Fund* balance increased by $1.1 million to $3.2 million during 2022. The ending fund balance is comprised of a 15% annual operating reserve and a capital renewal and replacement reserve. All the reserve provisions of the City's Financial Policies were met. The Recreation Fund also receives annual recurring support transfers from the General Fund.

- The *Urban Revitalization District Fund* balance increased by $0.7 million to $3.6 million during 2022. The District does not have a formalized reserve policy.

- *The American Rescue Act Fund* received the second tranche of $2.6 million from the American Rescue Plan in 2022. During 2022 both tranches were transferred to the General Fund to help the City fund government services in response to the Covid-19 pandemic.

- The *Capital Projects Fund* balance increased by $3.4 million to $11.2 million during 2022. The Capital Projects Fund does not have a reserve requirement in the City's Financial Policies. The relatively large reserve is due to timing of significant capital projects. These projects will be completed in future years.

Capital Asset and Debt Administration

Capital Assets

At the end of 2022, the City had invested $462.1 million (Figure 7) in a broad range of capital assets, including land, water rights, streets, and utility infrastructure. Net of accumulated depreciation, the City's capital assets total $306.6 million. More detailed information on capital asset activity can be found in the notes to the financial statements, *Note 6: Capital assets.*

Figure 7
Net Change in Capital Assets
(millions)

	Governmental Activities		Business-type Activities		Total		Total % Of
	2022	2021	2022	2021	2022	2021	Change
Land, Easements, & CIP	$ 46.5	$ 41.8	$ 13.6	$ 11.5	$ 60.1	$ 53.3	12.8%
Water Rights	-	-	31.5	32.2	31.5	32.2	-2.2%
Buildings	63.3	62.9	7.5	7.5	70.8	70.4	0.6%
Infrastructure	141.0	135.6	135.1	133.6	276.1	269.2	2.6%
Machinery & Equipment	11.3	11.0	10.8	10.0	22.1	21.0	5.2%
Lease	0.3	-	-	-	0.3	-	0.0%
Financed Capital Lease - Solar	0.1	0.1	1.1	1.1	1.2	1.2	0.0%
Total	$ 262.5	$ 251.4	$ 199.6	$ 195.9	$ 462.1	$ 447.3	3.3%

Long-term Debt

The following table summarizes the net change in the City's long-term debt. No new long-term debt was issued in 2022. Additional information on the City's long-term debt is provided in the Notes to the financial statements, *Note 7: Long-term debt.*

Figure 8
Net Change in Long-Term Debt
(millions)

	Governmental Activities		Business-type Activities		Total		Total % Of
	2022	2021	2022	2021	2022	2021	Change
General Obligation Bonds	$ 23.7	$ 24.4	$ -	$ -	$ 23.7	$ 24.4	-2.9%
Revenue Bonds & Notes	-	-	26.7	28.5	26.7	28.5	-6.3%
Tax Increment Financing Bonds	3.3	3.9	-	-	3.3	3.9	-15.4%
Leases	0.4	-	-	-	0.4	-	0.0%
Financed Capital Leases - Solar	0.1	0.1	0.7	0.8	0.8	0.9	-16.7%
Total	$ 27.5	$ 28.4	$ 27.4	$ 29.3	$ 54.9	$ 57.7	-4.9%

Bond Ratings

On March 31, 2017, Standard & Poor's assigned a rating of AA+ with a stable outlook on the 2017 Recreation Center Limited Tax General Obligation Bonds. This rating is unchanged as of December 31, 2022.

Limitations on Debt

The State of Colorado limits the amount of general obligation debt the City can issue to 3 percent of the actual value of all taxable property within the City's corporate limits. The 2022 debt limit was $183.3 million. In contrast, the City currently has only $25.1 million in outstanding debt applicable to the debt limit.

Economic Factors and Next Year's Budgets and Rates

- Factoring out business assistance rebates and sales tax audit revenue, total 2022 sales tax revenue increased by 9.1% from the previous year. Staff is anticipating a continued strong local economic recovery during 2023, projecting sales tax to increase by 7.5% during 2023.

- Property tax revenue is the product of the assessed valuation and the mil levy. Over the past five years, the City's net assessed valuation has increased at an average annual rate of 2.5%. These increases have been due to overall property value increases and new construction within the City. Due to the loss of property and the reduction in property values due to the Marshall Fire, the 2022 assessed valuation (2023 collection year) is expected to decline by 5.9%. Staff is expecting a relatively quick recovery once homes are rebuilt. Staff is projecting the average annual increase in net assessed value, and property tax revenue, of approximately 3.5% during the next five years.

  From 2004 through 2017, the City's mill levy remained at 6.710. Beginning in 2018, and applied to the 2017 assessed valuation, the mill levy was increased to 8.869 mils due to a new debt service mill levy on the 2017 General Obligation Recreation Center bonds. For 2019 collections, the mill levy was lowered to 7.934, as the final debt service payment on the 2004 General Obligation Library bonds occurred in 2018. The mill levy is expected to remain at 7.934 through the Marshall Fire recovery.

- Building-generated revenue, defined as construction use tax, construction permits, impact fees, and utility tap fees, help fund the City's Capital Improvement Program and, to a much lesser extent, the operational budget. These revenue sources are highly elastic, fluctuate significantly from year to year, and are difficult to estimate in advance. The total amount received for this consolidated revenue category in 2022 was $8.0 million. Due to the Marshall Fire rebuilding, staff estimates that this revenue source will increase significantly in 2023 and 2024 averaging between $8 million and $9 million per year.

- The Marshall Fire affected mostly personal property. The City did not suffer a large loss to buildings or infrastructure. The current estimate of total Marshall fire-related costs and lost revenues not covered by insurance or FEMA is approximately $9.6 million.

Contact Information

This financial report is designed to provide the citizens, taxpayers, customers, investors, and creditors of the City of Louisville a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to City of Louisville, Finance Department, 749 Main Street, Louisville, Colorado 80027, (303) 335-4500.

City of Louisville

COLORADO ▪ SINCE 1878

Basic Financial Statements

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Exhibit 1

City of Louisville, Colorado
Statement of Net Position
December 31, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Pooled cash and investments	$ 42,085,251	$ 32,401,001	$ 74,486,252
Restricted cash	208,737	1,266,266	1,475,003
Receivables (net):			
Property taxes	7,737,453	-	7,737,453
Sales and use taxes	2,861,593	-	2,861,593
Interest	97,333	69,909	167,242
Intergovernmental	157,496	-	157,496
Leases	1,005,582	1,005,582	2,011,164
Other	467,887	1,906,758	2,374,645
Inventories	22,905	32,748	55,653
Prepaid expenses	200,223	414	200,637
Capital assets:			
Non-depreciable capital assets	46,491,805	45,090,249	91,582,054
Other capital assets, net of depreciation/amortization	117,393,815	97,662,172	215,055,987
Total assets	218,730,080	179,435,099	398,165,179
Liabilities:			
Accounts payable and accrued liabilites	3,525,930	2,258,420	5,784,350
Deposits	415,090	-	415,090
Noncurrent liabilities:			
Due within one year	1,024,352	1,948,923	2,973,275
Due in more than one year	29,233,235	26,296,707	55,529,942
Total liabilities	34,198,607	30,504,050	64,702,657
Deferred Inflows of Resources:			
Deferred revenue - property taxes	7,737,453	-	7,737,453
Deferred revenue - lease related	967,216	967,216	1,934,432
Deferred revenue - other	75,206	-	75,206
Total deferred inflows of resources	8,779,875	967,216	9,747,091
Net position:			
Net investment in capital assets	135,179,167	114,852,246	250,031,413
Restricted for:			
Emergency reserves (TABOR)	1,780,128	-	1,780,128
Capital improvements	-	1,057,359	1,057,359
Debt service	738,493	-	738,493
Open space & parks	1,678,857	-	1,678,857
Conservation sites	527,652	-	527,652
Historic preservation	3,340,021	-	3,340,021
Capital improvements	14,784,494	-	14,784,494
American Rescue Plan Act funding	112,053	-	112,053
Permanent fund - perpetual care	723,684	-	723,684
Unrestricted	16,887,049	32,054,228	48,941,277
Total net position	$ 175,751,607	$ 147,963,833	$ 323,715,431

The notes to the financial statements are an integral part of this statement.

Exhibit 2

City of Louisville, Colorado
Statement of Activities
For the Year Ended December 31, 2022

Functions / Programs	Expenses	Charges for Services
Primary government:		
Governmental activities:		
General government	$ 11,766,810	$ 3,595,798
Public safety	7,084,109	52,805
Public works	6,901,344	350,395
Culture & recreation	12,462,202	3,141,751
Interest on long-term debt	1,183,146	-
Total governmental activities	39,397,611	7,140,749
Business-type activities:		
Consolidated utility	13,854,698	11,133,458
Golf	2,793,832	2,392,032
Solid waste & recycling	1,562,456	1,627,555
Total business-type activities	18,210,986	15,153,045
Total primary government	$ 57,608,597	$ 22,293,794

The notes to the financial statements are an integral part of this statement.

Exhibit 2
(continued)

	Program Revenue		Net (Expense) Revenue and Changes in Net Position		
			Primary Government		
	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
	$ 5,310,790	$ -	$ (2,860,222)	$ -	$ (2,860,222)
	30,671	-	(7,000,633)	-	(7,000,633)
	698,014	518,829	(5,334,106)	-	(5,334,106)
	498,162	3,624	(8,818,665)	-	(8,818,665)
	-	-	(1,183,146)	-	(1,183,146)
	6,537,637	522,453	(25,196,771)	-	(25,196,771)
	-	2,447,046	-	(274,194)	(274,194)
	-	-	-	(401,800)	(401,800)
	-	-	-	65,099	65,099
	-	2,447,046	-	(610,895)	(610,895)
	$ 6,537,637	$ 2,969,499	(25,196,771)	(610,895)	(25,807,666)
General revenue:					
Taxes:					
Property taxes			8,133,170	-	8,133,170
Sales tax			19,989,933	-	19,989,933
Use tax			6,958,132	-	6,958,132
Franchise tax			1,205,787	-	1,205,787
Other tax			846,377	-	846,377
Intergovernmental revenue			820,079	-	820,079
Investment earnings			(48,999)	(135,926)	(184,925)
Miscellaneous			1,256,262	6,976,772	8,233,034
Total general revenue			39,160,741	6,840,846	46,001,587
Transfers			(827,159)	827,159	-
Total general revenue and transfers			38,333,582	7,668,005	46,001,587
Change in net position			13,136,827	7,057,110	20,193,921
Net position - beginning			162,614,764	140,906,626	303,521,390
Net position - ending			$ 175,751,607	$ 147,963,833	$ 323,715,431

The notes to the financial statements are an integral part of this statement.

Exhibit 3

City of Louisville
Governmental Funds
Balance Sheet
December 31, 2022

		Major Special Revenue Funds				Major Capital Project Fund		
	General	Open Space and Parks	Recreation	Urban Revitalization	American Rescue Plan Act	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets:								
Pooled cash and investments	$ 15,056,923	$ 2,326,299	$ 3,314,098	$ 3,606,951	$ 109,080	$ 10,992,366	$ 5,837,629	$ 41,243,346
Cash restricted for specific capital	-	-	-	208,737	-	-	-	208,737
Receivables:								
Property taxes	3,707,385	-	-	2,063,380	-	-	1,966,688	7,737,453
Sales and use taxes	1,614,355	291,533	116,613	-	-	741,915	97,177	2,861,593
Other	295,235	-	28,204	-	-	136,320	4,435	464,194
Interest	34,781	4,763	7,189	7,996	2,972	23,734	14,055	95,490
Intergovernmental	147,395	10,101	-	-	-	-	-	157,496
Lease	-	502,791	-			502,791	-	1,005,582
Inventories	22,905	-	-	-	-	-	-	22,905
Prepaid items	195,803	3,871	549	-	-	-	-	200,223
Total assets	$ 21,074,782	$ 3,139,358	$ 3,466,653	$ 5,887,064	$ 112,052	$ 12,397,126	$ 7,919,984	$ 53,997,019
Liabilities:								
Accounts payable	$ 772,697	$ 802,280	$ 149,615	$ 8,178	$ -	$ 726,374	$ 12,054	$ 2,471,198
Deposits	415,090	-	-	-	-	-	-	415,090
Retainage payable	-	97,408	-	-	-	-	-	97,408
Accrued liabilities	536,413	77,204	102,256	209,339	-	8,819	9,228	943,259
Total liabilities	1,724,200	976,892	251,871	217,517	-	735,193	21,282	3,926,955
Deferred Infows of Resources:								
Deferred revenue - property taxes	3,707,385	-	-	2,063,380	-	-	1,966,688	7,737,453
Deferred revenue - lease	-	483,608	-	-	-	483,608	-	967,216
Deferred revenue - other	75,206	-	-	-	-	-	-	75,206
Total deferred inflows of resources	3,782,591	483,608	-	2,063,380	-	483,608	1,966,688	8,779,875
Fund Balances:								
Nonspendable:								
Inventories	22,905	-	-	-	-	-	-	22,905
Prepaids	195,803	-	549	-	-	-	-	196,352
Cemetery care	-	-	-	-	-	-	723,684	723,684
Restricted for:								
Emergency reserves (TABOR)	1,780,128	-	-	-	-	-	-	1,780,128
Open space & parks	-	1,678,857	-	-	-	-	-	1,678,857
Recreation	-	-	3,214,232	-	-	-	-	3,214,232
Conservation sites	-	-	-	-	-	-	527,652	527,652
Takoda Metro District improvements	-	-	-	-	-	58,299	-	58,299
General capital improvements	-	-	-	-	-	11,120,028	-	11,120,028
URD Improvements	-	-	-	3,606,167	-	-	-	3,606,167
American Rescue Plan Act funding	-	-	-	-	112,053	-	-	112,053
Historic preservation	-	-	-	-	-	-	3,340,021	3,340,021
Debt service	-	-	-	-	-	-	738,493	738,493
Committed to:								
Recreation center capital	-	-	-	-	-	-	180,036	180,036
Public access television capital	-	-	-	-	-	-	33,932	33,932
Public parking improvements	-	-	-	-	-	-	93,402	93,402
Development impact capital	-	-	-	-	-	-	194,710	194,710
Cemetery maintenance and capital	-	-	-	-	-	-	100,084	100,084
Assigned	194,822	-	-	-	-	-	-	194,822
Unassigned fund balance	13,374,340	-	-	-	-	-	-	13,374,340
Total fund balance	15,567,998	1,678,857	3,214,781	3,606,167	112,053	11,178,327	5,932,014	41,290,197
Total liabilities, deferred inflows of resources and fund balances	$ 21,074,789	$ 3,139,357	$ 3,466,652	$ 5,887,064	$ 112,053	$ 12,397,128	$ 7,919,984	$ 53,997,027

The notes to the financial statements are an integral part of this statement.

City of Louisville
Reconciliation of the Balance Sheet
to the Statement of Net Position
December 31, 2022

Balance sheet - total fund balances	$	41,290,197
Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:		
Capital assets and right to use leased assets (net of accumulated depreciation and amortization) used in governmental activities are not financial resources and therefore are not reported in the funds. The amount is $163,885,617 less the internal service funds of $1,412,797.		162,472,820
Compensated absences are not recorded in government funds because they are not due and payable at year end.		(1,438,188)
Internal service funds are used by management to charge the costs of certain activities, such as fleet and computer replacement to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		2,246,176
Some liabilities, including bonds payable ($26,984,631), lease payable ($374,503), premium on bonds payable ($1,403,141), and finance purchase ($57,123) are not included in governmental funds. The premium will be amortized over the life of the bonds.		(28,819,398)
Net position of governmental activities	$	175,751,607

The notes to the financial statements are an integral part of this statement.

Exhibit 4

City of Louisville, Colorado
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ending December 31, 2022

		Major Special Revenue Funds				Major Capital Project Fund		
	General	Open Space and Parks	Recreation	Urban Revitalization	American Rescue Plan Act	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenue:								
Taxes:								
Property taxes	$ 3,900,969	$ -	$ -	$ 2,154,828	$ -	$ -	$ 2,077,373	$ 8,133,170
Sales tax	10,953,388	2,053,760	821,504	-	-	5,476,694	684,587	19,989,933
Use tax	3,017,743	718,130	286,904	-	-	2,697,134	238,221	6,958,132
Lodging tax	294,568	-	-	-	-	-	-	294,568
Franchise tax	1,205,787	-	-	-	-	-	-	1,205,787
Bag Tax	187,982	-	-	-	-	-	-	187,982
Other taxes	363,827	-	-	-	-	-	-	363,827
Licenses and Permits	3,266,310	-	-	-	-	-	629,831	3,896,141
Intergovernmental	1,715,761	-	471,860	-	5,232,097	518,829	290,089	8,228,636
Charges for services	121,355	-	2,634,999	-	-	32,000	39,200	2,827,554
Fines and forfeits	57,456	-	-	-	-	-	-	57,456
Miscellaneous:								
Investment income (loss)	(137,305)	5,092	(11,848)	3,965	105,973	(18,576)	7,467	(45,232)
Other	923,041	151,635	84,939	-	-	82,011	5,654	1,247,280
Total revenue	25,870,882	2,928,617	4,288,358	2,158,793	5,338,070	8,788,092	3,972,422	53,345,234
Expenditures:								
Current:								
General government	7,602,873	-	-	477,244	-	377,752	433,156	8,891,025
Planning and building safety	1,664,599	-	-	-	-	-	-	1,664,599
Police	6,965,610	-	-	-	-	-	-	6,965,610
Public works	3,603,158	-	-	-	-	-	-	3,603,158
Library and museum services	2,286,278	-	-	-	-	-	-	2,286,278
Parks and recreation	45,183	3,561,421	4,412,397	-	-	-	-	8,019,001
Capital outlay	383,668	2,593,528	56,163	82,699	-	8,228,247	182,326	11,526,631
Debt service:								
Principal	15,513	-	-	590,000	-	-	765,000	1,370,513
Interest	6,122	-	-	273,674	-	-	977,200	1,256,996
Total expenditures	22,573,004	6,154,949	4,468,560	1,423,617	-	8,605,999	2,357,682	45,583,811
Excess (deficiency) of revenues over expenditures	3,297,878	(3,226,332)	(180,202)	735,176	5,338,070	182,093	1,614,740	7,761,423
Other Financing Sources (Uses):								
Leases	383,668	-	-	-	-	-	-	383,668
Transfers in	5,416,659	1,076,666	1,258,280	-	-	3,316,881	174,677	11,243,163
Transfers (out)	(6,016,186)	-	-	-	(5,232,097)	(135,860)	(686,179)	(12,070,322)
Total other financing sources (uses)	(215,859)	1,076,666	1,258,280	-	(5,232,097)	3,181,021	(511,502)	(443,491)
Net Change in Fund Balance	3,082,019	(2,149,666)	1,078,078	735,176	105,973	3,363,114	1,103,238	7,317,932
Fund Balance, January 1	12,485,969	3,828,521	2,136,703	2,870,990	6,080	7,815,210	4,828,775	33,972,248
Fund Balance, December 31	$ 15,567,998	$ 1,678,855	$ 3,214,781	$ 3,606,166	$ 112,053	$ 11,178,327	$ 5,932,014	$ 41,290,197

The notes to the financial statements are an integral part of this statement.

City of Louisville
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2022

Net change in fund balances - total governmental funds	$	7,317,932
Amounts reported for governmental activities in the Statement of Net Activities (Exhibit 2) are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which net capital outlays ($11,836,541) exceeded depreciation/amortization ($6,574,573) in the current period.		5,261,968
Net effect of various miscellaneous transactions involving capital assets (i.e., disposals, transfers, donations).		(498,959)
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.		10,127
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discount and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		986,861
Internal service funds are used by management to charge the costs of certain activities, such as fleet, computer replacement, and building maintenance to individual funds. The aggregate net revenue of the internal service funds is reported with governmental activities.		58,898
Change in net position of governmental activities	$	13,136,827

The notes to the financial statements are an integral part of this statement.

Exhibit 5

City of Louisville, Colorado
Proprietary Funds
Statement of Net Position
December 31, 2022

	Enterprise Funds				
	Consolidated Utility	Golf Course	Solid Waste & Recycling	Total	Internal Service Funds
Assets:					
Current assets:					
Pooled cash and investments	$ 31,298,393	$ 831,025	$ 271,583	$ 32,401,001	$ 841,905
Cash in escrow restricted for capital projects	1,266,266	-	-	1,266,266	-
Receivables:					
Interest	67,498	1,816	595	69,909	1,843
Accounts (net of allowance for doubtful accounts)	1,476,938	167,448	262,372	1,906,758	3,693
Lease receivable	1,005,582	-	-	1,005,582	-
Inventories	-	32,748	-	32,748	-
Prepaid expenses	264	150	-	414	-
Total current assets	35,114,941	1,033,187	534,550	36,682,678	847,441
Noncurrent assets:					
Capital assets:					
Property, plant and equipment:					
Land / land improvements	1,262,960	4,766,164	-	6,029,124	-
Water rights	31,460,784	-	-	31,460,784	-
Construction-in-progress	7,600,341	-	-	7,600,341	-
Buildings	6,455,466	1,101,571	-	7,557,037	-
Improvements other than buildings	(113,049)	4,058,414	-	3,945,365	-
Treatment / pumping plants	57,129,048	-	-	57,129,048	-
Reservoirs / storage facilities	7,670,853	-	-	7,670,853	-
Collection and distribution systems	66,344,119	-	-	66,344,119	-
Machinery and equipment	9,816,376	847,039	-	10,663,415	3,812,768
Office furniture and fixtures	1,190,315	5,208	-	1,195,523	50,654
Less: Accumulated depreciation	(53,002,603)	(3,840,585)	-	(56,843,188)	(2,450,625)
Total capital assets (net of accumulated depreciation)	135,814,610	6,937,811	-	142,752,421	1,412,797
Total noncurrent assets	135,814,610	6,937,811	-	142,752,421	1,412,797
Total assets	$ 170,929,551	$ 7,970,998	$ 534,550	$ 179,435,099	$ 2,260,238

The notes to the financial statements are an integral part of this statement.

	Enterprise Funds				
	Consolidated Utility	**Golf Course**	**Solid Waste & Recycling**	**Total**	**Internal Service Funds**
Liabilities:					
Current liabilities:					
Accounts payable	$ 1,232,182	$ 52,278	$ 203,761	$ 1,488,221	$ 14,065
Accrued liabilities	386,919	380,637	2,643	770,199	-
Compensated absences payable - current	25,769	11,475	674	37,918	-
Bonds and notes payable - current	1,911,005	-	-	1,911,005	-
Total current liabilities	3,555,875	444,390	207,078	4,207,343	14,065
Long-term liabilities:					
Compensated absences payable	208,509	93,576	5,452	307,537	-
Bonds and notes payable	25,989,170	-	-	25,989,170	-
Total long-term liabilities	26,197,679	93,576	5,452	26,296,707	-
Total liabilities	29,753,554	537,966	212,530	30,504,050	14,065
Deferred Inflows of Resources:					
Deferred revenue - lease related	967,216	-	-	967,216	-
Total deferred inflows of resources	967,216	-	-	967,216	-
Net Position:					
Net investment in capital assets	107,914,435	6,937,811	-	114,852,246	1,412,797
Restricted for capital improvements	1,057,359	-	-	1,057,359	-
Unrestricted	31,236,987	495,221	322,020	32,054,228	833,379
Total net position	$ 140,208,781	$ 7,433,032	$ 322,020	$ 147,963,833	$ 2,246,176

The notes to the financial statements are an integral part of this statement.

Exhibit 6

City of Louisville, Colorado
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended December 31, 2022

	Enterprise Funds				
	Consolidated Utility	Golf Course	Solid Waste & Recycling	Total	Internal Service Funds
Operating revenue:					
Charges for services:					
Water, wastewater, and storm water sales	$ 10,896,302	$ -	$ -	$ 10,896,302	$ -
Golf course sales	-	2,384,015	-	2,384,015	-
Solid waste and recycling sales	-	-	1,627,555	1,627,555	-
Other sales for services	237,156	8,017	-	245,173	403,830
Total operating revenue	11,133,458	2,392,032	1,627,555	15,153,045	403,830
Operating expenses:					
Cost of sales and services	6,779,712	2,130,158	1,476,137	10,386,007	74,379
Administration	2,724,669	350,525	86,319	3,161,513	-
Depreciation and amortization	3,701,435	313,199	-	4,014,634	276,965
Total operating expenses	13,205,816	2,793,882	1,562,456	17,562,154	351,344
Operating income (loss)	(2,072,358)	(401,850)	65,099	(2,409,109)	52,486
Nonoperating revenue (expenses)					
Investment income (loss)	(132,793)	(1,766)	(1,367)	(135,926)	(3,767)
Insurance recovery proceeds	1,589,972	165,000	-	1,754,972	20,113
Interest expense	(648,882)	-	-	(648,882)	-
Amortization of bond premium	37,625	-	-	37,625	-
Gain on sale of assets	5,184,175	-	-	5,184,175	-
Loss on sale of assets	-	50	-	50	(9,934)
Total nonoperating revenue (expenses)	6,030,097	163,284	(1,367)	6,192,014	6,412
Income (loss) before, capital contributions, extraordinary items, and transfers	3,957,739	(238,566)	63,732	3,782,905	58,898
Capital contributions - tap fees and other	2,447,046	-	-	2,447,046	-
Transfers in	685,226	-	141,933	827,159	-
Change in net position	7,090,011	(238,566)	205,665	7,057,110	58,898
Net position January 1	133,118,765	7,671,502	116,359	140,906,626	2,187,277
Net position December 31	$ 140,208,781	$ 7,433,032	$ 322,020	$ 147,963,833	$ 2,246,176

The notes to the financial statements are an integral part of this statement.

Exhibit 7

City of Louisville, Colorado
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2022

	Enterprise Funds				
	Consolidated Utility	Golf Course	Solid Waste & Recycling	Total	Internal Service Funds
Cash flows from operating activities:					
Receipts from customers	$ 9,361,418	$ 2,225,290	$ 1,503,767	$ 13,090,475	$ 403,830
Payments to suppliers	(4,326,184)	(1,024,465)	(1,519,019)	(6,869,668)	(120,252)
Payments to employees	(3,560,804)	(1,426,793)	(74,022)	(5,061,619)	-
Net cash provided (used) by operating activities	1,474,430	(225,968)	(89,274)	1,159,188	283,578
Cash flows from noncapital financing activities:					
Internal activity - payments from other funds	685,226	-	141,933	827,159	-
Net cash provided by noncapital financing activities	685,226	-	141,933	827,159	-
Cash flows from capital and related financing activities:					
Capital contributions	2,045,414	-	-	2,045,414	-
Proceeds from gain on disposition of assets	5,184,175	50	-	5,184,225	-
Capital grant proceeds	285		-	285	-
Insurance recovery proceeds	1,589,972	165,000	-	1,754,972	20,113
Purchases of capital assets	(3,962,456)	(38,015)	-	(4,000,471)	(81,999)
Principal paid on capital debt	(1,865,785)	-	-	(1,865,785)	-
Interest paid on capital debt	(648,882)	-	-	(648,882)	-
Net cash provided (used) by capital and related financing activities	2,342,723	127,035	-	2,469,758	(61,886)
Cash flows from investing activities:					
Interest losses	(175,017)	(2,709)	(1,758)	(179,484)	(5,027)
Decrease (increase) in equity in pooled investments	(1,978,036)	103,882	(34,171)	(1,908,325)	(153,626)
Net cash provided (used) by investing activities	(2,153,053)	101,173	(35,929)	(2,087,809)	(158,653)
Net increase in cash and cash equivalents	2,349,326	2,240	16,730	2,368,296	63,039
Cash and cash equivalents, January 1	6,299,661	177,816	41,886	6,519,363	118,671
Cash and cash equivalents, December 31	$ 8,648,987	$ 180,056	$ 58,616	$ 8,887,659	$ 181,711
Reconciliation of operating income (loss) to net cash					
Operating income (loss)	$ (2,072,358)	$ (401,850)	$ 65,099	$ (2,409,109)	$ 52,486
Adjustments to reconcile operating income (loss) to net cash cash provided by operating activities:					
Depreciation and amortization expense	3,701,435	313,199	-	4,014,634	276,965
Loss on sale of asset	708,500	-	-	708,500	-
Change in assets and liabilities:					
Receivables	(1,772,040)	(166,742)	(123,788)	(2,062,570)	-
Inventories	-	-	-	-	-
Prepaid expenses	(264)	(150)	-	(414)	-
Deferred charges	-	-	-	-	-
Compensated absences	(5,349)	18,018	(2,686)	9,983	-
Accounts payable	(83,692)	22,529	(26,893)	(88,056)	(45,873)
Accrued liabilities	998,198	(10,972)	(1,006)	986,220	-
Net cash provided (used) by operating activities	$ 1,474,430	$ (225,968)	$ (89,274)	$ 1,159,188	$ 283,578
Reconciliation of cash and cash equivalents to statement of net position:					
Unrestricted cash and cash equivalents	$ 7,382,723	$ 180,147	$ 58,616	$ 7,621,486	$ 181,711
Restricted cash and cash equivalents	1,266,266	-	-	1,266,266	-
Unrestricted investments	23,915,670	650,878	212,967	24,779,515	660,194
Total cash and investments	$ 32,564,659	$ 831,025	$ 271,583	$ 33,667,267	$ 841,905
Non-cash capital and related financing activities					
Contributed assets	$ 364,654	$ -	$ -	$ 364,654	$ -

The notes to the financial statements are an integral part of this statement.

City of Louisville

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Notes to the Financial Statements

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Note 1: Summary of significant accounting policies

The City of Louisville (City) was founded in 1878 and incorporated in 1882. The registered electors voted to become a home rule city on November 6, 2001 under the provisions of Article XX of the Constitution of the State of Colorado. The City is a municipal corporation governed by an elected mayor and six-member council. The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. 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.

A. Reporting entity

The accompanying financial statements present the City and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the City's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the City, the primary government. A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Governmental Accounting Standards Board (GASB) Statement 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34* provides additional criteria for classifying entities as component units to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude.

The City presently has one blended component unit included within the reporting entity; the Urban Revitalization District, which is presented as a special revenue fund. The City Council is essentially the governing body of the District, but appoints the Louisville Revitalization Commission (LRC) to oversee the general operations of the District. The City provides all administrative, financial, and legal support services to the District. By Cooperation Agreement between the City and the LRC, the City Council must approve the District's budget, expenditures made by the District, the issuance of debt, and the execution of contractual obligations. The City has no discretely presented component units.

B. Government-wide statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government. 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.

Note 1: Summary of significant accounting policies (continued)

B. Government-wide statements (continued)

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

C. Measurement focus, basis of accounting, and financial statement presentation

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

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

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

Property taxes, sales and use taxes, franchise taxes, lodging taxes, intergovernmental revenue, and interest earnings associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Most other revenue items are considered to be measurable and available only when the City receives cash.

The preparation of financial statements represent accurate numerical values by using rounding which may cause differences in the statements due to rounding. Rounding a numerical value means replacing it by another value that is approximately equal but shorter, simpler, or more explicit.

Note 1: Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

The City reports the following major governmental funds:

- The *General Fund* is the City's primary operating fund. It is used to account for most of the day-to-day operations of the City, which are financed from sales taxes, property taxes, and other general revenues. Activities financed by the General Fund include those of line and staff departments within the City, except for activities of the enterprise funds.

- The *Open Space & Parks Fund* is a special revenue fund and accounts for a temporary sales and use tax of three-eighths percent (3/8%) to be in effect for ten years, beginning January 1, 1994. The voters extended this tax in 2002 for another ten years beginning January 1, 2004 and extended the tax again in 2012 for another ten years beginning January 1, 2014 and ending on December 31, 2023. Revenues from the three-eighths percent are used exclusively for the acquisition and maintenance of land in and around Louisville for open space buffer zones, trails, wildlife habitats, wetlands preservation, and parks.

- The *Recreation Fund* is a special revenue fund and accounts for a permanent sales and use tax of 0.15%. These tax proceeds, along with other program revenue, are to be used exclusively for the maintenance and operation of the Recreation & Senior Center and the Memory Square Pool facility.

- The *Urban Revitalization District Fund* is a special revenue fund and accounts for incremental property tax revenue generated within the District. This revenue is used in a variety of ways to alleviate blight within the boundaries of the District.

- The *American Rescue Plan Act (ARPA) Fund* is a special revenue fund and accounts for funds received under the American Rescue Plan Act of 2021. These funds provide economic relief from the COVID-19 pandemic. The City received the first tranche of these funds in 2021 and the second tranche in 2022. City Council directed staff to use the funds for the provision of government services related to lost revenue as allowed by the US Treasury Department. An interfund transfer was made to the General Fund in 2022 for $5,232,097.

- The *Capital Projects Fund* was created in 1985 to account for the service expansion fee and the major thoroughfare fee. These fees were collected through the building permit process and were restricted for construction or renovation of parks and building facilities; improvements to streets, alleys, sidewalks, and trails; and for capital equipment. This fund now accounts for the monies received from a one-percent (1%) sales tax, which became effective July 1, 1989. This one-percent sales tax funds various capital improvements and, in the past, has funded debt service on sales tax revenue bonds.

Note 1: Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, wastewater, and storm water utilities, the golf course, the solid waste enterprise funds, and the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds 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 non-operating revenues and expenses.

The City reports the following major proprietary funds:

- The *Consolidated Utility Fund* accounts for the operations and capital needs to provide water, wastewater, and storm water services within the boundaries of the City.
- The *Golf Course Fund* accounts for the operations and capital needs of Coal Creek Golf Course.
- The *Solid Waste & Recycling Fund* accounts for the operations of providing solid waste pickup and single-stream recycling.

Additionally, the City reports the following fund types:

- *Internal Service Funds* account for fleet and technology replacements provided to all departments of the City. The internal activity of the Internal Service Funds has been eliminated from the government-wide financial statements. The services provided and used are not eliminated in the process of consolidation.
- *Cemetery Perpetual Care Fund* accounts for both cemetery maintenance and capital improvements.

Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources, then unrestricted resources as needed.

Note 1: Summary of significant accounting policies (continued)

D. Assets, liabilities, and net position/fund balance

1. Cash, cash equivalents and investments

Cash and cash equivalents include cash on hand, amounts in demand deposits, amounts in local government investment pools, and short-term investments with a maturity date within three months of the date acquired. Cash and cash equivalents are reported on balance sheets, statements of net position, and in cash flow statements.

Most cash and investment balances are pooled in order to maximize liquidity and yield. Interest earned on pooled cash and investments is allocated to each fund based on the fund's average equity balance in the pooled fund.

2. Interfund receivables/payables and advances

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.” Advances from other funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

3. Inventories

Inventories are valued at cost, using the first-in/first-out method. The costs of inventories are recorded as an expense or expenditure when consumed rather than when purchased. The inventory balance, as reported in the fund financial statements, is offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

4. Prepaid items

Payments made to vendors for services that will benefit periods beyond year-end are recorded as prepaid items. The prepaid balances, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Note 1: Summary of significant accounting policies (continued)

D. Assets, liabilities, and net position/fund balance (continued)

5. Restricted assets

Restricted assets in the Consolidated Utility Fund are amounts on deposit with the Urban Drainage & Flood Control District that are restricted for specific capital projects. Restricted assets in the Urban Revitalization District Fund are proceeds in escrow from tax increment financing bonds restricted for specific capital projects.

6. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, traffic signals, trails, and similar items) purchased or constructed since 1980, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary fund types in the fund financial statements. Capital assets are defined by the City as assets with an initial individual cost of $10,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related assets, as applicable.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period.

Property, plant, and equipment of the City are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings (including right to use building)	50
Building Improvements	30
Streets & Sidewalks	25 – 30
Water, Wastewater, & Storm Water Systems	25 – 50
Vehicles	3 – 7
Machinery & Equipment	5 – 10
Computer Equipment	3 – 10

Note 1: Summary of significant accounting policies (continued)

D. Assets, liabilities, and net position/fund balance (continued)

7. Leases

Lessee Leases: The City recognizes lease liabilities and intangible right-to-use lease assets (lease assets) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of $10,000 or more for equipment leases, and an initial, individual value of $25,000 or more property, plant, and infrastructure leases.

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

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

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, as is usually the case, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor Leases: The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

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

Note 1: Summary of significant accounting policies (continued)

D. Assets, liabilities, and net position/fund balance (continued)

7. Leases (continued)

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

- If specified, the City uses the interest rate identified in the contract as the discount rate. If no interest rate is specified, as is usually the case, the City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

8. Compensated absences

Upon termination, employees are paid for all unused time in their paid leave bank and compensatory time bank. Accumulated paid leave and compensatory time for employees paid out of governmental funds are recorded as a fund liability when due. All unused time is recorded as a liability in the governmental activities column in the Statement of Net Position. As the paid leave and compensatory time benefits accrue to employees of proprietary funds, an expense and liability is recorded in those funds.

9. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, leases, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

In the fund financial statements, governmental fund types recognize bond discounts and issuance costs in the current period. Bond premiums/discounts for proprietary fund types are capitalized and amortized on a straight-line basis over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums/discounts are presented as an increase in or reduction from the face amount of bonds payable. Bond issuance costs are expensed as incurred.

Note 1: Summary of significant accounting policies (continued)

D. Assets, liabilities, and net position/fund balance (continued)

10. Deferred outflows/inflows of resources

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

Deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category – deferred revenues from three sources: property taxes, lease related and miscellaneous other, which includes small amounts of revenue received in 2022 for recognition in 2023, such as sales taxes and animal licenses. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

11. Fund balances

The City reflects fund balances in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54)*. This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires that all fund balance amounts be properly reported within one of the following fund balance categories:

1. *Nonspendable*, such as fund balance associated with inventories, prepaid expenditures, and long-term loans and notes receivable.
2. *Restricted* fund balance category includes amounts that can be spent only for specific purposes as stipulated by external resource providers or by law through constitution provisions or enabling legislation.
3. *Committed* fund balance classification includes amounts that can be used only for the specific purposes as determined by City Council ordinance. An ordinance is required to establish, rescind, or modify a fund balance commitment.
4. *Assigned* fund balance classifications are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. As of December 31, 2022, the City Council has not authorized any official to assign fund balance other than through the execution of purchase orders.
5. *Unassigned* fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. The General Fund is the only fund that can report a positive unassigned fund balance. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in those funds.

Note 1: Summary of significant accounting policies (continued)

D. <u>Assets, liabilities, and net position/fund balance (continued)</u>

11. Fund balances (continued)

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

Per Resolution No. 92, Series 2015, and as amended November 4, 2019 and December 21, 2021, the City established a reserve policy in which the General Fund, Open Space and Parks Fund, the Cemetery Fund, the Recreation Fund, and the Golf Course Fund will each maintain a minimum fund balance of 15% of current operating expenditures. The reserve policy states that the Combined Utility Fund will maintain a minimum working capital balance of 25% of current operating expenses.

In compliance with GASB 54, the City has reported fund balance at December 31, 2022 in the following manner:

Nonspendable: The City maintains an inventory of fuel for various vehicles and equipment ($22,905). The City has prepaid various amounts in 2022 that will be recorded as expenditures in 2023 ($196,352). The total equity within the Cemetery Perpetual Care Fund, a Permanent Fund, is non-spendable ($723,684).

Restricted: The Taxpayer's Bill of Rights (TABOR) requires a certain level of reserves within the City's General Fund. The City has calculated a required reserve of $1,780,128 at December 31, 2022. The total equity within the Open Space & Parks Fund ($1,674,986), which contains proceeds from a 3/8% sales and use tax, is restricted by voter approval to acquisition and maintenance of open space and parks. The total equity in the Recreation Fund ($3,214,781), which contains proceeds from a 0.15% sales and use tax, is restricted by voter approval for operations and maintenance of the Recreation & Senior Center and Memory Square Pool facility. The total equity in the Conservation Trust – Lottery Fund ($527,652), which contains State lottery proceeds, is restricted by State law to acquisition and development of conservation sites. The Capital Projects Fund contains the remaining proceeds of a contribution from the

Takoda Metropolitan District ($58,299) that is restricted by intergovernmental agreement for specific capital improvements. The remaining equity within the Capital Projects Fund ($11,120,028), which includes proceeds from a 1% sales & use tax, is restricted by voter approval for general capital improvements. The total equity within the Urban Revitalization District Fund ($3,606,167) is restricted to improvements within the district or services related to district operations. The total equity in the American Rescue Plan Act Fund ($112,053) is

Note 1: Summary of significant accounting policies (continued)

D. Assets, liabilities, and net position/fund balance (continued)

11. Fund balances (continued)

restricted by the federal government for eligible ARPA use. The total equity in the Historic Preservation Fund ($3,340,021), which contains proceeds from a 1/8% sales and use tax, is restricted by voter approval for historic preservation purposes. The total equity in the Recreation Center Debt Service Fund ($738,493) is restricted by voter approval for debt service on the 2017 General Obligation Recreation Center Bonds.

Committed: The total remaining equity in the Recreation Center Construction Fund ($180,036) has been committed by Council action for Recreation & Senior Center capital improvements. The total equity within the PEG Fees Fund ($33,932), which contains proceeds from a 50-cent per account, per month cable television fee, is committed by Council action to capital outlay for public access television.

The total equity in the Parking Improvement Fund ($93,402), which contains developer payments in lieu of parking, is committed by Council action to public parking improvements. The total equity within the Impact Fee Fund ($194,710), which contains proceeds from developer impact fees, is committed by Council action for specific growth-related capital projects. The total equity within the Cemetery Fund ($100,084) is committed by Council action to cemetery maintenance and improvements.

Assigned: The total amount of encumbrances within the General Fund at December 31, 2022 was $194,822. This was the result of numerous outstanding purchase orders for various operational items.

12. Contraband forfeitures

In accordance with the Colorado Contraband Forfeiture Act (CRS-16-13-501 to 511) forfeitures from the seizure of contraband are used for the specific purpose of law enforcement activities. These funds are included in the City's General Fund.

13. Estimates

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

Note 1: Summary of significant accounting policies (continued)

E. Implementation of new GASB Statement

As of January 2022, the City has adopted GASB Statement No. 87, Leases. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The effect of the implementation of this standard had no impact on beginning net position. Additional disclosures required by this standard are included in notes 4.C and 7.E.

Note 2: Stewardship, compliance, and accountability

A. Budgetary information

Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for the proprietary funds are adopted on a basis consistent with GAAP, except that the budgeted expenditures also include capital outlay and bond principal payments and exclude depreciation. Council legally adopts all governmental and proprietary fund budgets. The level on which expenditures may not exceed appropriations is the legally adopted annual operating budget for each fund. All annual appropriations lapse at year end. The City Council may amend the budget by resolution. The City requires all governmental and all proprietary funds adopt an annual budget.

On or before the first day of September, each department director submits to the City Manager the department's proposed budget for the next fiscal year. On or before the third Tuesday in October, the City Manager submits to the Council the proposed budget for the next fiscal year. Within fourteen days after receiving the proposed budget from the City Manager, City Council sets the date and time for at least one public hearing on the proposed budget. On or before December 15, the City Council adopts the budget by resolution.

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting – under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in all funds. Encumbrances outstanding at year-end are continued into the subsequent year. Encumbrances at year-end do not constitute expenditures or liabilities because the commitments will be re-appropriated during the subsequent year.

Note 2: Stewardship, compliance, and accountability (continued)

B. Excess of expenditures over appropriations

For the year ended December 31, 2022, total expenditures (including interfund transfers out) exceeded appropriations in the Recreation Center Debt Service Fund by $385, in the Cemetery Perpetual Care Fund by $47, and in the Golf Course Fund by $7,098. This may be a violation of Colorado State Statutes.

Note 3: Deposits and investments

A. Cash and deposits

As of December 31, 2022 the summary of the carrying values of deposits and investments is as follows:

Petty Cash	$ 4,613
Deposits	8,075,128
Investments (at fair value)	67,881,514
	$75,961,255

Deposits include $1,475,003 of restricted cash, which includes $1,266,266 on deposit with the Urban Drainage & Flood Control District and $208,737 of unspent bond proceeds from the Urban Revitalization District.

The Colorado Public Deposit Protection Act ("PDPA") requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by State regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The City has $500,000 of FDIC-insured deposits and $8,936,325 of collateralized deposits under PDPA as of December 31, 2022.

B. Investments

The types of investments which are authorized to be made with City funds are controlled by State statutes and the investment policies of the City. Colorado statutes and the City's investment policies specify investments instruments meeting defined risk criteria ratings in which the City may invest:

a. Any security issued by, fully guaranteed by, or for which the full credit of the United States Treasury is pledged for payment.
b. Any security issued by, fully guaranteed by, or for which the full credit of the following is pledged for payment: The Federal Farm Credit Bank, a Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, and the Federal National Mortgage Association.
c. Any security that is a general obligation of any state of the United States.

Note 3: Deposits and investments (continued)

B. Investments (continued)

d. Any interest in a local government investment pool.
e. Any corporate bank security issued by a corporation or bank that is organized and operated within the United States.
f. Any money market fund that is registered as an investment company under the federal "Investment Company Act of 1940".
g. The purchase of any repurchase agreement of marketable securities.

At December 31, 2022, the City's investments are categorized as follows:

Account Description	Ratings	Maturity < 1 Year	Maturity 1-5 Years	Total
LGIP - CSAFE	AAAm S&P	$ 3,814,661	$ -	$ 3,814,661
LGIP - COLOTRUST	AAAm S&P	5,746,836	-	5,746,836
U.S. Gov't Securities	AA+/stable S&P	31,827,533	23,281,984	55,109,517
Corporate Securities	A1+ S&P	3,210,500		3,210,500
Total Investments		$44,599,530	$23,281,984	$67,881,514

Local Government Investment Pools (LGIP's) – At December 31, 2022, the City had $3,814,661 invested in the Colorado Surplus Asset Fund Trust (CSAFE) and $5,746,836 invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST), both local government investment pools. The pools operate under the Colorado Revised Statutes (24-75-701) and are overseen by the Colorado Securities Commissioner. The pools invest in securities that are specified by the Colorado Revised Statutes (24-75-601). ColoTrust has a daily redemption frequency period and a one-day redemption notice period. CSAFE is valued at amortized cost and ColoTrust is valued at NAV. Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper rated A1 or better, and bank deposits (collateralized through PDPA). The pools operate similar to a 2a-7-like money market fund with a share value equal to $1.00 and a maximum weighted average maturity of 60 days. The pools are rated AAAm by the Standards & Poor's Corporation. A custodial bank provides banking services and trust custody for securities held on behalf of the participating governments in the pools. The custodian's internal records identify the investments owned by the participating governments.

Interest Rate Risk – In accordance with the City's Investment Policy and State statutes, the City manages its exposure to declines in fair value losses arising from increased interest rates by limiting the maturity date of investment securities to five years from the date of purchase.

Credit Risk – The City's Investment Policy and Colorado statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity per Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by a NRSRO. State statutes limit investments in U.S. Agency securities to the highest rating issued by at least two NRSROs.

Note 3: Deposits and investments (continued)

B. Investments (continued)

Concentration of Credit Risk – The City's Investment Policy and State statutes do not limit the amount the City may invest in one issuer. At December 31, 2022, (excluding LGIP's) the City's investments in US Treasury securities represented 74% of total investments, Federal Farm Credit Bank securities represented 4% of total investments, Federal Home Loan Bank securities represented 9% of total investments, short-term corporate securities represented 5% of total investments, Freddie Mac securities represented 5% of total investments, and Fannie Mae securities represented 1% of total investments.

The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of assets. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs in markets that are not active; Level 3 inputs are significant unobservable inputs. The City uses the market approach when valuing Level 2 investments by using information generated by market transactions involving identical or similar assets.

Investments	Fair Value	Level 1	Level 2	Level 3
U.S. Gov't Securities	$ 55,109,517	$55,109,517	$ -	$ -
Corporate Securities	3,210,500	-	3,210,500	-
Total USGS & CP	58,320,017	$55,109,517	$ 3,210,500	$ -
LGIP - CSAFE (at cost)	3,814,661			
LGIP - COLOTRUST (at NAV)	5,746,836			
Total	$ 67,881,514			

Note 4: Receivables

A. Property taxes

Property taxes are attached as an enforceable lien on property as of January 1. Taxes are certified by December 31, levied on January 1, and paid in either one installment on April 30, or two installments on February 28 and June 15. Boulder County bills and collects the City's property taxes. Property taxes are recognized as receivables and deferred revenues when a lien is placed on the property, and as revenue when due for collection in the following year.

B. Allowance for doubtful accounts

Due to the City's ability to successfully collect on accounts, there was no allowance for doubtful accounts in the Consolidated Utility Fund, the Solid Waste & Recycling Fund, and the Golf Course Fund at December 31, 2022.

Note 4: Receivables (continued)

C. Leases

On January 1, 2021, the City entered into a 120 month lease as Lessor for the use of 1501 Empire Road. An initial lease receivable was recorded in the amount of $2,418,039. As of January 1, 2022, the value of the lease receivable is $2,011,165. The lessee is required to make monthly fixed payments of $13,403. The lease has an interest rate of 0.8577%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of December 31, 2022 was $1,934,432, and the City recognized the total lease revenue of $241,804 in both Governmental and Business-Type activities during the fiscal year. The lessee has 1 extension option for 60 months.

	Governmental Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	108,823	8,199	117,021
2024	113,284	7,248	120,532
2025	117,890	6,258	124,148
2026	122,957	5,226	128,183
2027	127,877	4,152	132,029
2028 - 2030	414,752	5,578	420,330

	Business-Type Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	108,823	8,199	117,021
2024	113,284	7,248	120,532
2025	117,890	6,258	124,148
2026	122,957	5,226	128,183
2027	127,877	4,152	132,029
2028 - 2030	414,752	5,578	420,330

Note 5: Inter-fund receivables/payables, advances, and transfers

The advances to/from funds represent inter-fund loans. Section 13-3(b) of the City of Louisville Charter states that any loan of money derived from a City-owned utility to any other City-owned utility, or to any other City fund, shall be approved by ordinance, the motion approving the loan shall specify the term of the loan and the interest rate, and the interest rate shall be adjusted annually to a rate equal to the average return of City investments for the preceding twelve (12) months. As of December 31, 2022, there are no short-term interfund loans.

The permanent movement of resources from one fund to another represent inter-fund transfers. The inter-fund transfers occurring in 2022 are summarized in the following table.

	Transfers In						
Transfers Out	General Fund	OS&P Fund	Cemetery Fund	Recreation Fund	Capital Projects Fund	Utility/ Solid Waste Fund	Total
General Fund	-	900,570 *a*	166,037 *b*	1,122,420 *c*	3,000,000 *d*	827,159 *j*	6,016,186
Cemetery Perpetual Care Fund	-	-	8,640 *e*	-	-	-	8,640
Historic Preservation Fund	184,562 *f*	-	-	-	-	-	184,562
American Rescue Plan Act	5,232,097 *g*	-	-	-	-	-	5,232,097
Capital Project Fund	-	-	-	135,860 *h*	-	-	135,860
Impact Fee Fund	-	176,096 *i*	-	-	316,881 *i*	-	492,977
Total	5,416,659	1,076,666	174,677	1,258,280	3,316,881	827,159	12,070,322

a *Annual recurring support for operations and capital.*
b *Annual recurring support for operations and capital.*
c *Annual recurring support for operations and capital.*
d *One-time transfer to help fund costs for capital projects.*
e *Annual recurring transfer of interest earned used to fund operations and capital.*
f *Annual recurring transfer for reimbursement of costs associated with Museum Services.*
g *Transfer of all CSLFR funds to cover eligible expenditures within the General Fund.*
h *Annual recurring support for capital.*
i *Annual transfer of impact fee revenue for projects eligible for this type of funding.*
j *Transfer to replace lost enterprise revenue as a result of the Marshall Fire. (Ordinance 1823)*

The General Fund makes annual transfers to the Open Space & Parks Fund to help cover open space and parks operations and maintain an adequate fund balance in compliance with the City's Financial Policies.

The General Fund and the Cemetery Perpetual Care Fund make annual transfers to the Cemetery Fund to help cover the cost of Cemetery operations. The annual transfer from the Cemetery Perpetual Care Fund is equal to the interest earned in the Cemetery Perpetual Care Fund.

The General Fund makes annual transfers to the Recreation Fund to help cover the Recreation & Senior Center facility operations and maintain an adequate fund balance and renewal/replacement reserve in compliance with the City's Financial Policies.

The PEG Fee Fund made a transfer to the General Fund as part of a "repayment" for previous assistance in funding the 2018 Broadcast Upgrade Project.

Note 5: Inter-fund receivables/payables, advances, and transfers (continued)

The Historic Preservation Fund makes annual transfers to the General Fund to help cover the cost of Museum Services.

The Capital Projects Fund makes an annual transfer to the Recreation Fund to help cover the cost of capital projects.

The Impact Fee Fund makes an annual transfer to the Open Space & Parks Fund and the Capital Projects Fund to expend impact fee revenue for transportation and park projects that are deemed eligible for impact fee funding.

The American Rescue Act Fund made a transfer of fiscal recovery funds to the General Fund to fund government services related to lost revenue due to the COVID-19 public health emergency.

Note 6: Capital assets

A. Governmental Activities

A summary of changes in capital assets for the year ended December 31, 2022 is shown in the following table:

Governmental Activities

	Balance at 01/01/22	Additions	Deletions	Balance at 12/31/2022
Capital assets not being depreciated:				
Land and easements	$ 34,045,998	$ -	$ -	$ 34,045,998
Construction in progress	7,732,911	5,211,855	(498,959)	12,445,807
Total capital assets, not being depreciated	41,778,909	5,211,855	(498,959)	46,491,805
Other capital assets:				
Buildings	62,930,476	381,881	-	63,312,357
Infrastucture improvements	135,581,646	5,441,506	-	141,023,152
Machinery and equipment	11,108,820	499,629	(248,543)	11,359,906
Right to Use Lease	-	383,668	-	383,668
Total other capital assets at historical cost	209,620,942	6,706,684	(248,543)	216,079,083
Accumulated Depreciation/Amortization				
Buildings	(16,673,077)	(1,742,411)	-	(18,415,488)
Infrastructure improvements	(68,852,396)	(4,232,537)	-	(73,084,933)
Machinery and equipment	(6,546,867)	(855,624)	238,609	(7,163,882)
Right to Use Lease	-	(20,968)	-	(20,968)
Total accumulated depreciation	(92,072,340)	(6,851,540)	238,609	(98,685,271)
Other capital assets, net	117,548,602	(144,856)	(9,934)	117,393,815
Governmental activities capital assets, net	$ 159,327,511	$ 5,066,999	$ (508,893)	$ 163,885,617

Depreciation expense charged to functions as follows:	
General government	$ 609,636
Public Safety	158,220
Public works	3,448,497
Culture & Recreation	2,358,221
In addition, depreciation on capital assets held by the City's internal service funds (see Exhibit 5) is charged to the various functions based on asset use.	276,966
Total governmental activities depreciation expense	$ 6,851,540

Note 6: Capital assets (continued)

B. Business-type activities

A summary of changes in capital assets for the year ended December 31, 2022 is shown in the following table:

Business-type activities

	Balance at 01/01/22	Additions	Deletions	Balance at 12/31/2022
Capital assets not being depreciated:				
Land	$ 6,029,124	$ -	$ -	$ 6,029,124
Water rights	32,169,284		(708,500)	31,460,784
Construction in progress	5,477,360	2,758,450	(635,469)	7,600,341
Total capital assets not being depreciated	43,675,768	2,758,450	(1,343,969)	45,090,249
Other capital assets:				
Buildings	7,557,037	-	-	7,557,037
Infrastructure improvements	133,559,104	1,530,281	-	135,089,385
Machinery and equipment	11,153,253	748,557	(42,872)	11,858,938
Total other capital assets at historical cost	152,269,394	2,278,838	(42,872)	154,505,360
Accumulated Depreciation/Amortization				
Buildings	(1,632,661)	(158,396)	-	(1,791,057)
Infrastructure improvments	(47,195,647)	(3,238,707)	-	(50,434,354)
Machinery and equipment	(4,043,118)	(617,531)	42,872	(4,617,777)
Total accumulated depreciation	(52,871,426)	(4,014,634)	42,872	(56,843,188)
Other capital assets, net	99,397,968	(1,735,796)	-	97,662,172
Business-type activities capital assets, net	$ 143,073,736	$ 1,022,654	$ (1,343,969)	$ 142,752,421

Depreciation expense charged to enterprises as follows:	
Business-type activities:	
Consolidated Utility	$ 3,701,435
Golf Course	313,199
Total Business-type activities depreciation expense	$ 4,014,634

Note 7: Long-term debt

A. Changes in long-term liabilities

A summary of changes in long-term liabilities for the year ended December 31, 2022 is shown in the following table:

Governmental activities	Balance at 01/01/22	Additions	Reductions	Balance at 12/31/2022	Due within One Year
Bonds payable:					
Recreation Center General Obligation Bonds:					
2017 General Obligation Recreation Center Bonds	$ 24,430,000	$ -	$ (765,000)	$ 23,665,000	$ 795,000
Bond Premium	1,476,991	-	(73,850)	1,403,141	-
Total Recreation Center General Obligation Bonds	25,906,991	-	(838,850)	25,068,141	795,000
2014 URA Tax Increment Financing Bonds	3,909,631	-	(590,000)	3,319,631	-
Total bonds payable	29,816,622	-	(1,428,850)	28,387,772	795,000
Financed Purchase - Solar	63,487	-	(6,364)	57,123	6,590
Leases Payable	-	383,668	(9,165)	374,503	64,561
Total bonds, loans, finance purchase agreements and leases payable	29,880,109	383,668	(1,444,379)	28,819,398	866,151
Other liabilities:					
Compensated absences	1,374,466	1,767,876	(1,704,154)	1,438,188	158,201
Governmental activities non-current liabilities	$ 31,254,575	$ 2,151,544	$ (3,148,533)	$ 30,257,587	$ 1,024,352

Business-type activities	Balance at 01/01/22	Additions	Reductions	Balance at 12/31/2022	Due within One Year
Bonds and loans payable:					
2013 Water & Wastewater Refunding Bonds	$ 2,520,000	$ -	$ (820,000)	$ 1,700,000	$ 840,000
2015 CWRPDA Loan	26,017,008	-	(977,056)	25,039,952	999,167
Bond Premium	489,126	-	(37,625)	451,501	-
Total bonds and loans payable	29,026,134	-	(1,834,681)	27,191,453	1,839,167
Financed Purchase - Solar	777,451	-	(68,821)	708,630	71,838
Total bonds, loans, and leases payable	29,803,585	-	(1,903,502)	27,900,083	1,911,005
Other liabilities:					
Compensated absences	335,472	412,023	(401,948)	345,547	38,010
Business-type activities non-current liabilities	$ 30,139,057	$ 412,023	$ (2,305,450)	$ 28,245,630	$ 1,949,015

Note 7: Long-term debt (continued)

A. Changes in long-term liabilities (continued)

Compensated absences in both governmental and business-type activities are classified as long-term liabilities. The City estimates that the current portion of compensated absences is $158,201 in the governmental funds and $38,010 in the business type activity funds for a total of $196,211. Compensated absences of the governmental activities are expected to be paid from the General Fund, Open Space & Parks Fund, Cemetery Fund, Historic Preservation Fund, Recreation Fund, and the Capital Projects Fund.

B. Bonds payable – government activities

In 2014, the Urban Revitalization District (Louisville Revitalization Commission) received authorization to issue $4.5 million of tax increment financing bonds for the DELO Project. The District issued $750,000 of 7% tax increment financing bonds in 2014 and the remaining authorization of $3,750,000 was issued in 2016. These are cash flow, accretion bonds. Payment on the bonds commences when the property tax increment generated by the DELO Project is sufficient to support payment. Full payment on the bonds is projected to occur prior to 2031. The District is a blended component unit of the City. The debt does not constitute a direct obligation of the City.

On November 15, 2016, City of Louisville voters approved the issuance of up to $28.6 million of general obligation bonds for the purpose of funding improvements to the Recreation/Senior Center and the Memory Square Pool facilities. Voters approved a mill levy of up to 3.35 mills to pay debt service on the bonds and approved a new sales tax of 0.15% to pay for operating and maintenance costs of the Recreation & Senior Center and the Memory Square Pool facility. In compliance with this voter authorization, on May 23, 2017, the City of Louisville issued $27,215,000 of Limited Tax General Obligation Bonds, Series 2017. The bond coupons range from 2.0%-4.0%, which resulted in an issuance premium of $1,846,241. The bonds mature annually beginning on December 1, 2018 through December 2042. Remaining debt service at December 31, 2022 was $34,827,400.

C. Bonds payable - enterprise funds

On September 13, 2013, the 2003 Series Colorado Water Resources and Power Development Authority loan was refinanced and completely paid on December 1, 2013 with the issuance of $8,355,000 of 2013 Water & Wastewater Enterprise Revenue Refunding Bonds. The interest rate on the refunding bonds is 2.47%. Net available revenue of $3,926,123 was available to pay 2022 debt service on the bonds of $881,990. The remaining debt service on the refunding bonds at December 31, 2022 was $1,763,232.

On May 28, 2015, the City executed a loan agreement with the Colorado Water Resources and Power Development Authority (CWRPDA). Under this agreement, the CWRPDA loaned the City $31,641,348 at a federally subsidized yield of 2.18%.

Note 7: Long-term debt (continued)

C. Bonds payable - enterprise funds (continued)

Proceeds from the loan were used to finance the Wastewater Treatment Plant Upgrade project and the City-Wide Storm Sewer Outfall Improvements project. Repayment of the loan will be made over 20 years with final payment in 2035. The source of payments will come from the water, wastewater, and storm sewer utility revenue. Net available revenue of $3,481,584 was available to pay 2022 debt service on the bonds of $1,542,712. The remaining debt service on the refunding bonds at December 31, 2022 was $29,754,577.

D. Notes payable – Solar Panels

In July 2015 and in August 2016, the City entered into lease purchase financing agreements with Alpine Bank to purchase portions of a community solar panel array from Clean Energy Collective (CEC). The interest rates on the leases range from 3.5% to 4.75%. Total solar panels acquired under the lease amount to $1,205,000. Accumulated depreciation on the assets through December 31, 2022 equals $366,936. Under the agreements, the City receives electric utility billing credits and Renewable Energy Certificate (REC) payments during the length of the lease. The credits and REC payments are expected to exceed the amount of the lease payments by approximately $1.5 million over 20 years. In 2019, the July 2015 lease was converted from a taxable lease to a non-taxable lease, reducing the interest rate from 4.75% to 3.5%, saving approximately $22,200 in total debt service during the remaining term of the lease.

E. Leases payable

On August 10, 2022, the City entered into an 86 month lease as Lessee for the use of 1805 Highway 42. An initial lease liability was recorded in the amount of $383,668. As of December 31, 2022, the value of the lease liability is $374,503. The City is required to make initial monthly fixed payments of $3,157. The lease has an interest rate of 2.6630%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of December 31,2022 of $383,668 with accumulated amortization of $20,968 is included with Buildings on the Lease Class activities table found below. The City has 1 extension option(s), each for 60 months.

Amount of Lease Assets by Major Classes of Underlying Asset

	As of Fiscal Year-end	
Asset Class	Lease Asset Value	Accumulated Amortization
Buildings	383,668	20,968
Easements	0	0
Total Leases	383,668	20,968

Principal and Interest Requirements to Maturity

	Governmental Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	45,719	9,421	55,140
2024	48,632	8,168	56,800
2025	51,656	6,836	58,492
2026	54,830	5,422	60,252
2027	58,138	3,922	62,060
2028	115,528	2,992	118,520

Note 7: Long-term debt (continued)

F. Debt requirements to maturity

The annual debt service requirements for all bonds, notes, and capital leases outstanding as of December 31, 2022, are summarized in the following table:

Year	Governmental Activities			Business-Type Activities		
	General Obligation Bonds			Bonds & Notes		
	Principal	Interest	Total	Principal	Interest	Total
2023	795,000	946,600	1,741,600	1,839,168	583,646	2,422,814
2024	825,000	914,800	1,739,800	1,887,190	538,898	2,426,088
2025	860,000	881,800	1,741,800	1,933,106	493,656	2,426,762
2026	895,000	847,400	1,742,400	1,965,720	457,906	2,423,626
2027	930,000	811,600	1,741,600	1,991,722	430,506	2,422,228
2028-2032	5,235,000	3,752,300	8,987,300	10,289,030	1,829,763	12,118,793
2033-2037	6,370,000	2,208,000	8,578,000	6,834,017	443,482	7,277,499
2038-2042	7,755,000	799,900	8,554,900	-	-	-
Balance	$ 23,665,000	$ 11,162,400	$ 34,827,400	$ 26,739,953	$ 4,777,856	$ 31,517,809

Year	Governmental Activities			Business-Type Activities		
	Financed Capital Lease - Solar			Financed Capital Lease - Solar		
	Principal	Interest	Total	Principal	Interest	Total
2023	6,590	1,912	8,503	71,838	29,557	101,396
2024	6,825	1,678	8,503	74,991	26,404	101,396
2025	7,068	1,435	8,503	78,289	23,110	101,399
2026	7,319	1,184	8,503	81,729	19,667	101,396
2027	7,579	924	8,503	85,326	16,069	101,396
2028-2031	21,742	1,121	22,863	316,457	25,953	342,410
Balance	$ 57,123	$ 8,254	$ 65,377	$ 708,630	$ 140,761	$ 849,392

Year	Governmental Activities			Business-Type Activities		
	Lease			Lease		
	Principal	Interest	Total	Principal	Interest	Total
2023	45,719	9,421	55,140	-	-	-
2024	48,632	8,168	56,800	-	-	-
2025	51,656	6,836	58,492	-	-	-
2026	54,830	5,422	60,252	-	-	-
2027	58,138	3,922	62,060	-	-	-
2028-2029	115,528	2,993	118,521	-	-	-
Balance	$ 374,503	$ 36,762	$ 411,265	$ -	$ -	$ -

Note 8: Retirement commitments – employee pension plan

The City provides a qualified defined contribution pension plan, administered by the ICMA Retirement Trust, for all regular full-time and regular part-time employees. During the 2022 fiscal year, there were 226 plan members. This plan is provided through the ICMA Retirement Corporation Prototype 401(a) Money Purchase Plan and Trust. This plan does not meet the standards of generally accepted accounting principles for inclusion as part of the reporting entity.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are required to participate from date of employment. For 2022, the City required the employee to contribute 5.0% of earnings with the City matching 6.5% for the plan year. Plan provisions and contribution requirements have been adopted by the City Council. Changes to the plan can be made by the City Manager.

Earnings include base pay, overtime, and any applicable bonuses. The City's matching contributions and earnings are vested as follows:

Years of Service Completed	Specified Percent Vested
Less than One	0%
One	50%
Two	100%

All administrative costs of the plan are borne by the participants of the plan. City contributions for, and interest forfeited by, employees who leave employment before partially or fully vested may be used to reduce future City contributions. The 2022 gross contributions were $836,633 from employees and $1,061,719 from the City for a total of $1,898,352. Total forfeitures during 2022 were $16,941. Wages paid by the City in 2022 totaled $19,362,677, with regular full-time and part-time benefited employees receiving $16,088,032.

In addition, employees may participate in an Internal Revenue Code 457 Plan on a voluntary basis. The City only makes contributions to the City Manager's 457 Plan, an amount equal to 10% of base salary.

Note 9: Risk management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City carries commercial insurance for the risks of loss, including worker's compensation and property/casualty loss insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Limits of insurance coverage remain unchanged in the past three years.

Note 10: Commitments

A. Redevelopment agreement

In December 2006, the City established the Louisville Revitalization Commission and approved an urban renewal plan for certain blighted areas within the City. In 2008, the Urban Revitalization District began collecting tax increment revenues to finance improvements in the blighted areas. The agreement expires in December 2032.

B. Construction and other significant commitments

The City has committed to various future transactions, such as long-term contractual obligations with suppliers for future purchases as specified prices and quantities. The City's use of purchase order encumbrances meet the definition of commitments.

Note 11: Business assistance agreements

The City has adopted a Business Assistance Program (BAP) to ensure it remains competitive in attracting quality business and development by leveraging the impact of a business opportunity to assist prospects in locating or expanding in the City. The program's criteria applies to primary job recruitment and retention, as well as retail recruitment and retention.

Assistance is generally provided in the form of building permit fee rebates, construction use tax rebates, consumer use tax rebates, and sales/use tax rebates. Most rebates are based upon new dollars generated by the project in the early years of operation. The rebates must be earned by completing the project. Sales/use tax assistance is calculated on the City's total 3.65% sales/use tax rate, less the .0375% Open Space Tax, less the 0.125% Historic Preservation Tax and less the 0.15% Recreation Tax. Based upon the new dollars generated by the project, the City rebates a percentage of those dollars back to the owner or developer (but not both). Assistance is available only upon formal City Council approval and there must be an assistance agreement in place prior to a location decision being made.

Since the program's inception in 2007 and through December 31, 2022, the City has executed 100 BAP agreements. The agreements range from a few thousand dollars over a year to over a million dollars over multiple years. Rebate recipients have included restaurants, retail developers, manufacturing, and high tech businesses. The total amount of rebates actually paid out during 2022 are shown in the following table.

Rebate Category	Rebate Amounts 2022
Sales Tax	$ 0
Use Tax	23,236
Construction Use Tax	0
Building Permits	12,138
Total	**$35,374**

Note 12: Contingent liabilities

Litigation

Various suits and claims are pending against the City as of December 31, 2022. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that the final outcome of these matters will not materially affect the financial statements of the City and that adequate insurance coverage exists in most cases to cover any potential settlement

Note 13: Tax, spending, and debt limitations

At the November 3, 1992 general election, Colorado voters approved an amendment to the Colorado Constitution commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR became effective December 31, 1992, and its provisions limit government taxes, spending revenues, and debt without electoral approval. Since this time several ballot issues have been presented to the Louisville citizens that impact the limitation.

1993 – Open space tax approved.
1994 – Open space bond issue and the use tax on residential building materials were approved.
1996 – Authorization was given for the City to receive and expend all sales and use tax revenues, exempting these revenues from the TABOR limitation.
1997 – A revenue-sharing intergovernmental agreement was approved, exempting these revenues from the TABOR limitations.
1998 – The City Council, by ordinance, declared the Golf Course Fund an enterprise under the TABOR definition.
1999 – Authorization to keep and spend the revenues collected and received during 1998 and each subsequent year from fees, state and local grants, developer contributions, intergovernmental revenues and payments in lieu of land dedications.
2001 – Approval allowing the City to keep the excess property taxes collected in 2000 and exempts all future property taxes from the TABOR limitations.
2002 – Approval of a new Lodging Excise Tax in the amount of 3% and exempting these revenues from the TABOR limitations.
2002 – Extension of the open space tax for another ten years beginning on January 1, 2004 and ending on December 31, 2013 and exempting these revenues from the TABOR limitations.
2003 – Approval of the Library bond issue and the additional mill levy not to exceed 1.581 were approved.
2005 – A use tax on personal tangible property was placed on the ballot in 2005 and failed.
2006 – A use tax on personal tangible property was placed on the ballot in 2006 and failed.
2006 – The City Council, by ordinance, declared the Storm Water Utility Fund an enterprise under the TABOR definition.
2008 – Approval of a 1/8% sales tax for historic preservation purposes for a period of ten years beginning January 1, 2009.
2009 – The City Council, by ordinance, declared the Solid Waste & Recycling Utility Fund an enterprise under the TABOR definition.

Note 13: Tax, spending, and debt limitations (continued)

2010 – Approval of a 3½% consumer use tax, of which 2% is unrestricted, 1% restricted for capital projects, 3/8% restricted for open space acquisition and maintenance, and 1/8% restricted for historic preservation purposes.
2012 – Extension of the open space tax for another ten years beginning January 1, 2014 and ending December 31, 2023 and exempting these revenues from TABOR limitations.
2016 – Approval of the Recreation Center/Memory Square Pool Improvement bond issue and the additional mill levy not to exceed 3.350 were approved. An additional 0.15% sales tax was also approved, effective January 1, 2018, for operating and maintaining the Recreation Center and Memory Square Pool.
2019 – Authorization was given to the City to retain the excess collection of the recreation tax and retain the 0.15% recreation tax rate.

Under the TABOR Amendment, all taxes (except as previously noted), licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenue (except developer contributions and payments in lieu of land dedications) are part of the limitation calculation. Transfers into the fund and debt service (except the open space bond) are deducted. The remainder may increase by the combination of the local growth rate and the rate of inflation in the Denver/Boulder Area.

TABOR Amendment provisions require that annual property tax revenue changes be restricted to the same growth rate applicable to the City's general spending. In 2001 the voters approved exemption from this provision. The TABOR Amendment also requires the local government to reserve three percent of total expenditures for emergencies in 1995 and years thereafter. (The definition of an "emergency," under TABOR is restricted to natural events, but excludes "economic conditions, revenue shortfalls, or district salary or fringe benefit increase.") Accordingly, the City has reviewed the existing reserves and determined that a minimum of 3%, or $1,780,128 existed at December 31, 2022, to comply with the provisions of the TABOR Amendment.

The TABOR Amendment excludes activities or funds considered to be "enterprises." The classification of an "enterprise" under the TABOR Amendment is based on three criteria: (1) the entity be considered a government-owned business; (2) the entity be authorized to issue its own revenue bonds; (3) the entity receive under 10% of its annual revenue in grants from all Colorado and local governments combined. The Water Utility Fund and Wastewater Utility Fund, as approved by Ordinance No. 1167 and 1168, Series 1994, were declared enterprises under the TABOR Amendment definition. These two funds were combined as one enterprise fund by Ordinance No. 1412, Series 2003. Storm water activities were added to the Water and Wastewater Utility Fund by Ordinance No. 1502, Series 2006. The Golf Course Fund, as approved by Ordinance No. 1280, Series 1998, was given enterprise status in 1998. The Solid Waste & Recycling Fund, as approved by Ordinance No. 1554, Series 2009, was given enterprise status in 2009.

Note 13: Tax, spending, and debt limitations (continued)

In 2016, voters approved an additional 0.15% sales and use tax, effective January 1, 2018, for operating and maintaining the Recreation Center and Memory Square Pool. Absent later voter approval, TABOR requires a refund of the new tax if either the revenue generated by the tax exceeds the estimate in the TABOR notice or the City's total 2018 fiscal year TABOR "spending" without the tax increase exceeds the amount in the TABOR notice, and requires the tax rate be reduced in future years. In 2018, the sales/use tax collected and the fiscal year spending exceeded the estimated amounts in the TABOR election notice. In November 2019, voters authorized the City to retain the excess collection and the 0.15% rate increase.

City of Louisville

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City of Louisville

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Required Supplementary Information

City of Louisville, Colorado
General Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget Original	Budget Final	Actual Amounts	Budget Variance - Positive (Negative)
Revenue:				
Taxes:				
Property tax	$ 3,959,220	$ 3,959,220	$ 3,900,969	$ (58,251)
Sales tax	10,182,080	10,922,350	10,953,388	31,038
Use tax	2,543,980	2,854,810	3,017,743	162,933
Franchise tax	1,116,270	1,116,270	1,205,787	89,517
Lodging tax	319,480	319,480	294,568	(24,912)
Bag Tax	101,250	101,250	187,982	86,732
Other taxes	392,260	392,260	363,827	(28,433)
Licenses and permits	1,318,760	1,874,580	3,266,310	1,391,730
Intergovernmental	1,550,080	2,750,080	1,715,761	(1,034,319)
Charges for services	222,570	222,570	121,355	(101,215)
Fines and forfeitures	70,760	70,760	57,456	(13,304)
Miscellaneous	78,700	66,200	82,041	15,841
Investment income (loss)	141,470	141,470	(137,305)	(278,775)
Insurance proceeds	-	1,200,000	841,000	(359,000)
Total revenue	21,996,880	25,991,300	25,870,882	(120,418)
Expenditures:				
Current:				
General government	6,606,720	13,892,040	7,602,873	6,289,167
Planning and building safety	1,757,790	2,222,010	1,664,599	557,411
Police	7,059,470	7,733,080	6,965,610	767,470
Public works	3,395,310	3,748,560	3,603,158	145,402
Library and museum services	2,443,680	2,417,160	2,286,278	130,882
Parks and recreation	47,350	47,580	45,183	2,397
Capital Outlay - Lease	-	-	383,668	(383,668)
Debt Service	8,500	8,500	21,635	(13,135)
Total expenditures	21,318,820	30,068,930	22,573,004	7,495,926
Excess (deficiency) of revenues over expenditures	678,060	(4,077,630)	3,297,878	7,375,508
Other Financing Sources (Uses):				
Lease	-	-	383,668	383,668
Transfers in	5,409,580	5,409,580	5,416,659	7,079
Transfers out	(5,184,830)	(6,020,880)	(6,016,186)	4,694
Total other financing sources (uses)	224,750	(611,300)	(215,859)	395,441
Net Change in Fund Balance	$ 902,810	$ (4,688,930)	3,082,019	$ 7,770,949
Fund Balance, January 1			12,485,969	
Fund Balance, December 31			$ 15,567,998	

See the accompanying independent auditor's report

City of Louisville, Colorado
Open Space & Parks Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget Original	Budget Final	Actual Amounts	Budget Variance - Positive (Negative)
Revenue:				
Taxes:				
Sales tax	$ 1,930,990	$ 2,069,790	$ 2,053,760	$ (16,030)
Use tax	543,660	601,940	718,130	116,190
Intergovernmental	1,132,000	1,132,000	-	(1,132,000)
Miscellaneous	40,210	40,210	85,635	45,425
Investment income (loss)	24,450	24,450	5,092	(19,358)
Insurance proceeds	-	8,700	66,000	57,300
Total revenue	3,671,310	3,877,090	2,928,617	(948,473)
Expenditures:				
General operations	3,524,740	3,665,810	3,561,421	104,389
Capital outlay	2,332,500	3,851,360	2,593,528	1,257,832
Total expenditures	5,857,240	7,517,170	6,154,949	1,362,221
Excess (deficiency) of revenues over expenditures	(2,185,930)	(3,640,080)	(3,226,332)	413,748
Other Financing Sources (Uses):				
Transfers in	920,300	920,300	1,076,666	156,366
Total other financing sources (uses)	920,300	920,300	1,076,666	156,366
Net Change in Fund Balance	$ (1,265,630)	$ (2,719,780)	(2,149,666)	$ 570,114
Fund Balance, January 1			3,828,521	
Fund Balance, December 31			$ 1,678,857	

See the accompanying independent auditor's report

City of Louisville, Colorado
Recreation Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget Original	Budget Final	Actual Amounts	Budget Variance - Positive (Negative)
Revenue:				
Taxes:				
Sales tax	$ 772,220	$ 827,910	$ 821,504	$ (6,406)
Use tax	213,820	246,380	286,904	40,524
Intergovernmental	80,000	80,000	471,860	391,860
Charges for services	2,343,420	2,343,420	2,634,999	291,579
Miscellaneous	65,000	65,000	56,939	(8,061)
Investment income (loss)	11,780	11,780	(11,848)	(23,628)
Insurance proceeds	-	20,000	28,000	8,000
Total revenue	3,486,240	3,594,490	4,288,358	693,868
Expenditures:				
General operations	4,299,780	4,376,800	4,412,397	(35,597)
Capital outlay	118,500	118,500	56,163	62,337
Total expenditures	4,418,280	4,495,300	4,468,560	26,740
Excess (deficiency) of revenues over expenditures	(932,040)	(900,810)	(180,202)	720,608
Other Financing Sources (Uses):				
Transfers in	1,258,280	1,258,280	1,258,280	-
Total other financing sources (uses)	1,258,280	1,258,280	1,258,280	-
Net Change in Fund Balance	$ 326,240	$ 357,470	1,078,078	$ 720,608
Fund Balance, January 1			2,136,703	
Fund Balance, December 31			$ 3,214,781	

See the accompanying independent auditor's report

City of Louisville, Colorado
Urban Revitalization District Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget Original	Budget Final	Actual Amounts	Budget Variance - Positive (Negative)
Revenue:				
Property taxes	$ -	$ 2,302,350	$ 2,154,828	$ (147,522)
Investment income (loss)	-	34,060	3,965	(30,095)
Total revenues	-	2,336,410	2,158,793	(177,617)
Expenditures:				
General operations	-	614,850	477,244	137,606
Capital outlay	-	550,000	82,699	467,301
Debt service:				
Principal	-	603,000	590,000	13,000
Interest	-	273,670	273,674	(4)
Total expenditures	-	2,041,520	1,423,617	617,903
Excess (deficiency) of revenue over expenditures	-	294,890	735,176	440,286
Net Change in Fund Balance	$ -	$ 294,890	735,176	$ 440,286
Fund Balance, January 1			2,870,990	
Fund Balance, December 31			$ 3,606,166	

See the accompanying independent auditor's report

City of Louisville, Colorado
American Rescue Plan Act Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget Original	Budget Final	Actual Amounts	Budget Variance - Positive (Negative)
Revenue:				
Intergovernmental	$ 2,616,050	$ 5,232,100	$ 5,232,097	$ (3)
Investment income (loss)	5,000	5,000	105,973	100,973
Total revenues	2,621,050	5,237,100	5,338,070	100,970
Expenditures:				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	2,621,050	5,237,100	5,338,070	100,970
Other Financing Sources (Uses):				
Transfers out	-	-	(5,232,097)	5,232,097
Total other financing sources (uses)	-	-	(5,232,097)	5,232,097
Net Change in Fund Balance	$ 2,621,050	$ 5,237,100	105,973	$ 5,333,067
Fund Balance, January 1			6,080	
Fund Balance, December 31			$ 112,053	

See the accompanying independent auditor's report

City of Louisville, Colorado
Notes to Required Supplementary Information
December 31, 2022

Note 1: Budgets and budgetary accounting

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

1. The City Manager submits a proposed operating budget to the Mayor and the City Council for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures of all funds and the means of financing them.

2. A public hearing is conducted to obtain taxpayer comments.

3. Prior to the end of the fiscal year, the budget is legally adopted through passage of a resolution. An appropriation resolution, based on the adopted budget, is enacted on or before the last day of December.

4. Any revisions that alter the total appropriations of any fund must be approved by the City Council. The City's department directors may approve budget transfers within their departments and the City Manager may approve budget transfers between departments within the same fund.

5. The level on which expenditures may not legally exceed appropriations is the legally adopted annual operating budget for each fund in total. All appropriations lapse at year-end.

6. Budgets for the general, special revenue, debt service, capital projects, and permanent funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).

7. Budgets for proprietary funds are adopted on a basis consistent with generally accepted accounting principles, except that the City excludes depreciation and amortization and includes debt service principal payments and capital outlay.

8. The City Council may legally amend the budget by resolution once it has been approved. Budgeted amounts, including all amendments, are shown as adopted by the City Council.

Other Statements and Schedules

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes

PEG Fees Fund – This fund is was created in 2006 in response to Resolution No. 22, Series 2006, that approved an agreement between the City of Louisville and Citizens Community Access Cable Television Management. Originally used to account for PEG grants, effective July 2009, the City's cable provider began collecting and remitting to the City a $0.50 per account per month PEG Fee that is split evenly between the City and CCTV for capital outlay.

Parking Improvement Fund – This fund was created in 2000 to track the downtown parking improvement fees This fee is to be used for the purchase or lease of real and personal property for the construction, improvement, or provision of additional on-street and off-street public parking space to serve Downtown Louisville and other improvements associated with downtown parking.

Conservation Trust – Lottery Fund – The City of Louisville, through Resolution No. 14, dated July 16, 1974, established a Conservation Trust Fund. The City receives an annual distribution from the State of Colorado from the proceeds of the Colorado State Lottery. State law mandates that a Conservation Trust Fund be established to record revenues and expenditures and that these funds are restricted for the use in the acquisition, development, and maintenance of "new conservation sites" or for capital improvements or maintenance for recreational purposes on any public site.

Impact Fee Fund – The Impact Fee Fund was created in 2004 as a result of Ordinance No. 1436 Series 2003. This ordinance was to establish development impact fees for libraries, parks, trails, recreation, municipal facilities and transportation. As a result of the 2006 Impact Fee Study, the fee structures were modified and Impact Fees were categorized as Municipal Facilities, Transportation, Library, Recreation, and Parks & Trails. A review and update to the Impact Fee Study was conducted in 2011, which resulted in a moderate reduction in Impact Fee rates. A review and update to the Impact Fee Study was also conducted in 2016, which resulted in a change in rates and the elimination of all Impact Fees, except for those pertaining to Transportation, Parks & Trails, and Library.

Cemetery Fund – The Cemetery Fund was created on November 3, 2008 by Ordinance No. 1542. Unlike the Cemetery Perpetual Care Fund, the revenue in the Cemetery Fund is less restrictive and can be used for both cemetery maintenance and capital improvements. Beginning in 2009, all the interest revenue earned in the Cemetery Perpetual Care Fund is transferred to the Cemetery Fund for maintenance of the lots. In addition, the General Fund subsidizes the Cemetery Fund via annual interfund transfers.

Historic Preservation Fund – On November 4, 2008, Louisville voters approved a temporary sales tax increase of 1/8% for ten years, beginning January 1, 2009. Revenue from this increase is restricted for historic preservation purposes within Old Town Louisville. The Historic Preservation Fund was created by Ordinance No. 1544, Series

2008. Resolution No. 20, Series 2009, enacted additional provisions regarding the administration, structure, and uses of the Historic Preservation Fund.

Debt Service Fund

Recreation Center Debt Service Fund – In 2016, the Louisville voters approved a $27,215,000 bond issue for the improvements and expansion of the Recreation/Senior Center and the Memory Square Pool facility. In addition, the voters approved an increase in the City's property tax levy not to exceed 3.350 mills to pay the debt service on the bonds. The construction began in late 2017 and is accounted for in the Recreation Center Construction Fund, a capital projects fund. The debt service payments are accounted for in the Recreation Center Debt Service Fund.

Permanent Fund

Cemetery Perpetual Care Fund – This fund is used to account for principal trust amounts received and related interest income. Beginning in 2009, all the interest revenue earned in the Cemetery Perpetual Care Fund is transferred to the Cemetery Fund for maintenance of the lots.

City of Louisville, Colorado
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2022

	Special Revenue Funds				
	PEG Fees	Parking Improvement	Conservation Trust-Lottery	Impact Fee	Cemetery
Assets:					
Current assets:					
Cash and cash equivalents	$ 29,434	$ 93,205	$ 526,540	$ 193,267	$ 104,132
Receivables:					
Property tax receivable	-	-	-	-	-
Sales and use tax receivable	-	-	-	-	-
Other revenue receivable	4,435	-	-	-	-
Interest receivable	64	204	1,153	1,503	219
Total assets	$ 33,933	$ 93,409	$ 527,693	$ 194,770	$ 104,351
Liabilities:					
Accounts payable	$ 2	$ 8	$ 40	$ 58	$ 195
Accrued liabilities	-	-	-	-	4,073
Total liabilities	2	8	40	58	4,268
Deferred Infows of Resources:					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balance:					
Nonspendable:					
Cemetery care	-	-	-	-	-
Restricted for:					
Conservation sites	-	-	527,652	-	-
Historic preservation	-	-	-	-	-
Debt service	-	-	-	-	-
Committed to:					
Public access television capital	33,932	-	-	-	-
Public parking improvements	-	93,402	-	-	-
Development impact capital	-	-	-	194,710	-
Cemetery maintenance and capital	-	-	-	-	100,084
Recreation Center capital	-	-	-	-	-
Total fund balance	33,932	93,402	527,652	194,710	100,084
Total liabilities, deferred inflows of resources and fund balances	$ 33,933	$ 93,409	$ 527,693	$ 194,770	$ 104,351

See the accompanying independent auditor's report

		Debt Service Fund	Permanent Fund	Capital Project Fund	
Historic Preservation	Special Revenue Total	Recreation Center Debt Service	Cemetery Perpetual Care	Recreation Center Construction	Total Nonmajor Governmental Funds
$ 3,252,129	$ 4,198,707	$ 736,968	$ 722,164	$ 179,790	$ 5,837,629
-	-	1,966,688	-	-	1,966,688
97,177	97,177	-	-	-	97,177
-	4,435	-	-	-	4,435
7,328	10,471	1,614	1,581	394	14,055
$ 3,356,634	$ 4,310,790	$ 2,705,270	$ 723,745	$ 180,184	$ 7,919,984
$ 11,585	$ 11,888	$ 88	$ 61	$ 17	$ 12,054
5,026	9,099	-	-	129	9,228
16,611	20,987	88	61	146	21,282
-	-	1,966,688	-	-	1,966,688
-	-	1,966,688	-	-	1,966,688
-	-	-	723,684	-	723,684
-	527,652	-	-	-	527,652
3,340,021	3,340,021	-	-	-	3,340,021
-	-	738,493	-	-	738,493
-	33,932	-	-	-	33,932
-	93,402	-	-	-	93,402
-	194,710	-	-	-	194,710
-	100,084	-	-	-	100,084
-	-	-	-	180,036	180,036
3,340,021	4,289,801	738,493	723,684	180,036	5,932,013
$ 3,356,634	$ 4,310,790	$ 2,705,270	$ 723,745	$ 180,184	$ 7,919,983

See the accompanying independent auditor's report

City of Louisville, Colorado
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2022

	Special Revenue Funds				
	PEG Fees	Parking Improvement	Conservation Trust-Lottery	Impact Fee	Cemetery
Revenue:					
Property taxes	$ -	$ -	$ -	$ -	$ -
Sales and use taxes	-	-	-	-	-
Licenses and permits	-	-	-	495,043	67,394
Intergovernmental	19,320	-	270,769	-	-
Charges for Services	-	-	-	-	39,200
Miscellaneous	-	-	-	-	-
Investment income (loss)	(183)	(223)	(2,655)	(2,566)	(630)
Total revenue	19,137	(223)	268,114	492,477	105,964
Expenditures:					
General government	10	47	190	290	204,732
Capital outlay	-	-	-	-	4,210
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	`	-
Total expenditures	10	47	190	290	208,942
Excess (deficiency) of revenues over (under) expenditures	19,127	(270)	267,924	492,187	(102,978)
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	174,677
Transfers out	-	-	-	(492,977)	-
Total other financing sources (uses)	-	-	-	(492,977)	174,677
Net Change in Fund Balance	19,127	(270)	267,924	(790)	71,699
Fund Balance, January 1	14,805	93,672	259,728	195,500	28,385
Fund Balance, December 31	$ 33,932	$ 93,402	$ 527,652	$ 194,710	$ 100,084

See the accompanying independent auditor's report

		Debt Service Fund	Permanent Fund	Capital Project Fund	
Historic Preservation	Special Revenue Total	Recreation Center Debt Service	Cemetery Perpetual Care	Recreation Center Construction	Total Nonmajor Governmental Funds
$ -	$ -	$ 2,077,373	$ -	$ -	$ 2,077,373
922,808	922,808	-	-	-	922,808
-	562,437	-	67,394	-	629,831
-	290,089	-	-	-	290,089
-	39,200	-	-	-	39,200
5,654	5,654	-	-	-	5,654
(10,646)	(16,903)	26,209	(1,950)	111	7,467
917,816	1,803,285	2,103,582	65,444	111	3,972,422
226,450	431,719	985	347	105	433,156
145,531	149,741	-	-	32,585	182,326
-	-	765,000	-	-	765,000
-	-	977,200	-	-	977,200
371,981	581,460	1,743,185	347	32,690	2,357,682
545,835	1,221,825	360,397	65,097	(32,579)	1,614,740
-	174,677	-	-	-	174,677
(184,562)	(677,539)	-	(8,640)	-	(686,179)
(184,562)	(502,862)	-	(8,640)	-	(511,502)
361,273	718,963	360,397	56,457	(32,579)	1,103,238
2,978,748	3,570,838	378,096	667,226	212,615	4,828,775
$ 3,340,021	$ 4,289,801	$ 738,493	$ 723,683	$ 180,036	$ 5,932,013

See the accompanying independent auditor's report

City of Louisville, Colorado
PEG Fees Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget Original	Budget Final	Actual Amounts	Budget Variance - Positive (Negative)
Revenue:				
Intergovernmental	$ 25,000	$ 25,000	$ 19,320	$ (5,680)
Investment income (loss)	360	360	(183)	(543)
Total revenues	25,360	25,360	19,137	(6,223)
Expenditures:				
General operations	50	50	10	40
Total expenditures	50	50	10	40
Excess (deficiency) of revenues over expenditures	25,310	25,310	19,127	(6,183)
Other Financing Sources (Uses):				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balance	$ 25,310	$ 25,310	19,127	$ (6,183)
Fund Balance, January 1			14,805	
Fund Balance, December 31			$ 33,932	

See the accompanying independent auditor's report

City of Louisville, Colorado
Parking Improvement Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget Original	Budget Final	Actual Amounts	Budget Variance - Positive (Negative)
Revenue:				
Investment income (loss)	$ 1,000	$ 1,000	$ (223)	$ (1,223)
Total revenues	1,000	1,000	(223)	(1,223)
Expenditures				
General government	50	50	47	3
Total expenditures	50	50	47	3
Net Change in Fund Balance	$ 950	$ 950	(270)	$ (1,220)
Fund Balance, January 1			93,672	
Fund Balance, December 31			$ 93,402	

See the accompanying independent auditors' report

City of Louisville, Colorado
Conservation Trust - Lottery Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget Original	Budget Final	Actual Amounts	Budget Variance - Positive (Negative)
Revenue:				
Intergovernmental	$ 256,590	$ 256,590	$ 270,769	$ 14,179
Investment income (loss)	2,320	2,320	(2,655)	(4,975)
Total revenue	258,910	258,910	268,114	9,204
Expenditures:				
General operations	100	100	190	(90)
Capital outlay	210,000	160,000	-	160,000
Total expenditures	210,100	160,100	190	159,910
Excess (deficiency) of revenues over expenditures	48,810	98,810	267,924	169,114
Net Change in Fund Balance	$ 48,810	$ 98,810	267,924	$ 169,114
Fund Balance, January 1			259,728	
Fund Balance, December 31			$ 527,652	

See the accompanying independent auditor's report

City of Louisville, Colorado
Impact Fee Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget Original	Budget Final	Actual Amounts	Budget Variance - Positive (Negative)
Revenue:				
Licenses and permits	$ 206,840	$ 206,840	$ 495,043	$ 288,203
Investment income (loss)	2,940	2,940	(2,566)	(5,506)
Total revenue	209,780	209,780	492,477	282,697
Expenditures:				
General government	500	500	290	210
Total expenditures	500	500	290	210
Excess (deficiency) of revenues over expenditures	209,280	209,280	492,187	282,907
Other Financing Sources (Uses):				
Transfers out	(214,140)	(214,140)	(492,977)	(278,837)
Total other financing sources (uses)	(214,140)	(214,140)	(492,977)	(278,837)
Net Change in Fund Balance	$ (4,860)	$ (4,860)	(790)	$ 4,070
Fund Balance, January 1			195,500	
Fund Balance, December 31			$ 194,710	

See the accompanying independent auditor's report

City of Louisville, Colorado
Cemetery Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget Original	Budget Final	Actual Amounts	Budget Variance - Positive (Negative)
Revenue:				
Licenses and permits	$ 35,470	$ 35,470	$ 67,394	$ 31,924
Charges for services	37,510	37,510	39,200	1,690
Investment income (loss)	390	390	(630)	(1,020)
Total revenue	73,370	73,370	105,964	32,594
Expenditures:				
General operations	227,300	227,730	204,732	22,998
Capital outlay	14,250	14,250	4,210	10,040
Total expenditures	241,550	241,980	208,942	33,038
Excess (deficiency) of revenue over expenditures	(168,180)	(168,610)	(102,978)	65,632
Other Financing Sources (Uses):				
Transfers in	170,480	170,480	174,677	4,197
Net Change in Fund Balance	$ 2,300	$ 1,870	71,699	$ 69,829
Fund Balance, January 1			28,385	
Fund Balance, December 31			$ 100,084	

See the accompanying independent auditor's report

City of Louisville, Colorado
Historic Preservation Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget Original	Budget Final	Actual Amounts	Budget Variance - Positive (Negative)
Revenue:				
Taxes:				
Sales tax	$ 643,660	$ 689,930	$ 684,587	$ (5,343)
Use tax	181,220	200,650	238,221	37,571
Miscellaneous	-	-	5,654	5,654
Investment income (loss)	36,390	36,390	(10,646)	(47,036)
Total revenue	861,270	926,970	917,816	(9,154)
Expenditures:				
General operations	425,800	432,870	226,450	206,420
Capital outlay	-	206,370	145,531	60,839
Total expenditures	425,800	639,240	371,981	267,259
Excess (deficiency) of revenue over expenditures	435,470	287,730	545,835	258,105
Other Financing Sources (Uses):				
Transfers Out	(164,980)	(164,980)	(184,562)	(19,582)
Total other financing sources (uses)	(164,980)	(164,980)	(184,562)	(19,582)
Net Change in Fund Balance	$ 270,490	$ 122,750	361,273	$ 238,523
Fund Balance, January 1			2,978,748	
Fund Balance, December 31			$ 3,340,021	

See the accompanying independent auditor's report

City of Louisville, Colorado
Recreation Center Debt Service Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget			Budget Variance -
	Original	Final	Actual Amounts	Positive (Negative)
Revenue:				
Taxes:				
Property taxes	$ 2,100,280	$ 2,100,280	$ 2,077,373	$ (22,907)
Miscellaneous	5,000	5,000	-	(5,000)
Investment income (loss)	31,270	31,270	26,209	(5,061)
Total revenue	2,136,550	2,136,550	2,103,582	(32,968)
Expenditures:				
General Operations	600	600	985	(385)
Debt service:				
Principal	765,000	765,000	765,000	-
Interest	977,200	977,200	977,200	-
Total expenditures	1,742,800	1,742,800	1,743,185	(385)
Excess (deficiency) of revenue over expenditures	393,750	393,750	360,397	(33,353)
Net Change in Fund Balance	$ 393,750	$ 393,750	360,397	$ (33,353)
Fund Balance, January 1			378,096	
Fund Balance, December 31			$ 738,493	

See the accompanying independent auditor's report

City of Louisville, Colorado
Cemetery Perpetual Care Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget		Actual	Budget Variance -
	Original	Final	Amounts	Positive (Negative)
Revenue:				
Licenses and permits	$ 35,470	$ 35,470	$ 67,394	$ 31,924
Investment income (loss)	8,640	8,640	(1,950)	(10,590)
Total revenue	44,110	44,110	65,444	21,334
Expenditures:				
General operations	300	300	347	(47)
Total expenditures	300	300	347	(47)
Excess (deficiency) of revenue over expenditures	43,810	43,810	65,097	21,287
Other Financing Sources (Uses):				
Transfers out	(8,640)	(8,640)	(8,640)	-
Net Change in Fund Balance	$ 35,170	$ 35,170	56,457	$ 21,287
Fund Balance, January 1			667,226	
Fund Balance, December 31			$ 723,683	

See the accompanying independent auditor's report

City of Louisville, Colorado
Recreation Center Construction Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget		Actual	Budget Variance - Positive
	Original	Final	Amounts	(Negative)
Revenue:				
Investment income (loss)	-	-	$ 111	$ 111
Total revenue	-	-	111	111
Expenditures:				
General operations	-	-	105	(105)
Capital outlay	93,500	93,500	32,585	60,915
Total expenditures	93,500	93,500	32,690	60,810
Excess (deficiency) of revenue over expenditures	(93,500)	(93,500)	(32,579)	60,921
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balance	$ (93,500)	$ (93,500)	(32,579)	$ 60,921
Fund Balance, January 1			212,615	
Fund Balance, December 31			$ 180,036	

See the accompanying independent auditor's report

City of Louisville, Colorado
Capital Projects Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget		Actual	Budget Variance - Positive
	Original	Final	Amounts	(Negative)
Revenue:				
Taxes:				
Sales tax	$ 5,091,040	$ 5,461,170	$ 5,476,694	$ 15,524
Use tax	1,765,290	1,920,700	2,697,134	776,434
Intergovernmental	-	2,081,200	518,829	(1,562,371)
Charges for services	32,000	32,000	32,000	-
Miscellaneous	67,210	328,230	82,011	(246,219)
Investment income (loss)	12,230	12,230	(18,576)	(30,806)
Total revenue	6,967,770	9,835,530	8,788,092	(1,047,438)
Expenditures:				
General operations	586,670	591,150	377,752	213,398
Capital outlay	8,162,920	15,085,010	8,228,247	6,856,763
Total expenditures	8,749,590	15,676,160	8,605,999	7,070,161
Excess (deficiency) of revenue over expenditures	(1,781,820)	(5,840,630)	182,093	6,022,723
Other Financing Sources (Uses):				
Transfers in	3,194,410	3,194,410	3,316,881	122,471
Transfers out	(135,860)	(135,860)	(135,860)	-
Total other financing sources (uses)	3,058,550	3,058,550	3,181,021	122,471
Net Change in Fund Balance	$ 1,276,730	$ (2,782,080)	3,363,114	$ 6,145,194
Fund Balance, January 1			7,815,210	
Fund Balance, December 31			$ 11,178,327	

See the accompanying independent auditor's report

ENTERPRISE FUNDS

Individual Fund Budget Schedules

Consolidated Utility Fund – This fund accounts for the provision of water, wastewater, and storm water services to residents and some outside users. All activities that are necessary to provide such services are accounted for in these funds, including, but not limited to: administration, billing operations, environmental monitoring, capital outlay, and maintenance, financing, and related debt.

Golf Course Fund – The Golf Course Fund accounts for the activities of the Coal Creek Golf Course, which is owned and operated by the City.

Solid Waste & Recycling Fund – This fund was created by Ordinance No. 1554, Series 2009, to account for the resources generated and the costs incurred to provide solid waste pickup and recycling services. Since inception, the City has contracted with a private solid waste disposal company to perform the pickup and recycling services.

City of Louisville, Colorado
Consolidated Utility Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget		Actual	Budget Variance - Positive
	Original	Final	Amounts	(Negative)
Revenue:				
Intergovernmental	$ -	$ -	$ 285	$ 285
Charges for services	11,000,160	9,604,160	10,896,302	1,292,142
Tap fees	762,600	762,600	2,045,414	1,282,814
Miscellaneous	200,420	200,420	237,156	36,736
Investment income (loss)	275,750	275,750	(132,793)	(408,543)
Insurance proceeds	-	1,672,360	1,589,972	(82,388)
Sale of assets	-	-	5,184,175	5,184,175
Payment of advances	-	694,120	685,226	(8,894)
Total revenue	12,238,930	13,209,410	20,505,737	7,296,327
Expenditures:				
General operations	6,609,240	8,473,790	10,178,013	(1,704,223)
Capital outlay	6,133,660	13,335,170	3,288,824	10,046,346
Debt service	2,526,340	2,526,340	2,514,667	11,673
Total expenditures	15,269,240	24,335,300	15,981,504	8,353,796
Net Income (Loss), Budget Basis	$ (3,030,310)	$ (11,125,890)	4,524,233	$ 15,650,123
Reconciliation from Budget Basis (non-GAAP) to GAAP:				
Add:				
Capitalized assets			3,962,456	
Principal retired			1,865,785	
Amortization of bond premium			37,625	
Contributions from development			401,347	
Subtract:				
Depreciation and amortization			(3,701,435)	
Change in Net Position GAAP Basis			$ 7,090,011	

See the accompanying independent auditor's report

City of Louisville, Colorado
Golf Course Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget Original	Budget Final	Actual Amounts	Budget Variance - Positive (Negative)
Revenue:				
Charges for services	$ 2,179,710	$ 2,179,710	$ 2,384,015	$ 204,305
Miscellaneous income	8,000	8,000	8,017	17
Investment income (loss)	9,110	9,110	(1,766)	(10,876)
Insurance proceeds	-	106,600	165,000	58,400
Sale of assets	-	-	50	50
Total revenue	2,196,820	2,303,420	2,555,316	251,896
Expenditures:				
General operations	1,899,900	2,511,600	2,518,698	(7,098)
Total expenditures	1,899,900	2,511,600	2,518,698	(7,098)
Net Income (Loss), Budget Basis	$ 296,920	$ (208,180)	36,618	$ 244,798
Reconciliation from Budget Basis (non-GAAP) to GAAP:				
Add:				
Capitalized assets			38,015	
Subtract:				
Depreciation and amortization			(313,199)	
Change in Net Position GAAP Basis			$ (238,566)	

See the accompanying independent auditor's report

City of Louisville, Colorado
Solid Waste & Recycling Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget Original	Budget Final	Actual Amounts	Budget Variance - Positive (Negative)
Revenue:				
Charges for services	$ 1,691,140	$ 1,456,140	$ 1,627,555	$ 171,415
Investment income (loss)	3,450	3,450	(1,367)	(4,817)
Transfers in	-	141,930	141,933	3
Total revenue	1,694,590	1,601,520	1,768,121	166,601
Expenditures:				
General operations	1,628,130	1,649,060	1,562,456	86,604
Total expenditures	1,628,130	1,649,060	1,562,456	86,604
Net Income (Loss), Budget and GAAP Basis	$ 66,460	$ (47,540)	$ 205,665	$ 253,205

See the accompanying independent auditor's report

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 government and to other government units, on a cost reimbursement basis.

Technology Management Fund – In 1999, the City of Louisville established the Technology Management Fund for the purpose of accumulating funds for the replacement of computer hardware and peripherals.

Fleet Management Fund – In 1991, the City of Louisville established the Fleet Management Fund for the purpose of accumulating funds for the replacement of capital assets such as large machinery, heavy equipment, and vehicles.

City of Louisville, Colorado
Internal Service Funds
Combining Statement of Net Position
December 31, 2022

	Technology Management	Fleet Management	Total Internal Service Funds
ASSETS			
Current assets:			
Cash and cash equivalents	$ 127,144	$ 714,761	$ 841,905
Interest receivable	278	1,565	1,843
Accounts receivable	3,693	-	3,693
Total current assets	131,115	716,326	847,441
Noncurrent assets:			
Capital assets:			
Machinery and equipment	-	3,812,768	3,812,768
Office furniture and fixtures	50,654	-	50,654
Accumulated depreciation	(50,654)	(2,399,971)	(2,450,625)
Total capital assets (net of accumulated depreciation)	-	1,412,797	1,412,797
Total noncurrent assets	-	1,412,797	1,412,797
Total assets	131,115	2,129,123	2,260,238
LIABILITIES			
Current liabilities:			
Accounts payable	14,007	58	14,065
Total liabilities	14,007	58	14,065
NET POSITION			
Invested in capital assets	-	1,412,797	1,412,797
Unrestricted	117,109	716,270	833,379
Total net position	$ 117,109	$ 2,129,067	$ 2,246,176

See the accompanying independent auditor's report

City of Louisville, Colorado
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2022

	Technology Management	Fleet Management	Total Internal Service Funds
Operating revenue:			
Charges for services	$ 53,030	$ 350,800	$ 403,830
Total operating revenue	53,030	350,800	403,830
Operating expenses:			
Costs of sales and services	74,089	290	74,379
Depreciation	-	276,965	276,965
Total operating expenses	74,089	277,255	351,344
Operating income (loss)	(21,059)	73,545	52,486
Nonoperating revenues (expenses):			
Investment income (loss)	(508)	(3,259)	(3,767)
Insurance proceeds	-	20,113	20,113
Loss on sale of assets	-	(9,934)	(9,934)
Total nonoperating revenues (expenses)	(508)	6,920	6,412
Change in net position	(21,567)	80,465	58,898
Net position January 1	138,676	2,048,601	2,187,277
Net position December 31	$ 117,109	$ 2,129,067	$ 2,246,176

See the accompanying independent auditor's report

City of Louisville, Colorado
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2022

	Technology Management	Fleet Management	Total Internal Service Funds
Cash flows from operating activities:			
Receipts from customers and users	$ 53,030	$ 350,800	$ 403,830
Payments to suppliers	(60,622)	(59,630)	(120,252)
Net cash provided (used) by operating activities	(7,592)	291,170	283,578
Cash flows from capital and related financing activities:			
Insurance proceeds from loss of capital assets	-	20,113	20,113
Purchases of capital assets	-	(81,999)	(81,999)
Net cash provided (used) by capital and related financing activities	-	(61,886)	(61,886)
Cash flows from investing activities:			
Interest earnings	(661)	(4,366)	(5,027)
Decrease (increase) in equity in pooled investments	9,997	(163,622)	(153,626)
Net cash provided (used) by investing activities	9,336	(167,988)	(158,653)
Net increase (decrease) in cash and cash equivalents	1,744	61,296	63,039
Cash and cash equivalents, January 1	25,698	92,973	118,671
Cash and cash equivalents, December 31	$ 27,442	$ 154,269	$ 181,711
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ (21,059)	$ 73,545	$ 52,486
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	-	276,965	276,965
Change in assets and liabilities:			
Accounts payable	13,467	(59,340)	(45,873)
Net cash provided by operating activities	$ (7,592)	$ 291,170	$ 283,578
Reconciliation of cash and cash equivalents to statement of net position:			
Unrestricted cash and cash equivalents	$ 27,442	$ 154,269	$ 181,711
Unrestricted investments	99,702	560,492	660,194
Total cash and investments	$ 127,144	$ 714,761	$ 841,905

See the accompanying independent auditor's report

City of Louisville, Colorado
Technology Management Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget		Actual	Budget Variance -
	Original	Final	Amounts	Positive (Negative)
Revenue:				
Charges for services	$ 53,030	$ 53,030	$ 53,030	$ -
Investment income (loss)	1,330	1,330	(508)	(1,838)
Total revenue	54,360	54,360	52,522	(1,838)
Expenditures:				
General operations	400	400	428	(28)
Capital outlay	75,000	75,000	73,661	1,339
Total expenditures	75,400	75,400	74,089	1,311
Net Income, Budget Basis	$ (21,040)	$ (21,040)	(21,567)	$ (527)
Change in Net Position GAAP Basis			$ (21,567)	

See the accompanying independent auditor's report

City of Louisville, Colorado
Fleet Management Fund
Budgetary Comparison Schedule
For the Year Ending December 31, 2022

	Budget Original	Budget Final	Actual Amounts	Budget Variance - Positive (Negative)
Revenue:				
Charges for services	$ 281,430	$ 350,800	$ 350,800	$ -
Investment income (loss)	1,600	1,600	(3,259)	(4,859)
Insurance proceeds	-	-	20,113	20,113
Loss on Sale of assets	-	-	(9,934)	(9,934)
Total revenue	283,030	352,400	357,720	5,320
Expenditures:				
General operations	400	400	290	110
Capital outlay	325,550	535,550	81,999	453,551
Total expenditures	325,950	535,950	82,289	453,661
Net Income (Loss), Budget Basis	$ (42,920)	$ (183,550)	275,431	$ 458,981
Reconciliation from Budget Basis (non-GAAP) to GAAP:				
Add:				
Capitalized assets			81,999	
Subtract:				
Depreciation			(276,965)	
Change in Net Position, GAAP Basis			$ 80,465	

See the accompanying independent auditor's report

Statistical Section

STATISTICAL SECTION

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

Contents	Pages

(continued)

Contents	Pages

Operating Information

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

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

City of Louisville, Colorado
Net Position by Component
Last Ten Years
(accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
Governmental activities:				
Net investment in capital assets	$ 90,919,036	$ 95,447,349	$ 102,834,966	$ 108,153,971
Restricted	17,412,130	17,305,576	12,911,307	14,893,996
Unrestricted	7,556,314	4,136,883	5,349,355	5,384,411
Total governmental activities net position	$ 115,887,480	$ 116,889,808	$ 121,095,628	$ 128,432,378
Business-type activities:				
Net investment in capital assets	$ 65,806,134	$ 75,983,429	$ 59,420,788	$ 90,725,131
Restricted	144,392	144,407	144,424	
Unrestricted	20,684,118	21,291,938	44,383,568	28,386,460
Total business-type activities net position	$ 86,634,644	$ 97,419,774	$ 103,948,780	$ 119,111,591
Primary government:				
Net investment in capital assets	$ 156,725,170	$ 171,430,778	$ 162,255,754	$ 198,879,102
Restricted	17,556,522	17,449,983	13,055,731	14,893,996
Unrestricted	28,240,432	25,428,821	49,732,923	33,770,871
Total primary government net position	$ 202,522,124	$ 214,309,582	$ 225,044,408	$ 247,543,969

Schedule 1

Fiscal Year					
2017	2018	2019	2020	2021	2022
$ 115,130,035	$ 119,069,209	$ 123,176,977	$ 126,603,716	$ 129,642,917	$ 135,066,222
12,727,882	14,500,731	18,592,355	17,138,823	20,149,359	23,681,511
6,614,403	10,882,333	10,613,925	11,096,455	12,822,488	17,003,865
$ 134,472,320	$ 144,452,273	$ 152,383,257	$ 154,838,994	$ 162,614,764	$ 175,751,598
$ 101,245,580	$ 106,863,204	$ 108,474,725	$ 109,141,696	$ 113,270,153	$ 114,852,246
			1,057,359	1,057,359	1,057,359
25,635,940	22,136,977	24,366,084	26,967,024	26,579,114	32,054,137
$ 126,881,520	$ 129,000,181	$ 132,840,809	$ 137,166,079	$ 140,906,626	$ 147,963,742
$ 216,375,615	$ 225,932,413	$ 231,651,702	$ 235,745,412	$ 242,913,070	$ 249,918,468
12,727,882	14,500,731	18,592,355	18,196,182	21,206,718	24,738,870
32,250,343	33,019,310	34,980,009	38,063,479	39,401,602	49,058,002
$ 261,353,840	$ 273,452,454	$ 285,224,066	$ 292,005,073	$ 303,521,390	$ 323,715,340

City of Louisville, Colorado
Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
Expenses				
Governmental activities:				
General government	$ 5,649,915	$ 6,675,768	$ 7,171,557	$ 9,891,109
Public Safety	4,401,899	4,553,551	4,441,084	4,780,161
Public Works	4,682,257	4,936,452	5,650,163	4,131,484
Culture & recreation	5,439,352	5,292,993	6,448,556	5,704,015
Interest on long-term debt	200,664	143,261	179,807	266,353
Total governmental activities expenses	20,374,087	21,602,025	23,891,167	24,773,122
Business-type activities:				
Water & wastewater	7,094,607	6,925,945	7,500,879	7,851,737
Golf	102,384	725,639	1,372,857	1,802,025
Solid Waste & Recycling	1,215,817	1,308,423	1,538,800	1,595,911
Total business-type activities	8,412,808	8,960,007	10,412,536	11,249,673
Total primary government expenses	$ 28,786,895	$ 30,562,032	$ 34,303,703	$ 36,022,795
Program Revenues				
Governmental activities:				
Charges for services:				
General government	$ 1,304,308	$ 1,197,741	$ 1,600,561	$ 1,807,195
Public Safety	164,233	190,378	144,169	170,808
Public works	48,037	50,601	45,858	96,003
Culture & recreation	2,609,086	2,334,963	2,823,928	3,672,314
Operating grants and contributions	1,090,656	1,187,323	1,047,638	783,790
Capital grants and contributions	229,807	946,517	1,514,534	2,660,533
Total governmental activities program revenues	5,446,127	5,907,523	7,176,688	9,190,643
Business-type activities:				
Charges for services:				
Water & wastewater	$ 7,026,998	$ 7,639,334	$ 8,218,051	$ 9,880,524
Golf	96,057	61,271	806,648	1,426,754
Solid Waste & Recycling	1,179,859	1,331,448	1,495,109	1,553,474
Capital grants and contributions	4,778,437	6,793,255	4,870,109	12,147,614
Total business-type activities program revenues	13,081,351	15,825,308	15,389,917	25,008,366
Total primary government program revenues	$ 18,527,478	$ 21,732,831	$ 22,566,605	$ 34,199,009

	Fiscal Year				
2017	**2018**	**2019**	**2020**	**2021**	**2022**
$ 7,983,427	$ 8,537,437	$ 8,762,112	$ 10,301,287	$ 9,761,697	$ 11,766,810
5,082,261	5,244,164	5,619,873	5,971,684	6,020,824	7,084,109
5,423,279	6,277,688	6,653,439	7,166,335	6,596,767	6,901,344
8,832,366	9,540,902	12,465,878	12,111,395	11,425,850	12,462,202
896,534	1,387,580	1,336,066	1,293,502	1,240,790	1,183,146
28,217,867	30,987,771	34,837,368	36,844,203	35,045,928	39,397,611
8,892,682	10,943,627	10,662,898	11,347,732	11,023,128	13,854,698
1,791,268	2,219,366	2,008,553	2,296,100	2,420,601	2,793,832
1,592,967	1,607,736	1,657,687	1,584,262	1,654,807	1,562,456
12,276,917	14,770,729	14,329,138	15,228,094	15,098,536	18,210,986
$ 40,494,784	$ 45,758,500	$ 49,166,506	$ 52,072,297	$ 50,144,464	$ 57,608,597
$ 1,691,937	$ 2,754,349	$ 2,251,702	$ 1,604,463	$ 1,867,522	$ 3,595,798
170,068	146,072	128,540	85,309	69,079	52,805
952,389	1,298,623	1,162,736	953,901	928,529	350,395
2,380,663	2,054,832	3,352,533	1,615,354	2,445,419	3,141,751
384,849	424,988	411,868	2,343,562	363,233	6,537,637
2,014,711	1,208,568	1,970,315	1,644,685	2,402,810	522,453
7,594,617	7,887,432	9,277,694	8,247,274	8,076,592	14,200,839
$ 10,331,106	$ 11,018,277	$ 10,549,525	$ 12,045,347	$ 11,751,419	$ 11,133,458
1,536,097	1,606,525	1,624,496	1,933,117	2,313,947	2,392,032
1,617,620	1,679,127	1,709,878	1,651,612	1,556,357	1,627,555
6,307,253	1,877,860	3,501,960	3,489,409	3,202,893	2,447,046
19,792,076	16,181,789	17,385,859	19,119,485	18,824,616	17,600,091
$ 27,386,693	$ 24,069,221	$ 26,663,553	$ 27,366,759	$ 26,901,208	$ 31,800,930

City of Louisville, Colorado
Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2013	**2014**	**2015**	**2016**
Net (Expense)/Revenue				
Governmental activities	$ (14,927,960)	$ (15,694,502)	$ (16,714,479)	$ (15,582,479)
Business-type activities	4,668,543	6,865,301	4,977,381	13,758,693
Total primary government expenses	$ (10,259,417)	$ (8,829,201)	$ (11,737,098)	$ (1,823,786)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property taxes	$ 2,982,528	$ 3,187,825	$ 3,452,375	$ 4,089,516
Sales tax	10,441,013	11,230,542	11,778,592	12,592,051
Use tax	3,808,835	3,740,268	4,305,785	4,996,965
Franchise tax	1,059,412	1,123,485	1,080,496	1,057,233
Other tax	640,578	711,022	748,861	789,592
General intergovernmental revenue	78,281	123,200	335,031	242,592
Investment earnings	83,472	102,904	96,946	180,038
Miscellaneous	310,051	306,402	476,828	285,967
Transfers	(434,038)	(3,828,821)	(1,354,613)	(1,147,173)
Total governmental activities	18,970,132	16,696,827	20,920,301	23,086,781
Business-type activities :				
Investment earnings	67,613	91,010	80,639	148,545
Miscellaneous	151,050	-	116,372	108,397
Transfers	434,038	3,828,821	1,354,613	1,147,173
Total business-type activities	652,701	3,919,831	1,551,624	1,404,115
Total primary government	$ 19,622,833	$ 20,616,658	$ 22,471,925	$ 24,490,896
Extraordinary Item				
Governmental activities:				
Loss on impairment of assets	$ (150,161)	$ -	$ -	$ -
Total governmental activities	(150,161)	-	-	-
Business-type activities:				
Loss on impairment of assets	(1,821,826)	-	-	-
Total business-type activities	(1,821,826)	-	-	-
Total primary government	$ (1,971,987)	$ -	$ -	$ -
Change in Net Position				
Governmental activities	$ 3,892,012	$ 1,002,325	$ 4,205,822	$ 7,504,302
Business-type activities	3,499,418	10,785,132	6,529,005	15,162,808
Total primary government	$ 7,391,430	$ 11,787,457	$ 10,734,827	$ 22,667,110

Schedule 2
(Continued)

	Fiscal Year				
2017	2018	2019	2020	2021	2022
$ (20,623,250)	$ (23,100,339)	$ (25,559,674)	$ (28,596,929)	$ (26,969,336)	$ (25,196,772)
7,515,159	1,411,060	3,056,721	3,891,391	3,726,080	(610,895)
$ (13,108,091)	$ (21,689,279)	$ (22,502,953)	$ (24,705,538)	$ (23,243,256)	$ (25,807,667)
$ 4,420,751	$ 6,824,021	$ 6,710,297	$ 7,345,825	$ 7,561,309	$ 8,133,170
14,482,942	15,344,739	17,156,427	15,730,111	18,293,423	19,989,933
4,899,603	6,188,485	5,815,601	4,757,633	6,181,625	6,958,132
1,078,609	1,074,576	1,054,850	1,011,686	1,137,590	1,205,787
830,159	892,427	908,059	575,223	641,603	846,377
323,434	324,757	346,219	749,172	796,007	820,079
395,381	807,591	845,483	483,441	(34,452)	(48,999)
232,312	1,623,701	653,717	399,575	168,000	1,256,262
-	-	-	-	-	(827,159)
26,663,191	33,080,297	33,490,653	31,052,666	34,745,105	38,333,582
217,154	418,577	629,775	394,059	(28,163)	(135,926)
37,625	289,031	154,134	39,820	42,630	6,976,772
-	-	-	-	-	827,159
254,779	707,608	783,909	433,879	14,467	7,668,005
$ 26,917,970	$ 33,787,905	$ 34,274,562	$ 31,486,545	$ 34,759,572	$ 46,001,587
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -
$ 6,039,941	$ 9,979,958	$ 7,930,979	$ 2,455,737	$ 7,775,770	$ -
7,769,938	2,118,668	3,840,630	4,325,270	3,740,547	-
$ 13,809,879	$ 12,098,626	$ 11,771,609	$ 6,781,007	$ 11,516,317	$ -

City of Louisville, Colorado
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
General Fund				
Nonspendable	$ 70,552	$ 185,255	$ 166,746	$ 176,999
Restricted	761,218	933,822	868,162	906,269
Assigned	61,239	242,521	84,856	37,128
Unassigned	5,597,320	2,297,188	4,221,063	4,185,373
Total general fund	$ 6,490,329	$ 3,658,786	$ 5,340,827	$ 5,305,769
All Other Governmental Funds				
Nonspendable	$ 424,221	$ 456,256	$ 495,226	$ 515,002
Restricted	16,226,691	15,915,498	11,547,919	13,472,725
Committed	1,003,273	482,548	975,379	1,017,091
Total all other governmental funds	$ 17,654,185	$ 16,854,302	$ 13,018,524	$ 15,004,818

Notes:

Beginning in 2011, GASB 54 requires governmental fund balances to be reported as Nonspendable, Restricted, Assigned or Unassigned. See Note 1 (D)(10) to the Financial Statements for more information.

Schedule 3

Fiscal Year					
2017	2018	2019	2020	2021	2022
$ 188,058	$ 217,420	$ 227,281	$ 220,678	$ 278,284	$ 218,708
1,024,122	1,151,660	1,434,787	1,275,721	1,344,760	1,780,128
32,718	122,236	151,468	132,114	78,424	194,822
6,552,446	9,036,825	8,995,432	9,673,534	10,784,501	13,374,340
$ 7,797,344	$ 10,528,141	$ 10,808,968	$ 11,302,047	$ 12,485,969	$ 15,567,998
$ 554,242	$ 583,565	$ 605,777	$ 638,840	$ 667,226	$ 728,104
36,361,050	15,592,933	17,633,420	16,593,386	20,274,076	24,391,931
1,066,672	568,117	578,712	543,423	544,977	602,164
$ 37,981,964	$ 16,744,615	$ 18,817,909	$ 17,775,649	$ 21,486,279	$ 25,722,199

City of Louisville, Colorado
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2013	2014	2015	2016
Revenues				
Taxes (see Schedule 5)	$ 18,932,366	$ 19,993,142	$ 21,366,109	$ 23,525,357
Licenses, fees, and permits	2,048,937	1,559,270	2,543,167	3,022,262
Intergovernmental	1,396,933	2,106,687	2,724,897	3,761,617
Charges for services	1,849,629	1,853,787	1,911,923	2,118,401
Fines and forfeits	223,608	250,633	186,429	216,085
Miscelleneous	525,964	573,269	715,732	713,118
Total Revenues	24,977,437	26,336,788	29,448,257	33,356,840
Expenditures				
General government	3,313,222	3,699,717	4,108,467	5,231,446
Police	4,419,408	4,646,953	4,489,317	4,719,015
Public works	2,073,155	2,474,100	2,153,768	2,164,982
Planning and building safety	907,443	864,280	1,088,832	1,034,491
Library and museum services	1,499,791	1,616,093	1,722,929	1,725,600
Parks and recreation	3,954,617	4,504,585	4,920,439	5,251,441
Non-capitalized budget-basis capital	578,252	(34,864)	1,313,792	(1,186,096)
Net capital outlay	5,873,602	8,861,021	11,101,751	14,205,413
Bond issuance costs	-	55,500	-	50,690
Debt service:				
Principal	1,310,000	575,000	600,000	624,571
Interest	193,958	145,223	182,355	268,901
Total Expenditures	24,123,448	27,407,608	31,681,650	34,090,454
Excess of revenues over/(under) expenditures	853,989	(1,070,820)	(2,233,393)	(733,614)
Other Financing Sources (Uses)				
Developer Contributions	-	93,440	-	50,690
Sale of fixed assets	-	-	1,434,270	198,884
Leases	-	-	-	-
Bond Proceeds	-	750,000	-	3,750,000
Transfers in	1,403,663	8,122,666	2,322,182	2,594,694
Transfers out	(1,837,701)	(11,526,714)	(3,676,795)	(3,741,867)
Total other financing sources (uses)	(434,038)	(2,560,608)	79,657	2,852,401
Net change in fund balance	$ 419,951	$ (3,631,428)	$ (2,153,736)	$ 2,118,787
Debt service as a percentage of noncapital expenditures	8%	4%	4%	5%

Schedule 4

Fiscal Year					
2017	2018	2019	2020	2021	2022
$ 25,712,064	$ 30,324,248	$ 31,645,234	$ 29,420,478	$ 33,815,550	$ 37,133,399
2,157,688	3,179,469	2,274,649	1,952,521	1,805,889	3,896,141
1,852,349	2,303,700	2,399,393	5,394,875	4,135,243	8,228,636
2,101,946	1,926,519	3,245,234	1,261,338	2,302,993	2,827,554
210,719	185,850	157,594	92,763	73,066	57,456
2,216,779	2,982,699	2,991,166	1,163,708	689,806	1,202,048
34,251,545	40,902,485	42,713,270	39,285,683	42,822,547	53,345,234
5,954,152	6,033,320	7,199,311	7,176,281	7,778,818	8,891,025
4,872,387	5,198,678	5,585,633	5,706,525	5,863,711	6,965,610
2,311,041	2,508,849	2,903,101	2,822,089	2,991,019	3,603,158
1,299,734	1,449,280	1,264,924	1,129,974	1,107,958	1,664,599
1,850,154	1,886,042	2,148,636	1,917,411	1,923,976	2,286,278
5,202,260	5,401,798	7,193,927	6,211,145	6,945,696	8,019,001
609,581	1,590,337	1,440,317	2,628,422	670,564	7,554,417
13,875,610	31,905,120	10,539,775	10,047,940	8,186,614	3,972,214
192,839	-				
710,150	1,980,054	685,401	844,375	1,198,126	1,370,513
974,705	1,465,751	1,409,916	1,367,352	1,314,640	1,256,996
37,852,613	59,419,229	40,370,941	39,851,514	37,981,122	45,583,811
(3,601,068)	(18,516,744)	2,342,329	(565,831)	4,841,425	7,761,423
-	-	-	-	-	-
8,550	10,200	11,790	16,650	53,127	-
-	-	-	-	-	383,668
29,061,241	-	-	-	-	-
1,070,867	4,470,749	4,877,723	3,320,415	3,056,000	11,243,163
(1,070,867)	(4,470,749)	(4,877,723)	(3,320,415)	(3,056,000)	(12,070,322)
29,069,791	10,200	11,790	16,650	53,127	(443,491)
$ 25,468,723	$ (18,506,544)	$ 2,354,119	$ (549,181)	$ 4,894,552	$ 7,317,932
7%	13%	7%	7%	8%	6%

Schedule 5

City of Louisville, Colorado
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Use Tax	Franchise Tax	Lodging Tax	Bag Tax (1)	Other Tax	Total
2013	2,982,528	10,441,013	3,808,835	1,059,412	380,033	-	260,545	18,932,366
2014	3,187,825	11,230,542	3,740,268	1,123,485	428,075	-	282,947	19,993,142
2015	3,452,375	11,778,592	4,305,785	1,080,496	469,709	-	279,152	21,366,109
2016	4,089,516	12,592,051	4,996,965	1,057,233	500,223	-	289,369	23,525,357
2017	4,420,751	14,482,942	4,899,603	1,078,609	516,863	-	313,296	25,712,064
2018	6,824,020	15,344,740	6,188,485	1,074,576	472,526	-	419,902	30,324,249
2019	6,710,297	17,156,427	5,815,601	1,054,850	454,714	-	453,345	31,645,234
2020	7,345,825	15,730,111	4,757,633	1,011,686	182,557	-	392,666	29,420,478
2021	7,561,309	18,293,423	6,181,625	1,137,590	270,770	-	370,833	33,815,550
2022	8,133,170	19,989,933	6,958,132	1,205,787	294,568	187,982	363,827	37,133,399
Change								
2013-2022	172.69%	91.46%	82.68%	13.82%	-22.49%	100.00%	39.64%	96.14%

(1) - Bag Tax effective January 1, 2022

Schedule 6

City of Louisville, Colorado
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Assessed Commercial Property	Assessed Residential Property	Assessed Industrial Property	Assessed Other Property	Less: Assessed Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2013	165,615,716	211,996,360	48,186,748	30,562,660	51,619,426	456,361,484	6.710
2014	163,263,008	217,114,340	53,458,675	34,867,435	53,347,944	468,703,458	6.710
2015	189,273,194	258,166,377	65,034,365	36,289,151	54,855,584	548,763,087	6.710
2016	189,105,856	261,504,441	69,479,393	37,279,159	57,899,775	557,368,849	6.710
2017	230,079,499	291,465,506	92,644,272	40,406,751	59,235,150	654,596,028	6.710
2018	235,975,128	295,462,088	96,852,330	36,337,009	59,502,264	664,626,555	8.869
2019	259,538,751	323,921,794	109,380,132	24,515,305	64,208,564	717,355,982	7.934
2020	260,299,506	325,085,392	118,801,873	24,615,288	64,113,591	728,802,059	7.934
2021	260,199,617	362,932,012	143,115,493	30,245,719	65,869,934	796,492,841	7.934
2022	263,387,240	315,704,332	145,002,953	24,193,893	65,831,757	748,288,418	7.934

Fiscal Year	Actual Commercial Property	Actual Residential Property	Actual Industrial Property	Actual Other Property	Less: Actual Tax-Exempt Property	Total Taxable Actual Value
2013	571,092,200	2,663,271,227	166,161,227	105,388,468	188,020,573	3,505,913,122
2014	562,976,293	2,727,567,402	184,340,240	120,232,525	195,862,054	3,595,116,460
2015	652,666,286	3,243,296,319	224,256,493	125,135,007	203,443,038	4,245,354,105
2016	652,089,749	3,285,231,645	239,584,060	128,548,805	213,568,192	4,305,454,259
2017	793,378,331	4,048,132,056	319,462,591	139,333,646	218,961,202	5,300,306,624
2018	813,706,727	4,103,640,180	333,973,580	125,300,033	220,600,840	5,376,620,520
2019	894,963,795	4,524,545,605	377,173,639	84,535,542	261,484,159	5,881,218,581
2020	897,585,272	4,546,623,164	409,661,799	84,880,335	261,156,567	5,938,750,570
2021	897,240,165	5,075,966,901	493,501,391	104,295,579	270,870,329	6,571,004,036
2022	908,240,194	4,548,489,948	500,009,748	83,456,845	271,597,131	6,040,196,735

Source: Boulder County Assessor's Office - Breakdown by Class PDF

Schedule 7

City of Louisville, Colorado
Property Tax Rates and Tax Levies
Direct and Overlapping Governments
Last Ten Fiscal Years

Mill Levies

Levy Year	Collection Year	City of Louisville Operating	City of Louisville Debt Service	City of Louisville Total Direct	Boulder Valley Schools	Boulder County	Urban Drainage and Flood Control	Louisville Fire District	Northern Colorado Water	Total
2012	2013	5.184	1.526	6.710	45.547	24.645	0.599	6.686	1.000	85.187
2013	2014	5.184	1.526	6.710	45.372	25.120	0.608	6.686	1.000	85.496
2014	2015	5.184	1.526	6.710	47.569	24.794	0.632	6.686	1.000	87.391
2015	2016	5.184	1.526	6.710	45.814	22.624	0.553	6.686	1.000	83.387
2016	2017	5.184	1.526	6.710	48.961	24.064	0.559	6.686	1.000	87.980
2017	2018	5.184	3.685	8.869	47.780	22.726	0.500	6.686	1.000	87.561
2018	2019	5.184	2.750	7.934	48.967	24.026	0.726	6.686	1.000	89.339
2019	2020	5.184	2.750	7.934	48.359	23.473	0.900	10.586	1.000	92.252
2020	2021	5.184	2.750	7.934	48.393	24.771	0.900	10.586	1.000	93.584
2021	2022	5.184	2.750	7.934	47.944	24.250	0.900	10.586	1.000	92.614
2022	2023	5.184	2.750	7.934	51.070	24.746	0.900	10.586	1.000	96.236

Tax Levies

Levy Year	Collection Year	City of Louisville Operating	City of Louisville Debt Service	City of Louisville Total Direct	Boulder Valley Schools	Boulder County	Urban Drainage and Flood Control	Louisville Fire District (1)	Northern Colorado Water	Total
2012	2013	2,288,932	673,787	2,962,719	186,936,602	139,022,459	2,445,639	3,083,219	5,173,950	340,298,375
2013	2014	2,353,928	692,919	3,046,847	190,187,744	144,037,143	2,532,520	3,166,281	5,273,967	348,937,421
2014	2015	2,406,098	708,276	3,114,374	201,551,784	143,254,180	2,665,833	3,221,553	5,346,845	359,862,845
2015	2016	2,810,931	827,446	3,638,377	233,241,682	155,177,134	2,799,968	3,757,815	6,364,089	405,806,511
2016	2017	2,840,602	836,180	3,676,782	249,079,970	165,014,873	2,825,361	3,798,581	6,370,318	431,602,065
2017	2018	3,315,910	2,357,085	5,672,995	279,511,886	178,590,811	2,914,703	4,420,512	7,345,280	480,813,272
2018	2019	3,346,744	1,775,376	5,122,120	286,320,367	189,095,626	4,235,447	4,461,500	7,373,186	498,383,622
2019	2020	3,608,549	1,914,257	5,522,806	310,671,579	203,900,147	5,761,973	7,618,518	8,135,781	543,525,061
2020	2021	3,661,565	1,942,381	5,603,946	312,506,356	216,156,106	5,787,410	7,726,021	8,174,979	557,897,199
2021	2022	4,001,507	2,122,713	6,124,220	333,704,612	228,660,015	6,221,837	8,448,808	8,799,500	594,081,705
2022	2023	3,763,843	1,996,637	5,760,480	348,981,826	229,401,409	6,105,857	7,943,438	8,645,931	608,835,578

Notes:
Overlapping tax rates and levies exclude CTC Metro District and Takoda Metro District

Source: Boulder County Assessor's Office - Assessment Abstract Brochure PDF (Summary of Levies)

Schedule 8

City of Louisville, Colorado
Principal Property Tax Payers
Current Year and Ten Years Ago

Taxpayer	Type of Business	2013 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Conoco Phillips Company	Energy Training and R&D Center	$ 8,487,691	1	1.7%
FFI CO Coal Creek LLC (Medtronics)	Electromedical	7,370,959	2	1.5%
Neodata Services	Business Services	5,857,594	4	1.2%
Infinite Funding Company LLC	Commercial Real Estate	4,482,791	5	0.9%
Colorado Tech LLC	Technology	4,434,854	6	0.9%
Somerset Limited Partnership	Commercial Real Estate	4,381,842	7	0.9%
Boulder Road LLC	Unknown	3,883,303	8	0.8%
VTR Avista Mob LLC	Medical Offices	3,868,890	9	0.8%
Lexington Louisville LP	Commercial Real Estate	3,524,312	10	0.7%
	Totals	$ 46,292,236		9.1%

Taxpayer	Type of Business	2022 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
BPVIF V Holdings 1 LLC	Distribution Warehouse	$42,000,000	1	5.2%
RREF IV P Infinite Drive LLC	Engineering	19,000,000	2	2.3%
TFG West Century Drive Property LLC	Office	18,500,000	3	2.3%
SREIT 2000 Taylor Avenue LLC	Ind Flex	16,845,000	4	2.1%
TKG Louisville Colorado Development LLC	Discount Store	16,124,000	5	2.0%
TFG Coal Creek Property LLC	Office	15,769,000	6	1.9%
SREIT 633 CTC Boulevard LLC	Ind Flex	15,475,000	7	1.9%
SREIT 700 Tech Court LLC	Ind Flex	15,019,000	8	1.8%
SREIT 2035 Taylor Avenue LLC	Distribution Warehouse	14,800,000	9	1.8%
CTC Properties LLLP	Ind Flex	14,744,300	10	1.8%
	Totals	$ 188,276,300		23.1%

Source: Boulder County Assessor's Office

City of Louisville, Colorado
Property Tax Levies and Collections
Last Ten Fiscal Years

Levy Year	Collection Year	Total Tax Levy	Total Current Tax Collections	Urban Revitalization District Current Tax Collections	City of Louisville Current Tax Collections	Ratio of Current Tax Collections to Total Tax Levy	City of Louisville Delinquent Tax Collections (1)	City of Louisville Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy
2012	2013	2,962,719	2,979,244	64,110	2,915,134	98.39%	3,284	2,918,418	98.50%
2013	2014	3,046,847	3,184,802	191,316	2,993,486	98.25%	3,023	2,996,509	98.35%
2014	2015	3,114,374	3,446,293	390,988	3,055,305	98.10%	6,082	3,061,387	98.30%
2015	2016	3,638,377	4,074,323	529,979	3,544,344	97.42%	15,193	3,559,537	97.83%
2016	2017	3,676,782	4,420,031	795,640	3,624,391	98.58%	720	3,625,111	98.59%
2017	2018	5,672,995	6,820,706	1,259,070	5,561,636	98.04%	3,315	5,564,951	98.10%
2018	2019	5,122,120	6,689,517	1,648,038	5,041,479	98.43%	20,780	5,062,259	98.83%
2019	2020	5,522,806	7,345,825	1,904,547	5,441,278	98.52%	3,560	5,444,838	98.59%
2020	2021	5,603,946	7,561,309	2,052,703	5,508,606	98.30%	18,137	5,526,743	98.62%
2021	2022	6,124,220	8,133,170	2,154,828	5,978,342	97.62%	24,025	6,002,367	98.01%

Notes:
(1) Delinquent taxes reported by collection year because they are not available by levy year

City of Louisville

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City of Louisville, Colorado
Sales Taxes Collected by Category
Last Ten Fiscal Years

Category	Fiscal Year 2013	2014	2015	2016
Agriculture	$ 41,447	$ 48,617	$ 50,162	$ 56,291
Construction	47,163	56,161	70,909	124,420
Manufacturing	306,078	310,406	224,249	288,159
Trans/Comm/Utilities	1,432,477	1,503,040	1,423,508	1,521,106
Wholesale	172,867	271,459	286,022	255,073
Home Imrpovements Centers (1)	1,457,538	1,413,014	1,437,736	1,572,172
General Merchandise	901,844	938,333	986,553	960,576
Grocery Stores	2,068,412	2,359,905	2,786,992	2,973,998
Automotive	65,273	74,218	51,583	63,394
Apparel/Accessory	68,029	75,105	86,156	100,095
Furniture	227,122	235,225	288,810	298,700
Food/Beverage	1,862,344	1,981,287	2,108,628	2,287,270
Miscellaneous (2)	472,182	651,849	625,400	660,645
Financial/Insurance	267,178	278,582	332,522	373,260
Services	1,024,827	996,453	1,213,327	1,296,971
Total	$ 10,414,781	$ 11,193,654	$ 11,972,557	$ 12,832,130

Notes:
Amounts reported are gross and do not include BAPs (Business Assistance Payments)

Schedule 10

Fiscal Year					
2017	2018	2019	2020	2021	2022
$ 60,988	$ 64,350	$ 64,173	$ 66,577	$ 105,810	$ 114,933
32,411	6,891	-	-	-	-
761,684	711,077	950,415	711,751	975,595	1,307,161
1,482,100	1,473,217	1,988,948	1,568,118	1,576,177	1,762,198
290,646	393,942	348,083	412,031	571,639	712,722
1,719,927	2,107,438	2,104,158	2,424,799	2,708,793	2,692,373
1,149,950	1,324,738	1,946,922	2,344,968	3,080,305	3,137,964
3,195,006	3,297,739	3,279,991	3,707,830	3,647,969	3,462,274
70,895	81,151	74,535	81,068	93,698	159,025
111,505	115,857	139,292	141,620	193,303	219,436
288,334	321,916	356,020	364,024	445,810	533,114
2,438,032	2,723,132	2,790,461	2,133,527	2,802,708	2,962,734
540,800	691,978	-	-	-	-
389,265	504,075	497,317	439,322	459,803	845,161
1,420,146	1,499,690	1,546,310	1,225,305	1,592,730	2,014,237
$ 13,951,689	$ 15,317,191	$ 16,086,625	$ 15,620,940	$ 18,254,340	$ 19,923,332

Schedule 11

City of Louisville, Colorado
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	City of Louisville	County of Boulder	State of Colorado	Regional Transporation District	Cultural District	Football District	Total
2013	3.500%	0.800%	2.90%	1.00%	0.10%	0.00%	8.300%
2014	3.500%	0.800%	2.90%	1.00%	0.10%	0.00%	8.300%
2015	3.500%	0.985% (2)	2.90%	1.00%	0.10%	0.00%	8.485%
2016	3.500%	0.985%	2.90%	1.00%	0.10%	0.00%	8.485%
2017	3.500%	0.985%	2.90%	1.00%	0.10%	0.00%	8.485%
2018	3.650% (3)	0.985%	2.90%	1.00%	0.10%	0.00%	8.635%
2019	3.650%	0.985%	2.90%	1.00%	0.10%	0.00%	8.635%
2020	3.650%	0.985%	2.90%	1.00%	0.10%	0.00%	8.635%
2021	3.650%	0.985%	2.90%	1.00%	0.10%	0.00%	8.635%
2022	3.650%	0.985%	2.90%	1.00%	0.10%	0.00%	8.635%

Notes:
(1) The Football District tax expired January 1, 2012
(2) Flood Recovery Fund, effective 1/1/15 - 12/31/19
(3) City of Louisville Recreation Tax of 0.15%, effective January 1, 2018

City of Louisville
Sales Tax Revenue Payers by Industry
Current Year and Nine Years Ago

Taxpayer (1)	Fiscal Year 2013 Number of Filers	Fiscal Year 2013 Percent of Total	Fiscal Year 2013 Sales Tax Revenue	Fiscal Year 2013 Percent of Total	Fiscal Year 2022 Number of Filers	Fiscal Year 2022 Percent of Total	Fiscal Year 2022 Sales Tax Revenue	Fiscal Year 2022 Percent of Total
Agriculture	28	1.3%	$ 41,447	0.4%	44	1.1%	$ 114,933	0.6%
Construction (2)	126	5.8%	$ 47,163	0.5%	0	0.0%	-	0.0%
Manufacturing	188	8.7%	$ 306,078	2.9%	412	10.4%	1,307,161	6.6%
Trans/Comm/Utilities	153	7.1%	$ 1,432,477	13.8%	241	6.1%	1,762,198	8.8%
Wholesale	114	5.3%	$ 172,867	1.7%	260	6.6%	712,722	3.6%
Home Improvements	99	4.6%	$ 1,457,538	14.0%	442	11.2%	2,692,373	13.5%
General Merchandise	24	1.1%	$ 901,844	8.7%	715	18.1%	3,137,964	15.8%
Grocery Stores	47	2.2%	$ 2,068,412	19.9%	142	3.6%	3,462,274	17.4%
Automotive	5	0.2%	$ 65,273	0.6%	11	0.3%	159,025	0.8%
Apparel/Accessory	58	2.7%	$ 68,029	0.7%	153	3.9%	219,436	1.1%
Furniture	64	3.0%	$ 227,122	2.2%	144	3.7%	533,114	2.7%
Eating/Drinking	94	4.3%	$ 1,862,344	17.9%	125	3.2%	2,962,734	14.9%
Miscellaneous (3)	334	15.4%	$ 472,182	4.5%		0.0%	-	0.0%
Financial/Insurance	223	10.3%	$ 267,178	2.6%	302	7.7%	845,161	4.2%
Services	610	28.1%	$ 1,024,827	9.8%	954	24.2%	2,014,237	10.1%
Totals	2,167	100%	$ 10,414,781	100%	3,945	100.0%	$ 19,923,332	100%

Notes:

(1) Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

City of Louisville, Colorado
Ratios of Oustanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities				Business-type Activities			
Fiscal Year	General Obligation Bonds	Capital Leases	Sales Tax Refunding Revenue Bonds	URA Tax Increment Financing Bonds	General Obligation Bonds	Capital Leases	Water Bonds Payable	Windy Gap Lease Payments
2013	3,825,700	-	-	-	-	-	8,355,000	222,437
2014	3,248,737	-	-	750,000	-	-	7,725,000	171,813
2015	2,646,190	-	-	750,000	-	-	7,035,000	118,469
2016	2,023,642	91,229	-	4,500,000	-	1,075,950	6,330,000	-
2017	30,301,712	86,079	-	4,500,000	-	1,021,239	5,605,000	-
2018	28,248,541	81,023	-	4,500,000	-	965,311	4,860,000	-
2019	25,870,000	75,619	-	4,500,000	-	906,218	4,100,000	-
2020	25,165,000	69,613	-	4,366,631	-	843,275	3,315,000	-
2021	25,906,991	63,487	-	3,909,631	-	777,451	3,009,126	-
2022	25,068,141	57,123	-	3,319,631	-	708,723	2,151,501	-

Notes:
In 2015, the City incurred a new loan agreement with Colorado Water Resources & Power Development Authority
In 2015 and 2016, the City entered into lease purchase financing agreements with Alpine Bank
In 2017, the City issued general obligation bonds for the expansion of the Recreation and Aquatic Center

Business-type Activities							
Wastewater Revolving Loan	Stormwater Revolving Loan	Total Primary Government	Ratio of G.O. Bonds to Actual Property Value	Net G.O. Bonds Per Capita	Ratio of Total Debt Per Capita	Ratio of Total Debt to Personal Income
-	-	12,403,137	0.11	197	638	1.14
-	-	11,895,550	0.09	163	598	1.01
26,697,966	5,468,258	42,715,883	0.06	131	2,118	3.38
25,950,202	5,315,102	45,286,125	0.05	98	2,194	3.44
25,193,292	5,160,071	71,867,393	0.57	1,432	3,397	4.90
24,421,042	5,001,900	68,077,817	0.53	1,334	3,214	4.38
23,156,576	4,742,913	63,351,326	0.44	1,243	3,045	3.98
22,386,740	4,585,236	60,731,495	0.42	1,189	2,869	5.06
21,594,117	4,422,891	59,683,694	0.39	1,242	2,862	N/A
20,783,160	4,256,791	56,345,070	0.42	N/A	N/A	N/A

Schedule 14

City of Louisville, Colorado
Computation of Direct and Overlapping Bonded Debt
As of December 31, 2022

Jurisdiction (1)	Total Direct Debt Outstanding	Percentage Applicable to Louisville (2)	Amount Applicable to Louisville
Direct:			
City of Louisville	$ 28,444,895	100.00%	$ 28,444,895
Overlapping:			
Boulder Valley School District No. RE-2	726,425,000	10.63%	77,185,992
Colorado Tech Center Metropolitan District	2,250,000	100.00%	2,250,000
Colorado Tech Center Metropolitan Subdistrict	3,240,000	100.00%	3,240,000
Northern Colorado Water Conservancy District	87,478,671	8.40%	7,346,408
Takoda Metro District	10,055,000	100.00%	10,055,000
Subtotal Overlapping Debt	829,448,671		100,077,400
Total direct and overlapping debt	$ 857,893,566		$ 128,522,295

Notes:

(1) The following entities also overlap the City but have no general obligation debt outstanding: Louisville Fire District, Boulder County,and Urban Drainage & Flood Control District.

(2) Percentage Applicable to Louisville is Louisville's total assessed valuation as a percentage of the jurisdiction's total assessed valuation.

Sources: Individual taxing entities

City of Louisville

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City of Louisville, Colorado
Computation of Legal Debt Margin
Last Ten Fiscal Years

	Fiscal Year			
	2013	2014	2015	2016
Total estimated actual value	$ 3,569,232,380	$ 3,659,860,273	$ 4,308,600,376	$ 4,368,015,411
Debt limit: 3% of actual value	107,076,971	109,795,808	129,258,011	131,040,462
Total net amount of debt applicable to debt limit	3,825,700	3,248,737	2,646,190	2,023,642
Legal debt margin	$ 103,251,271	$ 106,547,071	$ 126,611,821	$ 129,016,820
Total net debt applicable to the limit as a percentage of debt limit	3.57%	2.96%	2.05%	1.54%

Schedule 15

Fiscal Year					
2017	**2018**	**2019**	**2020**	**2021**	**2022**
$ 5,367,852,321	$ 5,445,908,700	$ 5,951,945,351	$ 6,009,316,067	$ 6,640,692,687	$ 6,109,156,693
161,035,570	163,377,261	178,558,361	180,279,482	199,220,781	183,274,701
30,301,712	28,248,541	25,870,000	26,715,841	25,906,991	25,068,141
$ 130,733,858	$ 135,128,720	$ 152,688,361	$ 153,563,641	$ 173,313,790	$ 158,206,560
18.82%	17.29%	14.49%	14.82%	13.00%	13.68%

Schedule 16

City of Louisville, Colorado
Pledged Revenue Coverage
Last Ten Fiscal Years

	Water Revenue Bonds								
Fiscal Year	Operating Utility Revenue (1)	Tap Fees	Gross Utility Revenue (2)	Less: Operating Expenses (3)	Net Available Revenue	Debt Service Principal	Debt Service Interest	Total Debt Service	Coverage
2013 (4)	7,244,072	4,582,766	11,826,838	5,101,043	6,725,795	663,125	321,244	984,369	6.83
2014	7,729,463	2,750,563	10,480,026	5,130,470	5,349,556	680,625	251,655	932,280	5.74
2015 (5)	8,376,493	3,180,505	11,556,998	5,068,689	6,488,309	933,344	641,813	1,575,157	4.12
2016	10,026,149	8,466,452	18,492,601	5,568,648	12,923,953	1,626,045	830,479	2,456,524	5.26
2017	10,544,806	5,478,254	16,023,060	5,574,288	10,448,772	1,599,316	806,250	2,405,566	4.34
2018	11,426,991	1,877,860	13,304,851	7,103,890	6,200,961	1,637,796	785,700	2,423,496	2.56
2019	11,164,163	3,501,960	14,666,123	6,287,476	8,378,647	1,681,451	651,386	2,332,837	3.59
2020	12,430,151	2,649,536	15,079,687	7,104,089	7,975,598	1,712,513	738,999	2,451,512	3.25
2021	11,751,419	3,131,560	14,882,979	6,713,988	8,168,991	1,749,968	671,787	2,421,755	3.37
2022	11,133,458	2,447,046	13,580,504	9,654,381	3,926,123	1,797,056	627,900	2,424,956	1.62

Notes:
(1) Operating Utility Revenue = all operating revenue, interest earnings, and proceeds from asset sales
(2) Gross Utility Revenue = Operating Utility Revenue plus Tap Fees.
(3) Operating Expenses = total operating expenses exclusive of depreciation.
(4) The final payment on the 1992 Water Resources and Power Development Authority Note ocurred in 2012.
(5) Loan agreement with Colorado Water Resources & Power Development Authority occurred in 2015.

City of Louisville, Colorado
Principal Employers
Current Year and Nine Years Ago

2012

Company	Estimated Number of Employees (1)	Rank	Percentage of Total City Employment
Avista Adventist Hospital	590	1	4.8%
GHX	355	2	2.9%
City of Louisville	280	3	2.3%
Fresca Foods	255	4	2.1%
Medtronic	250	5	2.0%
Sierra Nevada Corp.	240	6	2.0%
Zayo	205	7	1.7%
Design Mechanical	200	8	1.6%
Gaiam	200	9	1.6%
Pearl Izumi	180	10	1.5%

2021

Company	Estimated Number of Employees (1)	Rank	Percentage of Total City Employment
Balfour Senior Living	645	1	3.9%
Avista Adventist Hospital	612	2	3.7%
City of Louisville	329	3	2.0%
Fresca Foods	313	4	1.9%
Global Healthcare Exchange	289	5	1.8%
Sierra Nevada Corporation	281	6	1.7%
Jumpcloud Inc	243	7	1.5%
Centennial Peaks Hospital	242	8	1.5%
Design Mechanical Inc	235	9	1.4%
Medtronic Navigation Inc	234	10	1.4%

Notes:
(1) Represents full-time, part-time and temporary employees.
2022 Estimated Number of Employees was not available at the time of schedul

City of Louisville, Colorado
Demographic and Economic Statistics,
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (thousands of dollars)	Per Capita Personal Income (2)	Median Age (1)	School Enrollment (3)	Unemployment Rate (4)
2013	19,455	1,085,200	55,780	36.9	30,134	5.2
2014	19,898	1,179,872	59,296	37.3	30,665	3.7
2015	20,167	1,264,168	62,685	37.6	30,951	2.9
2016	20,643	1,315,104	63,707	37.8	30,921	2.2
2017	21,154	1,465,930	69,298	38.0	31,129	2.6
2018	21,182	1,554,632	73,394	38.3	30,880	2.5
2019	20,806	1,592,221	76,527	38.0	30,718	2.0
2020	21,169	1,200,706	56,720	38.2	29,096	5.1
2021	20,855	1,304,564	62,554	42.8	29,018	2.7
2022	N/A	N/A	N/A	37.2	28,419	2.5

Notes:

(1) Colorado Department of Local Affairs - State Demography Office.
Population estimates are for the City of Louisville; Median Age estimates are for Boulder County.
Population estimates not available for 2022 at the time of schedule preparation.
(2) U.S. Department of Commerce, Bureau of Economic Analysis for Boulder County Metropolitan Statistical Area. Per Capital Personal Income not available for 2022 at the time of schedule preparation.
(3) Boulder Valley School District Enrollment Count.
(4) Bureau of Labor Statistics for Boulder County.

Schedule 19

City of Louisville, Colorado
Full-time/FTE City Government Employees by Function[1]
Last Ten Fiscal Years

	Fiscal Year									
	2013	2014	2015	2016	2017 (1)	2018	2019	2020	2021	2022
Function/Program:										
General government	26	26	29	31	39	41	42	41	43	49
Public safety	38	37	32	37	43	43	45	44	43	42
Public works	41	40	45	45	50	48	50	47	47	52
Culture and recreation (2)	35	41	47	46	102	99	123	97	105	113
Economic Development	1	1	1	1	1	1	1	1	1	2
Total	141	145	154	160	235	232	261	230	239	258

Notes:
(1) Amounts for 2008-2016 are full-time employee counts; Amounts beginning in 2017 are full-time equivalents (FTEs)
(2) Golf Course staffed by City employees commencing in 2015

City of Louisville, Colorado
Operating Indicators by Function/Program
Last Ten Fiscal Years

	Fiscal Year			
Function/Program	**2013**	**2014**	**2015**	**2016**
General government				
Building permits issued	1,205	1,249	1,332	1,513
Building inspections concluded	7,212	7,557	7,650	9,941
Police				
Physical arrests	341	238	169	304
Parking violations	217	315	417	526
Traffic violations	1,350	1,548	2,061	3,051
Other public works				
Street sweeping - miles per year	2,234	1,853	3,316	3,058
Potholes repaired	1,434	1,686	3,168	1,115
Snow and Ice - miles per year cleared	15,262	12,532	15,422	9,924
Square feet of buildings to maintain	148,933	155,033	186,700	187,800
Parks and recreation				
Attendance	270,980	278,603	286,966	271,478
Athletic field permits issued	26	29	31	33
Library				
Volumes in collection	88,885	86,814	90,842	90,521
Water				
New connections	40	87	58	84
Water main breaks	7	10	6	10
Average daily consumption	3,100,000	3,130,000	3,003,000	2,950,000
Peak daily consumption	7,500,000	7,900,000	7,087,000	6,756,000
Wastewater				
Average daily sewage treatment	1.70 MGD	1.83 MGD	1.96 MGD	1.79 MGD

Sources: Internally tracked departmental statistics

	Fiscal Year				
2017	**2018**	**2019**	**2020**	**2021**	**2022**
1,653	5,907	2,607	1,418	1,334	3,412
9,439	18,864	9,733	5,665	5,376	9,056
363	323	339	252	345	309
1,024	254	317	155	154	127
2,869	1,202	566	482	572	378
2,619	3,229	3,260	3,707	3,183	2,510
1,851	1,275	1,275	589	287	295
8,829	8,732	21,484	16,654	13,061	21,021
187,800	232,000	291,000	291,000	291,000	291,000
277,774	259,009	404,569	149,040	214,757	283,960
30	30	25	9	19	19
86,891	89,686	86,738	86,596	84,188	84,389
75	42	18	42	21	29
12	24	17	13	5	7
3,235,682	3,427,363	2,839,878	3,447,606	3,392,139	3,339,331
7,777,000	7,742,000	7,093,617	7,507,485	7,418,045	7,496,515
1.65 MGD	1.74 MGD	1.77 MGD	1.74 MGD	1.77 MGD	1.65 MGD

Schedule 21

City of Louisville, Colorado
Capital Assset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year 2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	17	17	18	18	19	22	26	26	30	30
Public Works										
Streets and Highways (miles)	87	88	88	88	88	88	88	88	88	88
Parks and recreation										
Parks Acreage	306	306	306	353	353	353	353	353	353	355
Acres of open space (includes jointly owned)	1,755	1,800	1,800	1,800	1,920	1,920	1,920	2,000	2,000	2,000
Playgrounds	14	14	14	14	14	14	14	12	14	14
Baseball/softball diamonds	11	11	11	11	11	11	11	11	11	10
Soccer/football fields	11	11	11	11	11	11	11	11	11	11
Community centers	2	2	2	2	2	2	2	2	2	2
Water										
Water mains (miles) (1)	125	122	122	118	119	119	119	127	129	130
Storage capacity (MGD)	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Treatment capacity (MGD)	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Wastewater										
Sanitary sewers (miles) (1)	89	88	88	88	88	89	89	93	93	93
Storm sewers (miles) (1)	40	41	41	39	39	43	43	58	58	66
Treatment capacity (MGD)	3.4	3.4	3.4	3.4	2.5	2.5	2.5	2.5	2.5	2.5

Notes:
(1) Beginning in 2011 amounts reported only include public miles

Source: Internally tracked departmental statistics

Compliance Section

Federal Awards Reports in Accordance with the Uniform Guidance
December 31, 2022

City of Louisville

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Louisville (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 26, 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.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

City of Louisville's Response to the Finding

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.

Eide Bailly LLP

Denver, Colorado
July 26, 2023

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

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

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

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

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

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a material weakness.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance 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.

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.

Eide Bailly LLP

Denver, Colorado
July 26, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-through Entity Identifying Number	2022 Federal Expenditures
U.S. Department of Justice			
Direct Program			
Bulletproof Vest Partnership Program	16.607	N/A	$ 4,976
Total Department of Justice			4,976
U.S. Department of Transportation			
Highway Planning and Construction Cluster:			
Pass through Colorado Department of Transportation			
Highway Planning and Construction (Quiet Zones)	20.205	STU-M825-013	27,771
Highway Planning and Construction (SH 42 Multimodal Study)	20.205	STU-M825-014	135,512
Highway Planning and Construction (Crossing Improvements)	20.205	STU-M825-016	19,119
Highway Planning and Construction (104th St.Trail Connection)	20.205	MTF M825-017	53,407
Total Highway Planning and Construction Cluster			235,809
Total U.S. Department of Transportation			235,809
Department of Treasury			
Departmental Offices			
Passed through Colorado Department of Local Affairs:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	*	5,232,097
Total Federal Financial Assistance			$ 5,472,882

* Pass-through number not available

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of the City of Louisville (the City) under programs of the federal government for the year ended December 31, 2022. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulation (CFR)* Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Note 3 - Indirect Cost Rate

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

Section I – Summary of Auditor's Results

FINANCIAL STATEMENTS

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

FEDERAL AWARDS

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

Identification of major programs:

Name of Federal Program	Federal Financial Assistance Listing
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027

Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

2022-001: Financial Statement Preparation
Material Weakness

Criteria:	Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. The City's significant accounting policies indicates recognition of deferred inflows of resources from grants (intergovernmental revenue) should be recognized when grant expenditures have been incurred.
Condition:	Based on audit procedures performed as of December 31, 2022, we identified the following: • Deferred inflows of resources and revenue for the ARPA fund was not recognized when earned (grant expenditures were incurred) as of December 31, 2022 resulting in a material audit adjustment • Accounts receivable and deferred inflows of resources were understated for the accrual of property taxes as of December 31, 2022. This was immaterial to the Urban Revitalization District fund.
Cause:	The City did not have adequate internal controls to ensure appropriate revenue recognition and measurement of property tax receivables in accordance with their established policies and U.S. GAAP.
Effect:	An adjustment was made to the ARPA Fund as Deferred Inflows of Resources were overstated by $2,616,048 and grant revenue was understated by $2,616,048.
Recommendation:	We recommend the City enhance internal controls to ensure appropriate revenue recognition and measurement of property tax receivable in accordance with established policies and U.S. GAAP.
Views of Responsible Officials:	*Agree*

Section III – Federal Award Findings and Questioned Costs

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

Management's Response to Auditor's Findings:
Summary of Prior Audit Findings and
Corrective Action Plan
December 31, 2022

Prepared by Management of

CITY OF LOUISVILLE

Finding 2021-001

U.S. Department of Federal Highway

Highway Planning and Construction Cluster

CFDA #20.205

Initial Fiscal Year Finding Occurred: 2021

Finding Summary:	**Financial Statement and Schedule of Expenditures of Federal Awards (SEFA) Preparation and Reconciliation Controls** In connection with competing their audit of the City of Louisville's (the "City") December 31, 2021 financial statements, Eide Bailly LLP proposed material audit adjustments that may not have been identified because of our existing controls and, therefore, could have resulted in a material misstatement of our financial statements. The Code of Federal Regulations section 200.508 (b) states the schedule of expenditures of Federal awards must include the total Federal awards expended in the reporting year. Eide Bailly, LLP noted that the City reported the total amount expended in 2021 related to the Highway Planning cluster which included the City's share of the program instead of only including the federal portion of the expenditures. The City's financial statement reconciliation controls failed to prevent, or detect on a timely basis, material errors in the preparation of the financial statements. In addition, grant staff were not aware of the requirements for reporting only federal expenditures on the SEFA.
Responsible Individuals:	Ryder Bailey, Finance Director

Finding 2021-001

U.S. Department of Federal Highway

Highway Planning and Construction Cluster

CFDA #20.205

Finding Summary:	**Financial Statement and Schedule of Expenditures of Federal Awards (SEFA) Preparation and Reconciliation Controls** In connection with competing their audit of the City of Louisville's (the "City") December 31, 2021 financial statements, Eide Bailly LLP proposed material audit adjustments that may not have been identified because of our existing controls and, therefore, could have resulted in a material misstatement of our financial statements.
Responsible Individuals:	Ryder Bailey, Finance Director
Corrective Action Plan:	Management has reviewed and agrees with Eide Bailly LLP's recommendations (a) that the City revisit how cash and equivalents are defined within policies and financial statement disclosures and (b) when preparing the SEFA, the City should ensure that only the federal portion of projects funded with federal grants are included as required in the Code of Federal Regulations when preparing a SEFA. We plan to improve internal control controls and dedicate resources to train Finance staff involved in preparing financial statements in accordance with accounting principles generally accepted in the United States of America with specific focus on the preparation of financial statements prepared for governmental entities. To improve internal controls, we plan to add another level of review of the annual financial statements prepared by Finance Staff.
Anticipated Completion Date:	Corrected and Ongoing.

Management's Response to Auditor's Findings:
Corrective Action Plan
December 31, 2022

Prepared by Management of

CITY OF LOUISVILLE

City of Louisville
COLORADO ▪ SINCE 1878

Finding 2022-001

Finding Summary:	**Financial Statement Preparation Material Weakness** In connection with competing their audit of the City of Louisville's (the "City") December 31, 2022 financial statements, Eide Bailly LLP proposed material audit adjustments that may not have been identified because of our existing controls and, therefore, could have resulted in a material misstatement of our financial statements.
Responsible Individuals:	Ryder Bailey, Finance Director
Corrective Action Plan:	Management has reviewed and agrees with Eide Bailly LLP's recommendations that the City enhance internal controls to ensure appropriate revenue recognition and measurement of property tax receivables in accordance with established policies and U.S. GAAP. We plan to improve internal control controls and dedicate resources to train Finance staff involved in preparing financial statements in accordance with accounting principles generally accepted in the United States of America with specific focus on the preparation of financial statements prepared for governmental entities. To improve internal controls, we plan to add another level of review of the annual financial statements prepared by Finance Staff.
Anticipated Completion Date:	Ongoing

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

Form Approved
OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT		City or County: Louisville
		YEAR ENDING : December 2022
This Information From The Records Of (City of Louisville):	Prepared By: Phone:	Beth Ried

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	5,146,454
3. Other local imposts (from page 2)	4,500,351
4. Miscellaneous local receipts (from page 2)	128,824
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	9,775,629
B. Private Contributions	
C. Receipts from State government (from page 2)	800,181
D. Receipts from Federal Government (from page 2)	235,809
E. Total receipts (A.7 + B + C + D)	10,811,619

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	7,060,833
2. Maintenance:	1,351,443
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	404,207
c. Other	
d. Total (a. through c.)	404,207
4. General administration & miscellaneous	384,037
5. Highway law enforcement and safety	2,665,157
6. Total (1 through 5)	11,865,677
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	11,865,677

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
	10,811,619	11,865,677		(1,054,058)

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2022

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	3,900,969	a. Interest on investments	0
b. Other local imposts:		b. Traffic Fines & Penalities	52,805
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	316,881	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	282,501	g. Other Misc. Receipts	76,019
6. Total (1. through 5.)	599,382	h. Other	
c. Total (a. + b.)	4,500,351	i. Total (a. through h.)	128,824
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	621,995	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	68,058	d. Federal Transit Admin	
d. Other (Specify) - CDOT Grant	110,128	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal (Quiet Zone, SH42, SBR, 10	235,809
f. Total (a. through e.)	178,186	g. Total (a. through f.)	235,809
4. Total (1. + 2. + 3.f)	800,181	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs	394,008		394,008
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements	0		0
(3). System Preservation	4,478,780		4,478,780
(4). System Enhancement & Operation	2,188,045		2,188,045
(5). Total Construction (1) + (2) + (3) + (4)	6,666,825	0	6,666,825
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	7,060,833	0	7,060,833
			(Carry forward to page 1)

Notes and Comments:

FORM FHWA-536