

City of
Louisville

COLORADO • SINCE 1878



Annual Comprehensive Financial Report
FOR THE YEAR ENDED DECEMBER 31, 2025



Annual Comprehensive Financial Report

For the Year Ended December 31, 2025

Prepared by the Finance Department

City of Louisville, Colorado
Annual Comprehensive Financial Report
For the Year Ended December 31, 2024
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June 15, 2026

Citizens, Mayor Leh, 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, 2025. 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 of choice.

Louisville is located in the Denver metropolitan region, east of the City of Boulder and northwest of Denver. Louisville has an incorporated area of approximately 7.9 square miles and a population of approximately 20,000. 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.

MAJOR INITIATIVES IN 2025

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 2025:

- Advanced the design of major capital projects including the "Front and Center Project", which is the first phase of the Downtown Vision Plan, the South Street Underpass to provide a safe underpass crossing at Highway 42 and South Street, and the first phase of the City's Decarbonization Plan.
- Made significant progress towards adopting a comprehensive plan update to help the City understand and plan for community needs, desires and economic trends.
- Completed two new playgrounds at Enclave and Sunflower Parks, which were selected as a 2026 Starburst Award winner by the Colorado Lottery to honor exceptional projects that utilize lottery funds for community and conservation efforts.
- Police Department – Created a Police Statistics Dashboard for the public to view monthly statistics for calls for service, traffic stops, case reports, and property-related incidents.
- Library – Completed a "refresh" of the library and received the Colorado Association of Libraries Innovative Spaces Award for "The Hallow" which is a space designed by teens for teens.
- Implemented on-site and on-demand R/V dump site access.
- Revised and updated Citywide Purchasing Policy to enhance operational efficiencies and adherence to Federal Procurement compliance.
- Reinstated City's Tax Audit Program, yielding nearly \$4M in additional revenue to support City Core and Quality of Life Services.

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. An annual audit of City Finances is required by Louisville City Charter, see Section 3.04.120 as well as state statute (C.R.S. § 29-1-601). 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, 2025. 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, 2024. This was the thirty-fifth 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 2025-2026 biennium. This was the thirty-sixth 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,

Diana Langley

Diana Langley
City Manager

Ryder Bailey

Ryder Bailey, CPA
Director of Finance



Government Finance Officers Association

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

Presented to

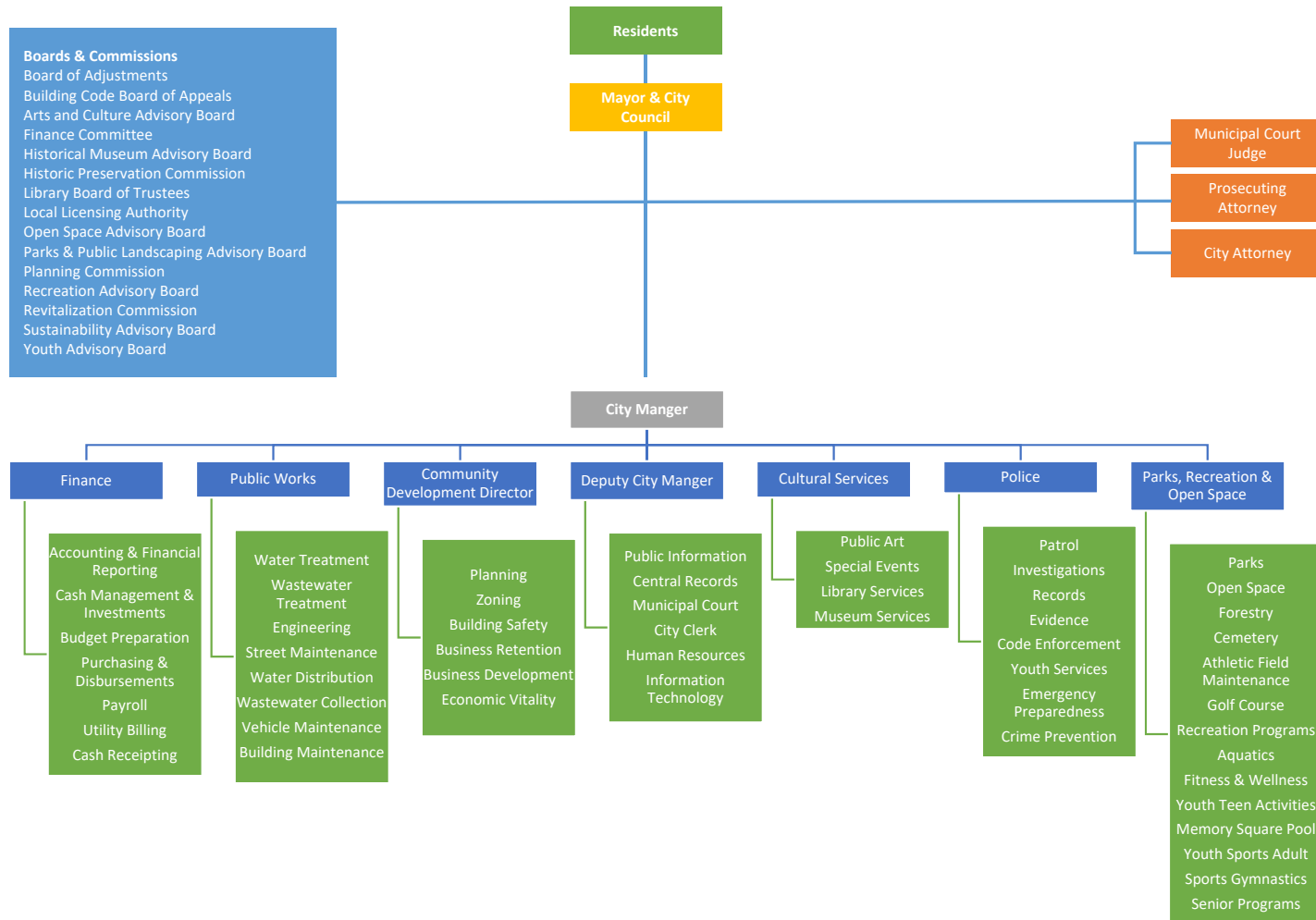
**City of Louisville
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrell

Executive Director/CEO



**City of Louisville, Colorado
Directory of City Officials
December 31, 2025**

Mayor

Chris Leh

City Council

Ward I..... Caleb Dickinson, Josh Cooperman
Ward II..... Deb Fahey, Judi Kern
Ward III..... Barbara Hamlington, Dietrich Hoefner

Appointed Officials

City Manager..... Diana Langley
City Attorney..... Kelly PC
Municipal Judge David Thrower
Prosecuting Attorney..... Tricia McCarthy

Department Directors

Chief of Police Rafael Gutierrez
City Clerk..... Genny Kline
Deputy City Manager..... Samma Fox
Director of Finance Ryder Bailey
Director of Human Resources Jeff Monzingo
Director of Information Technology Paulina Bennett
Director of Cultural Services..... Brandi Cummings
Director of Parks, Recreation & Open Space Adam Blackmore
Director of Community Development..... Rob Zuccaro
Director of Public Works..... Kurt Kowar



Financial Section



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, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

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 for the General Fund and major special revenue funds 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, and other budgetary schedules 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, and other budgetary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, 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.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Denver, Colorado
June 3, 2026

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, 2025. 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 \$377.7 million (net position). This total is divided between Governmental Activities of \$216.3 million and Business-type Activities of \$161.4 million. Of this amount, \$49.2 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's governmental activities' net position increased by 8.7% or \$17.2 million. The City's business-type activities, net position increased by \$5.4 million, or 3.5%.
- The City's total long-term debt, including leases payable, subscriptions payable, compensated absences payable and the Urban Revitalization District debt, decreased by \$4.5 million to \$47.5 million.
- The City's deferred inflows of resources increased \$0.8 million primarily related to property taxes assessed in 2025 and due in 2026. More details on how property taxes are levied and revenue is recognized are provided in Note 4 following the Basic Financial Statements.
- The City's Governmental Activities show revenues of \$62.7 million. The largest revenue source is sales, use and other taxes (\$35.1M) followed by property tax (\$8.6M), grants and contributions (\$7.2M), charges for services (\$6.7M), and investment earnings (\$2.7M). Charges for services consists of fees charged to residents, developers and visitors who use City facilities, City services, or to defray the cost development impacts on the community (\$4.2M, 62.8%), license, permits and inspection fees (\$2.2M, 32.3%), fines and forfeitures (\$184K, 2.1%), and other miscellaneous charges (\$142K, 2.1%).
- The Governmental expenses were \$45.5 million. More details are provided in the Government-wide Financial Analysis section.
- The City's Business-type Activities show revenues of \$24.6 million. The largest revenue source is charges for services (\$18.5M) followed by contributions (\$3.9M). Contributions are payments for connections to the City's water and sewer systems (\$3.9M, 100%).
- The Business-type expenses were \$19.2 million. More details are provided in the Government-wide Financial Analysis section.
- The total fund balance for the General Fund increased by \$1.2 million (6.7%) from the previous year. City Council policy requires the General Fund to maintain a total fund balance at an amount equal to 15% of the current operating expenditures. Additionally, the City maintains the Taxpayer Bill of Rights (TABOR) reserve per State Statute, \$1.3M for the year ended December 31, 2025.

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 1

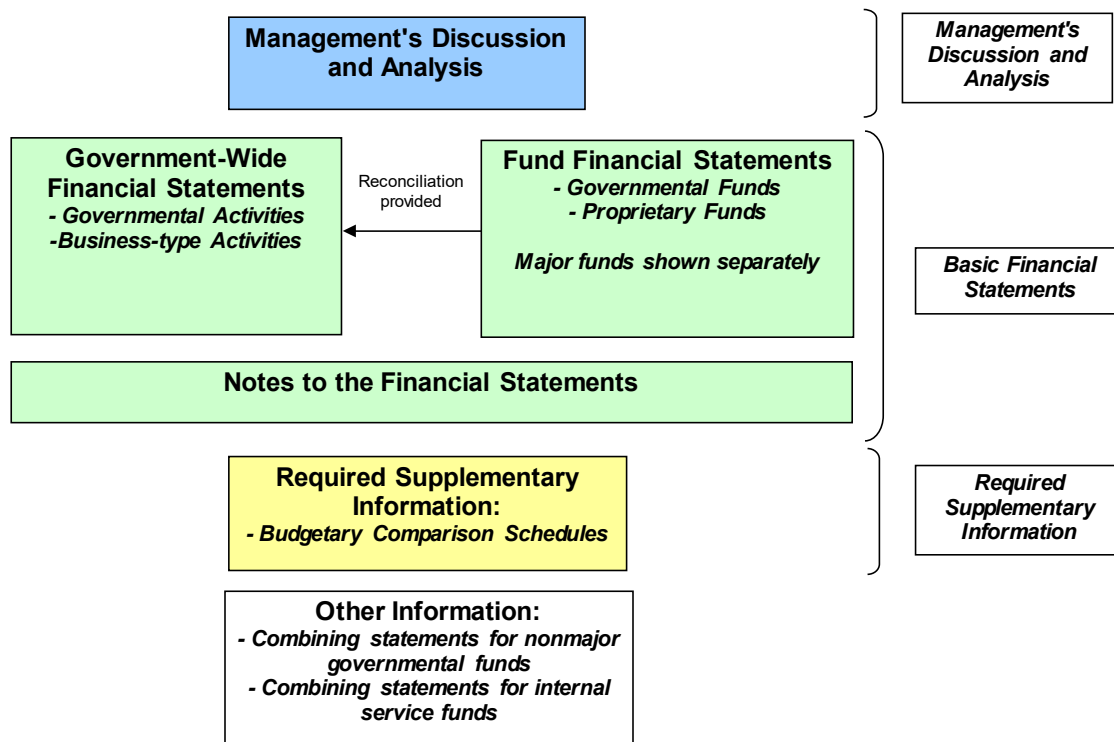


Figure 2 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the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

Figure 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 and Technology Management Funds. These funds are reported with governmental activities in the government-wide financial statements.

Government-Wide Financial Analysis

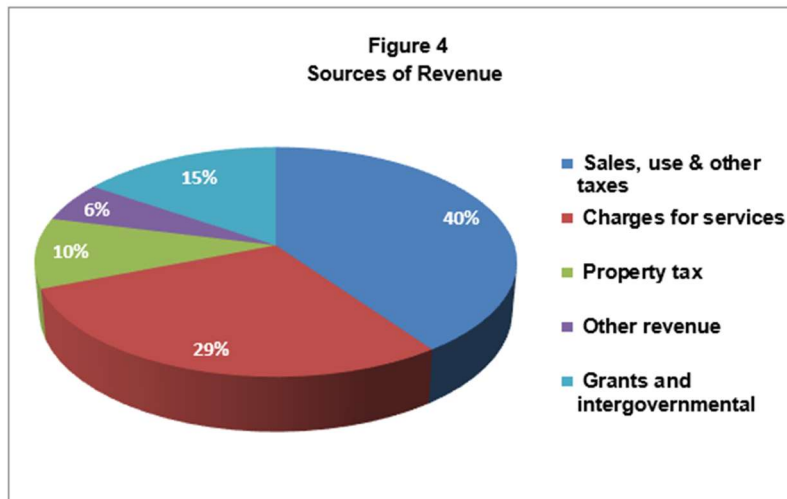
Net Position

As of December 31, 2025, the City's assets and deferred outflow of resources exceeded its liabilities and deferred inflow of resources by \$377.7 million (Figure 3). This amounts to an increase in combined net position of \$22.7 million, or 6.4%, from 2024 to 2025. The largest portion of the City's net position (74.6%) 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.

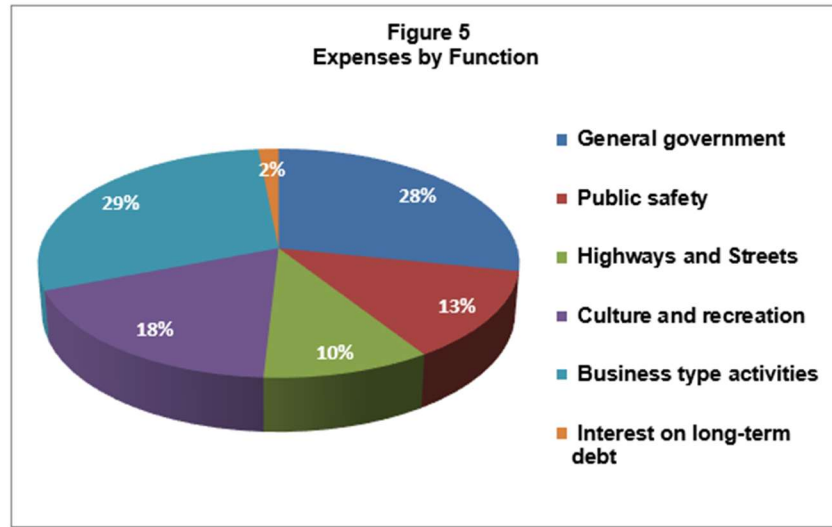
Figure 3
Schedule of Net Position

	Governmental Activities		Business-type Activities		Total		% Of Change
	2025	2024	2025	2024	2025	2024	
Current & Other Assets	\$ 82,455,712	\$ 74,614,412	\$ 33,852,762	\$ 36,290,943	\$ 116,308,474	\$ 110,905,355	4.9%
Capital Assets - Net	174,150,000	166,077,541	152,378,089	147,185,610	326,528,089	313,263,151	4.2%
Total Assets	256,605,712	240,691,953	186,230,851	183,476,553	442,836,563	424,168,506	4.4%
Long-Term Debt Outstanding	25,067,417	27,612,181	22,412,648	24,402,999	47,480,065	52,015,180	-8.7%
Other Liabilities	4,746,391	4,451,320	1,822,222	2,392,440	6,568,613	6,843,760	-4.0%
Total Liabilities	29,813,808	32,063,501	24,234,870	26,795,439	54,048,678	58,858,940	-8.2%
Deferred Inflows of Resources	10,470,571	9,544,668	638,946	762,704	11,109,517	10,307,372	7.8%
Total Deferred Inflows of Resources	10,470,571	9,544,668	638,946	762,704	11,109,517	10,307,372	7.8%
Net Position:							
Net Investment in Capital Assets	151,230,795	141,607,325	130,472,923	123,939,158	281,703,718	265,546,483	6.1%
Restricted	46,645,613	42,627,281	134,724	131,853	46,780,337	42,759,134	9.4%
Unrestricted	18,444,925	14,849,178	30,749,388	31,847,399	49,194,313	46,696,577	5.3%
Total Net Position	\$ 216,321,333	\$ 199,083,784	\$ 161,357,035	\$ 155,918,410	\$ 377,678,368	\$ 355,002,194	6.4%

Sales and use tax are the City's largest revenue source, they 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. See Figure 4 below.



The City's largest expenses come from business activities that include water, wastewater, storm water, solid waste, and golf course services. See Figure 5 below.



Changes in Net Position

Figure 6 presents the changes in net position for 2025 compared with 2024:

**Figure 6
Changes in Net Position**

	Governmental Activities		Business-type Activities		Total		% Of Change
	2025	2024	2025	2024	2025	2024	
Revenues:							
Program Revenues:							
Charges for Services	\$ 6,676,001	\$ 8,624,639	\$ 18,504,063	\$ 18,072,131	\$ 25,180,064	\$ 26,696,770	-5.7%
Operating Grants & Contributions	1,819,017	3,392,681	571,027	-	2,390,044	3,392,681	-29.6%
Capital Grants & Contributions	7,192,299	2,468,233	3,945,993	3,472,672	11,138,292	5,940,905	87.5%
General Revenues:							
Sales, Use & Other Taxes	35,127,452	33,810,391	-	-	35,127,452	33,810,391	3.9%
Property Taxes	8,646,289	8,809,018	-	-	8,646,289	8,809,018	-1.8%
Investment Earnings	2,742,553	2,571,684	1,365,159	1,403,213	4,107,712	3,974,897	3.3%
Other	531,989	274,061	263,361	475,076	795,350	749,137	6.2%
Total Revenues	62,735,600	59,950,707	24,649,603	23,423,092	87,385,203	83,373,799	4.8%
Expenses:							
General Government	18,146,090	18,907,812	-	-	18,146,090	18,907,812	-4.0%
Public Safety	8,173,029	7,865,976	-	-	8,173,029	7,865,976	3.9%
Highways and Streets	6,437,991	7,816,891	-	-	6,437,991	7,816,891	-17.6%
Culture & Recreation	11,752,953	11,246,741	-	-	11,752,953	11,246,741	4.5%
Interest on Long-Term Debt	987,988	1,124,000	-	-	987,988	1,124,000	-12.1%
Consolidated Utility	-	-	13,858,497	12,785,378	13,858,497	12,785,378	8.4%
Golf	-	-	3,066,361	3,130,669	3,066,361	3,130,669	-2.1%
Solid Waste & Recycling	-	-	2,286,120	1,874,347	2,286,120	1,874,347	22.0%
Total Expenses	45,498,051	46,961,420	19,210,978	17,790,394	64,709,029	64,751,814	-0.1%
Increase in net position	17,237,549	12,989,287	5,438,625	5,632,698	22,676,174	18,621,985	21.8%
Beginning Net Position	199,083,784	186,094,497	155,918,410	150,285,712	355,002,194	336,380,209	5.5%
Ending Net Position	\$ 216,321,333	\$ 199,083,784	\$ 161,357,035	\$ 155,918,410	\$ 377,678,368	\$ 355,002,194	6.4%

Governmental Activities increased the City's net position by \$17.2 million (8.7%), largely due to a significant increase in capital grants and contributions (\$4.7M), sales and use taxes (\$1.3M). This increase was offset by significant reductions in Charges and Services, specifically Licenses and

Permits (\$2.0M, a significant portion of Charges for Services) and Operating Grants (\$1.6M), primarily due to the slowdown of recovery projects post Marshall Fire disaster.

Business-type activities increased the City's net position by \$5.4M, accounting for 24.0% of the total growth in the government's net position. Revenues increased \$1.2M (5.2%) due to an increase in charges for services (\$432K), an increase in operating grants & contributions (\$571K) and capital grants & contributions (\$473K), offset by a decrease in other revenue (\$212k) and investment earnings (\$38k). Expenses increased \$1.4M (8.0%) in 2025 compared to 2024 due to increasing costs to provide services, including personnel costs.

Financial Analysis of Funds

As the City completed the year, its governmental funds reported a *combined* fund balance of \$64.8 million, an increase of \$6.8 million (11.8%). Some items to be noted within the various funds are:

- The *General Fund* balance increased by \$1.2 million to \$18.6 million during 2025. The primary reason for this increase was due to an increase in sales and use taxes and intergovernmental revenues which more than offset the large decrease in license and permit revenue. Expenditures increased \$2.2M (8.9%), primarily due to an increase in capital outlay.
- The *Recreation Fund* balance increased by \$1.1 million to \$6.9 million during 2025. The increase is primarily related to better than anticipated user revenues and the continued transfer of funds from other funds as expenditures were in excess of revenues. The Recreation Fund receives annual recurring support transfers from the General Fund and Capital Fund.
- The *Urban Revitalization District Fund* balance decreased by \$0.2 million to \$3.2 million during 2025. The decrease is due to a \$400K transfer out to the Capital Fund for the Front & Center Project.
- The *Capital Projects Fund* balance increased by \$4.6 million to \$25.0 million during 2025. The increase is primarily due to significantly less than anticipated spending on capital outlay. However, spending on most of these projects will continue in 2026 and beyond until completion.

Capital Asset and Debt Administration

Capital Assets

At the end of 2025, the City held \$326.5 million (Figure 7), net of accumulated depreciation in a broad range of capital assets, including land, water rights, streets, and utility infrastructure. More detailed information on capital asset activity can be found in the notes to the financial statements, *Note 6: Capital assets*.

Figure 7
Capital Assets

	Governmental Activities		Business-type Activities		Total		Total % Of Change
	2025	2024	2025	2024	2025	2024	
Land, Easements, & CIP	\$ 39,142,302	\$ 37,723,169	\$ 15,417,359	\$ 15,491,602	\$ 54,559,661	\$ 53,214,771	2.5%
Water Rights	120,000	120,000	34,000,784	34,000,784	34,120,784	34,120,784	0.0%
Buildings	45,398,929	42,694,550	5,292,666	5,449,455	50,691,595	48,144,005	5.3%
Infrastructure	83,367,894	79,784,175	89,997,089	84,984,347	173,364,983	164,768,522	5.2%
Machinery & Equipment	5,436,075	5,215,553	7,670,191	7,259,422	13,106,266	12,474,975	5.1%
Right to Use Lease	204,659	256,912	-	-	204,659	256,912	-20.3%
Right to Use Subscription	480,141	283,182	-	-	480,141	283,182	69.6%
Total	\$ 174,150,000	\$ 166,077,541	\$ 152,378,089	\$ 147,185,610	\$ 326,528,089	\$ 313,263,151	4.2%

Long-term Debt

The City's outstanding debt decreased \$4.7 million in 2025 compared with 2024. 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
Outstanding Debt

	Governmental Activities		Business-type Activities		Total		Total % Of Change
	2025	2024	2025	2024	2025	2024	
General Obligation Bonds	\$ 22,366,591	\$ 23,300,441	\$ -	\$ -	\$ 22,366,591	\$ 23,300,441	-4.0%
Revenue Bonds & Notes	-	-	21,419,116	23,389,847	21,419,116	23,389,847	-8.4%
Tax Increment Financing Bonds	-	1,753,631	-	-	-	1,753,631	-100.0%
Leases	228,370	280,070	-	-	228,370	280,070	-18.5%
Subscriptions	287,588	161,996	-	-	287,588	161,996	77.5%
Financed Purchase - Solar	36,656	43,724	486,050	561,980	522,706	605,704	-13.7%
Total	\$ 22,919,205	\$ 25,539,862	\$ 21,905,166	\$ 23,951,827	\$ 44,824,371	\$ 49,491,689	-9.4%

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, 2025.

Limitations on Debt

The State of Colorado limits the amount of general obligation debt the City can issue up to 3 percent of the actual value of all taxable property within the City's corporate limits. The 2025 debt limit was \$287.3 million. In contrast, the City currently has only \$22.9 million in outstanding debt applicable to the debt limit.

Economic Factors and Next Year's Budgets and Rates

- Inflation in the Denver metro area increased 2.3% in 2025. The Colorado Legislative Council's forecast for 2026 inflation in the Denver metro area is 2.6% with economic growth expected to continue at a moderate pace and unemployment will remain low but slowly increasing throughout the coming year.
- City staff project tax growth will moderate in 2026 and expect sales tax to increase 2.9% during 2026.
- Property tax revenue is the product of the assessed valuation and the mill levy. Assessed valuation has increased steadily over the past several years due to overall property value increases and new construction in the City. 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 increased to 8.869 mills due to a new debt service mill levy on the 2017 General Obligation Recreation Center bonds. In 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 for 2024 (2025 collection year) was again (as done the prior year) temporarily reduced by City Council from 7.934 to 6.559, or by 17%, to offset the impacts of increased assessed property values.

- 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. As Marshall Fire rebuilding nears completion, this revenue source returned to normal levels, as staff expected in 2025.

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.



Basic Financial Statements

Statement of Net Position
December 31, 2025

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
Assets			
Pooled Cash and Investments	\$ 63,962,680	\$ 30,993,524	\$ 94,956,204
Restricted Cash and Investments	-	134,724	134,724
Receivables:			
Taxes	13,287,158	-	13,287,158
Other	377,345	1,286,240	1,663,585
Interest	470,241	227,047	697,288
Intergovernmental	2,802,573	448,748	3,251,321
Lease	1,241,268	693,260	1,934,528
Inventories	17,455	66,646	84,101
Prepaid Expenses	296,992	2,573	299,565
Capital Assets, not Being Depreciated	39,262,302	49,418,143	88,680,445
Capital Assets, Net of Accumulated Depreciation	134,887,698	102,959,946	237,847,644
Total Assets	256,605,712	186,230,851	442,836,563
Liabilities			
Accounts Payable	2,201,373	1,070,218	3,271,591
Deposits	1,355,146	-	1,355,146
Retainage Payable	5,532	-	5,532
Accrued Liabilities	1,184,340	752,004	1,936,344
Noncurrent Liabilities:			
Due within one year	1,312,191	2,088,047	3,400,238
Due in more than one year	23,755,226	20,324,601	44,079,827
Total Liabilities	29,813,808	24,234,870	54,048,678
Deferred Inflows of Resources			
Deferred Revenue - Property Taxes	9,290,262	-	9,290,262
Deferred Revenue - Lease Related	1,180,309	638,946	1,819,255
Total Deferred Inflows of Resources	10,470,571	638,946	11,109,517
Net Position			
Net Investment in Capital Assets	151,230,795	130,472,923	281,703,718
Restricted			
Cemetery Care	963,842	-	963,842
Emergency Reserves (TABOR)	1,322,005	-	1,322,005
Parks, Open Space, & Recreation	12,534,380	-	12,534,380
Capital Improvements	25,009,374	134,724	25,144,098
Urban Renewal Improvements	3,219,541	-	3,219,541
Historic Preservation	3,119,467	-	3,119,467
Grants	25,157	-	25,157
Debt Service	451,847	-	451,847
Unrestricted	18,444,925	30,749,388	49,194,313
Total Net Position	\$ 216,321,333	\$ 161,357,035	\$ 377,678,368

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

Statement of Activities
For the year ended December 31, 2025

Function/Program	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position		
		Charges for services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental:							
General Government	\$ 15,610,351	\$ 246,180	\$ 243,185	\$ 640,457	\$ (14,480,529)	\$ -	\$ (14,480,529)
Planning and Building Safety	2,535,739	1,757,745	5,711	-	(772,283)	-	(772,283)
Public Safety	8,173,029	180,115	224,655	-	(7,768,259)	-	(7,768,259)
Highways and Streets	6,437,991	147,185	772,985	5,519,723	1,902	-	1,902
Culture and Recreation	11,752,953	4,344,776	572,481	1,032,119	(5,803,577)	-	(5,803,577)
Interest on long-term debt	987,988	-	-	-	(987,988)	-	(987,988)
Total Governmental Activities	45,498,051	6,676,001	1,819,017	7,192,299	(29,810,734)	-	(29,810,734)
Business-Type Activities:							
Consolidated Utility	13,858,497	13,579,898	571,027	3,945,993	-	4,238,421	4,238,421
Golf	3,066,361	2,646,211	-	-	-	(420,150)	(420,150)
Solid Waste & Recycling	2,286,120	2,277,954	-	-	-	(8,166)	(8,166)
Total Business-Type Activities	19,210,978	18,504,063	571,027	3,945,993	-	3,810,105	3,810,105
Total Primary Government	\$ 64,709,029	\$ 25,180,064	\$ 2,390,044	\$ 11,138,292	\$ (29,810,734)	\$ 3,810,105	\$ (26,000,629)
General Revenue							
Property Taxes					8,646,289	-	8,646,289
Sales & Use Taxes					32,179,077	-	32,179,077
Other Taxes					2,948,375	-	2,948,375
Gain Sales of Assets					34,058	-	34,058
Investment Earnings					2,742,553	1,365,159	4,107,712
Miscellaneous					497,931	263,361	761,292
Total General Revenue					47,048,283	1,628,520	48,676,803
Change in Net Position					17,237,549	5,438,625	22,676,174
Net Position, Beginning of Year					199,083,784	155,918,410	355,002,194
Net Position, End of Year					\$ 216,321,333	\$ 161,357,035	\$ 377,678,368

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

**Governmental Funds
Balance Sheet
December 31, 2025**

				Major Capital Project Fund		
	General Fund	Recreation Fund	Urban Revitalization	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and Investments	\$ 18,022,977	\$ 6,982,239	\$ 3,407,822	\$ 24,287,861	\$ 10,685,454	\$ 63,386,353
Receivables:						
Taxes	7,747,438	146,973	2,385,530	947,009	2,060,208	13,287,158
Other	334,383	-	-	-	42,962	377,345
Interest	132,272	52,298	28,193	171,862	81,422	466,047
Intergovernmental	1,191,824	-	-	1,610,749	-	2,802,573
Lease	583,643	-	-	328,813	328,812	1,241,268
Inventories	17,455	-	-	-	-	17,455
Prepaid Items	288,861	4,563	-	-	3,568	296,992
Total Assets	28,318,853	7,186,073	5,821,545	27,346,294	13,202,426	81,875,191
Liabilities						
Accounts Payable	441,082	109,426	216,474	1,276,051	158,340	2,201,373
Deposits	1,355,146	-	-	-	-	1,355,146
Retainage Payable	-	-	-	5,532	-	5,532
Accrued Liabilities	835,254	194,625	-	22,203	132,258	1,184,340
Total Liabilities	2,631,482	304,051	216,474	1,303,786	290,598	4,746,391
Deferred Inflows of Resources						
Deferred Revenue - Property Taxes	5,457,254	-	2,385,530	-	1,447,478	9,290,262
Deferred Revenue - Grants	1,053,966	-	-	730,646	40,081	1,824,693
Deferred Revenue - Lease	575,333	-	-	302,488	302,488	1,180,309
Total Deferred Inflows	7,086,553	-	2,385,530	1,033,134	1,790,047	12,295,264
Fund Balances						
Nonspendable						
Inventories	17,455	-	-	-	-	17,455
Prepays	288,861	4,563	-	-	3,568	296,992
Cemetery Care	-	-	-	-	963,842	963,842
Restricted						
Emergency Reserves (TABOR)	1,322,005	-	-	-	-	1,322,005
Parks, Open Space, & Recreation	-	6,877,459	-	-	5,656,921	12,534,380
Capital Improvements	-	-	-	25,009,374	-	25,009,374
Urban Renewal Improvements	-	-	3,219,541	-	-	3,219,541
Historic Preservation	-	-	-	-	3,119,467	3,119,467
Grants	25,157	-	-	-	-	25,157
Bag Tax	416,937	-	-	-	-	416,937
Debt Service	-	-	-	-	451,847	451,847
Committed						
Public Access Television	-	-	-	-	29,639	29,639
Public Parking Improvements	-	-	-	-	154,430	154,430
Development Impact Capital	-	-	-	-	423,265	423,265
Cemetery Maintenance & Capital	-	-	-	-	318,802	318,802
Unassigned	16,530,403	-	-	-	-	16,530,403
Total Fund Balances	18,600,818	6,882,022	3,219,541	25,009,374	11,121,781	64,833,536
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 28,318,853	\$ 7,186,073	\$ 5,821,545	\$ 27,346,294	\$ 13,202,426	\$ 81,875,191

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

**Reconciliation of Total Governmental Funds Balances to Statement of Net Position
December 31, 2025**

Total Fund Balances - Governmental Funds		\$ 64,833,536
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, right to use leased assets, and right to use subscriptions used in governmental activities are not current financial resources and, therefore, are not reported in the fund financial statements, but are reported in the governmental activities of the statement of net position.

Governmental capital assets	290,924,066	
Less: Accumulated depreciation	<u>(118,475,929)</u>	172,448,137

Other long-term assets that are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	1,824,693
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Long-term liabilities including bonds, leases, and subscriptions payable, premium on bonds payable, finance purchase, and compensated absences are not due and payable in the current period and are not included in the fund financial statements but are in the governmental activities in the statement of net position.

Bonds	(21,185,000)	
Premium on Bonds Payable	(1,181,591)	
Leases	(228,370)	
Subscriptions	(287,588)	
Financed Purchase	(36,656)	
Compensated Absences	<u>(2,148,212)</u>	(25,067,417)

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 liability of the internal service funds are included in the governmental activities in the statement of net position.	2,282,384
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Total Net Position - Governmental Activities		<u>\$ 216,321,333</u>
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Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
For the year ended December 31, 2025

				Major Capital Project Fund		
	General Fund	Recreation Fund	Urban Revitalization	Capital Projects	Other Governmental	Total Governmental Funds
Revenues						
Taxes:						
Property	\$ 4,977,129	\$ -	\$ 2,351,698	\$ -	\$ 1,317,462	\$ 8,646,289
Sales and Use	16,607,321	1,284,308	-	8,934,767	5,352,681	32,179,077
Franchise	1,262,752	-	-	-	-	1,262,752
Lodging	431,746	-	-	-	-	431,746
Bag	162,015	-	-	-	-	162,015
Other	1,091,862	-	-	-	-	1,091,862
Licenses and Permits	1,649,018	-	-	-	505,674	2,154,692
Intergovernmental	2,050,460	79,758	-	2,860,049	508,979	5,499,246
Charges for Services	180,022	3,910,928	36,759	17,000	49,914	4,194,623
Fines and Forfeitures	184,136	-	-	-	-	184,136
Investment Earnings	764,111	301,723	191,447	944,654	512,848	2,714,783
Miscellaneous	273,909	73,271	-	67,649	82,250	497,079
Total Revenues	29,634,481	5,649,988	2,579,904	12,824,119	8,329,808	59,018,300
Expenditures						
Current:						
General Government	7,189,990	-	391,437	511,277	4,848,268	12,940,972
Community Design	2,531,847	-	-	-	-	2,531,847
Public Safety & Justice	7,572,315	-	-	-	-	7,572,315
Transportation	2,555,170	-	-	-	-	2,555,170
Parks	80,556	5,456,938	-	-	-	5,537,494
Cultural Services	3,135,783	-	-	-	-	3,135,783
Economic Prosperity	417,500	-	-	-	-	417,500
Capital Outlay	2,866,653	393,521	102,899	8,575,974	2,029,232	13,968,279
Debt service:						
Principal	220,830	-	1,753,631	-	860,000	2,834,461
Interest	16,168	-	90,020	-	881,800	987,988
Total Expenditures	26,586,812	5,850,459	2,337,987	9,087,251	8,619,300	52,481,809
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,047,669	(200,471)	241,917	3,736,868	(289,492)	6,536,491
Other Financing Sources (Uses)						
Insurance Proceeds	852	-	-	-	-	852
Sale of Assets	690	-	-	-	11,489	12,179
Right to Use Subscriptions	287,588	-	-	-	-	287,588
Transfers In	314,155	1,464,900	-	976,056	1,191,400	3,946,511
Transfers Out	(2,481,000)	(200,000)	(417,390)	(158,200)	(689,921)	(3,946,511)
Total Other Financing Sources (Uses)	(1,877,715)	1,264,900	(417,390)	817,856	512,968	300,619
Net Change in Fund Balance	1,169,954	1,064,429	(175,473)	4,554,724	223,476	6,837,110
Fund Balance - Beginning	17,430,864	5,817,593	3,395,014	20,454,650	10,898,305	57,996,426
Fund Balance - Ending	\$ 18,600,818	\$ 6,882,022	\$ 3,219,541	\$ 25,009,374	\$ 11,121,781	\$ 64,833,536

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

**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, 2025**

Net Change in Fund Balances - Governmental Funds **\$ 6,837,110**

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

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation or amortization expense.

Capital outlay in the current year that was capitalized	12,995,618	
Depreciation	<u>(8,487,149)</u>	4,508,469

The net effect of various miscellaneous transactions involving capital assets (i.e. dispositions, contributions) is to increase net position.		3,656,118
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Under the modified accrual basis of accounting used in the governmental funds, revenues are recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, revenues are reported when earned regardless of availability.		(150,030)
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The issuance and repayment of principal on long-term debt (e.g. bonds, leases, subscriptions) consumes the current financial resources of the governmental funds. These transactions have no effect on the statement of activities.

Issuances of IT subscriptions	(287,588)	
Premium Amortized	73,850	
Repayment of principal	<u>2,834,461</u>	2,620,723

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, expenses and liabilities are reported regardless of when financial resources are available.

Adjustment to compensated absences		(75,959)
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Internal service funds are used by management to charge the costs of certain activities, such as fleet and computer replacement to individual funds. The aggregate net change of the internal service funds is reported with governmental activities.		<u>(158,882)</u>
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Change in Net Position - Governmental Activities **\$ 17,237,549**

**Proprietary Funds
Statement of Net Position
December 31, 2025**

	Consolidated Utility	Golf Course	Solid Waste & Recycling	Total	Internal Service Funds
Assets					
Current Assets:					
Pooled Cash and Investments	\$ 28,852,385	\$ 1,910,635	\$ 230,504	\$ 30,993,524	\$ 576,327
Restricted Cash	134,724	-	-	134,724	-
Receivables					
Interest	211,442	13,928	1,677	227,047	4,194
Accounts Receivable	891,401	-	394,839	1,286,240	-
Grants	448,748	-	-	448,748	-
Leases	693,260	-	-	693,260	-
Inventories	-	66,646	-	66,646	-
Prepaid Expenses	626	1,947	-	2,573	-
Total Current Assets	<u>31,232,586</u>	<u>1,993,156</u>	<u>627,020</u>	<u>33,852,762</u>	<u>580,521</u>
Noncurrent Assets:					
Capital Assets, Net of Accum. Depr.	146,015,633	6,362,456	-	152,378,089	1,701,863
Total Noncurrent Assets	<u>146,015,633</u>	<u>6,362,456</u>	<u>-</u>	<u>152,378,089</u>	<u>1,701,863</u>
Total Assets	<u>\$ 177,248,219</u>	<u>\$ 8,355,612</u>	<u>\$ 627,020</u>	<u>\$ 186,230,851</u>	<u>\$ 2,282,384</u>
Liabilities					
Current Liabilities:					
Accounts Payable	790,985	9,236	269,997	1,070,218	-
Accrued Liabilities Payable	482,696	265,453	3,855	752,004	-
Compensated Absences Payable	26,775	13,171	652	40,598	-
Bonds, Notes and Leases Payable	<u>2,047,449</u>	<u>-</u>	<u>-</u>	<u>2,047,449</u>	<u>-</u>
Total Current Liabilities	<u>3,347,905</u>	<u>287,860</u>	<u>274,504</u>	<u>3,910,269</u>	<u>-</u>
Long-term Liabilities					
Compensated Absences Payable	307,918	151,469	7,497	466,884	-
Bonds, Notes and Leases Payable	<u>19,857,717</u>	<u>-</u>	<u>-</u>	<u>19,857,717</u>	<u>-</u>
Total Long-Term Liabilities	<u>20,165,635</u>	<u>151,469</u>	<u>7,497</u>	<u>20,324,601</u>	<u>-</u>
Total Liabilities	<u>23,513,540</u>	<u>439,329</u>	<u>282,001</u>	<u>24,234,870</u>	<u>-</u>
Deferred Inflows of Resources					
Deferred revenue - lease	638,946	-	-	638,946	-
Total Deferred Inflows of Resources	<u>638,946</u>	<u>-</u>	<u>-</u>	<u>638,946</u>	<u>-</u>
Net Position					
Net Investment in Capital Assets	124,110,467	6,362,456	-	130,472,923	1,701,863
Restricted	134,724	-	-	134,724	-
Unrestricted	<u>28,850,542</u>	<u>1,553,827</u>	<u>345,019</u>	<u>30,749,388</u>	<u>580,521</u>
Total Net Position	<u>\$ 153,095,733</u>	<u>\$ 7,916,283</u>	<u>\$ 345,019</u>	<u>\$ 161,357,035</u>	<u>\$ 2,282,384</u>

The accompanying notes are an integral part of this statement.

Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the year ended December 31, 2025

	Enterprise Funds				Internal Service Funds
	Consolidated Utility	Golf Course	Solid Waste & Recycling	Total	
Operating Revenue					
Intergovernmental	\$ 64,026	\$ 507,001	\$ -	\$ 571,027	\$ 142,550
Charges for Services	13,579,898	2,646,211	2,277,954	18,504,063	-
Miscellaneous	254,094	9,267	-	263,361	-
Total Operating Revenue	13,898,018	3,162,479	2,277,954	19,338,451	142,550
Operating Expenses					
Cost of Sales and Services	7,557,955	2,592,714	2,286,120	12,436,789	35,487
Administration	1,619,514	173,874	-	1,793,388	-
Depreciation and Amortization	4,190,250	299,773	-	4,490,023	321,576
Total Operating Expenses	13,367,719	3,066,361	2,286,120	18,720,200	357,063
Operating Income (Loss)	530,299	96,118	(8,166)	618,251	(214,513)
Nonoperating Revenues (Expenses)					
Investment Income	1,272,094	82,273	10,792	1,365,159	27,770
Interest Expense	(498,711)	-	-	(498,711)	-
Amortization of Bond Premium	37,625	-	-	37,625	-
Loss on Disposal of Assets	(29,692)	-	-	(29,692)	27,861
Total Nonoperating Revenues (Expenses)	781,316	82,273	10,792	874,381	55,631
Change in Net Position Before Contributions	1,311,615	178,391	2,626	1,492,632	(158,882)
Capital Contributions - Tap Fees and Other	3,945,993	-	-	3,945,993	-
Change in Net Position	5,257,608	178,391	2,626	5,438,625	(158,882)
Net Position January 1	147,838,125	7,737,892	342,393	155,918,410	2,441,266
Net Position December 31	\$ 153,095,733	\$ 7,916,283	\$ 345,019	\$ 161,357,035	\$ 2,282,384

The accompanying notes are an integral part of this statement.

**Proprietary Funds
Statement of Cash Flows
For the year ended December 31, 2025**

	Enterprise Funds				Internal Service Funds
	Consolidated Utility	Golf Course	Solid Waste & Recycling	Total	
Cash Flows from Operating Activities					
Receipts from Customers and Users	\$ 14,862,094	\$ 3,171,704	\$ 2,238,372	\$ 20,272,170	\$ 146,243
Payments to Suppliers	(4,694,611)	(1,016,970)	(2,165,925)	(7,877,506)	(37,042)
Payments to Employees	(5,071,932)	(1,851,990)	(93,715)	(7,017,637)	-
Net Cash Provided (Used) by Operating Activities	5,095,551	302,744	(21,268)	5,377,027	109,201
Cash Flows from Capital and Related Financing Activities					
Capital Contributions	3,945,993	-	-	3,945,993	-
Proceeds from Sale of Capital Assets	8,803	-	-	8,803	34,315
Capital Grants	64,026	-	-	64,026	-
Purchases of Capital Assets	(7,244,160)	-	-	(7,244,160)	(401,159)
Principal Paid on Debt	(2,009,036)	-	-	(2,009,036)	-
Interest Paid on Debt	(498,711)	-	-	(498,711)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(5,733,085)	-	-	(5,733,085)	(366,844)
Cash Flows from Investing Activities					
Interest Earnings	1,060,652	80,596	9,115	1,150,363	23,576
Decrease (Increase) in Equity in Pooled Investments	(3,404,731)	(351,936)	9,253	(3,747,414)	216,385
Net Cash Provided (Used) by Investing Activities	(2,344,079)	(271,340)	18,368	(2,597,051)	239,961
Net Increase (Decrease) in Cash and Cash Equivalents	(2,981,613)	31,404	(2,900)	(2,953,109)	(17,682)
Cash and Cash Equivalents, January 1	11,104,958	506,251	67,797	11,679,006	179,946
Cash and Cash Equivalents, December 31	<u>\$ 8,123,345</u>	<u>\$ 537,655</u>	<u>\$ 64,897</u>	<u>\$ 8,725,897</u>	<u>\$ 162,264</u>
Reconciliation of Cash and Cash Equivalents to Statement of Net Position:					
Unrestricted Cash and Cash Equivalents	\$ 8,123,345	\$ 537,655	\$ 64,897	\$ 8,725,897	\$ 162,264
Restricted Cash and Cash Equivalents	134,724	-	-	134,724	-
Unrestricted Investments	20,729,040	1,372,980	165,607	22,267,627	414,063
Total Cash and Investments	<u>\$ 28,987,109</u>	<u>\$ 1,910,635</u>	<u>\$ 230,504</u>	<u>\$ 31,128,248</u>	<u>\$ 576,327</u>
Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities					
Operating Income (Loss)	530,299	96,118	(8,166)	618,251	(214,513)
Adjustments to reconcile operating income to net cash					
Depreciation and Amortization Expense	4,190,250	299,773	-	4,490,023	321,576
Change in Assets and Liabilities					
Receivables	964,076	9,225	(39,582)	933,719	3,693
Inventories	-	(24,727)	-	(24,727)	-
Prepaid Expenses	(626)	(1,947)	-	(2,573)	-
Compensated Absences	35,815	20,255	240	56,310	-
Accounts Payable & Other	(624,263)	(95,953)	26,240	(693,976)	(1,555)
Net Cash from Operating Activities	<u>\$ 5,095,551</u>	<u>\$ 302,744</u>	<u>\$ (21,268)</u>	<u>\$ 5,377,027</u>	<u>\$ 109,201</u>

The accompanying notes are an integral part of this statement.



Notes to the Financial Statements

City of Louisville
Notes to the Financial Statements
December 31, 2025

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.

City of Louisville
Notes to the Financial Statements
December 31, 2025

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 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.

City of Louisville
Notes to the Financial Statements
December 31, 2025

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 *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 *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.

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, and the solid waste enterprise funds are charges to customers for sales and services. The principal operating revenue of the internal service funds are charges to other City funds. 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.

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 1: Summary of significant accounting policies (continued)

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

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.

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.

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 1: Summary of significant accounting policies (continued)

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

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.

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.

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
Subscription-Based Info. Tech. Arrangements (SBITA)	3 – 10

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 1: Summary of significant accounting policies (continued)

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

7. Right to Use 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 for 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 non-cancelable 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.

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 non-cancelable 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.

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 1: Summary of significant accounting policies (continued)

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

7. Right to Use Leases (continued)

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.

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, 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 method, which approximates the effective interest method. Bond premiums and discounts are presented as an increase in or reduction from the face amount of bonds payable. Bond issuance costs are expensed as incurred.

10. Deferred outflows/inflows of resources

Deferred outflows of resources represent a consumption of net assets 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 assets 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 the current year for recognition in the coming year, such as sales taxes licenses. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 1: Summary of significant accounting policies (continued)

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

10. 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:

Nonspendable, such as fund balance associated with inventories, prepaid expenditures, and long-term loans and notes receivable.

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.

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.

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, 2025, the City Council has not authorized any official to assign fund balance other than through the execution of purchase orders.

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.

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, December 21, 2021, and May 7, 2024, the City established a reserve policy in which the General Fund, Open Space Fund, 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.

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 1: Summary of significant accounting policies (continued)

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

11. Fund balances (continued)

In compliance with GASB 54, the City has reported fund balance at December 31, 2025 in the following manner:

Nonspendable: The City maintains an inventory of fuel for various vehicles and equipment (\$17,455). The City has prepaid various amounts in 2025 that will be recorded as expenditures in 2026 (\$296,992). The total equity within the Cemetery Perpetual Care Fund, a Permanent Fund, is non-spendable (\$963,842).

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 \$1,322,005 at December 31, 2025. The total equity within Open Space Fund and Parks Fund is restricted by voter approval to acquisition and maintenance of open space and parks. The total equity in the Recreation Fund 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 is restricted by State law to certain eligible expenditures, such as acquisition, maintenance, and development of conservation sites. The total equity within the Capital Projects Fund is restricted by voter approval for general capital improvements. The total equity within the Urban Revitalization District Fund is restricted to improvements within the district or services related to district operations. The total equity in the Historic Preservation Fund is restricted by voter approval for historic preservation purposes. The General Fund has SCFD funds that are restricted by agreement for use at the Louisville History Museum. The total equity in the Recreation Center Debt Service Fund is restricted by voter approval for debt service on the 2017 General Obligation Recreation Center Bonds.

Committed: The total equity within the PEG Fees Fund is committed by Council action to capital outlay for public access television. The total equity in the Parking Improvement Fund is committed by Council action to public parking improvements. The total equity within the Impact Fee Fund is committed by Council action for specific growth-related capital projects. The total equity within the Cemetery Fund is committed by Council action to cemetery maintenance and improvements.

12. Net Investment in Capital Assets

Description	Governmental Activities	Business-Type Activities	Total
Capital assets	\$ 295,132,457	\$ 221,133,556	\$ 516,266,013
Accumulated depreciation	(120,982,457)	(68,755,467)	(189,737,924)
Capital related borrowings	(21,737,614)	(21,566,540)	(43,304,154)
Unamortized original issue premiums	(1,181,591)	(338,626)	(1,520,217)
Net investment in capital assets	\$ 151,230,795	\$ 130,472,923	\$ 281,703,718

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 1: Summary of significant accounting policies (continued)

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

13. 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.

14. 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.

E. Accounting Pronouncements

As of January 1, 2025, the City has adopted GASB Statement No. 102, Certain Risk Disclosures. The Statement requires disclosure of information about vulnerabilities due to certain concentrations or constraints that could affect the City's financial condition. There were no additional disclosures required as a result of this implementation.

This report does not incorporate GASB Statement No. 103, Financial Reporting Model Improvements, Statement No. 104, Disclosure of Certain Capital Assets, nor Statement No. 105, Subsequent Events. Statements No. 103 and No. 104 are effective for the City's fiscal year ending December 31, 2026, and Statement No. 105 is effective for the City's fiscal year ending December 31, 2027. City management will continue to evaluate the possible impact on the financial statements and incorporate these pronouncements when required.

Note 2: Stewardship, compliance, and accountability

A. Budgetary information

Budgets for 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.

City of Louisville
Notes to the Financial Statements
December 31, 2025

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

A. Budgetary information (continued)

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 3: Deposits and investments

A. Cash and deposits

As of December 31, 2025, the summary of the carrying values of deposits and investments is as follows:

Description	Amount
Petty cash	\$ 4,615
Deposits	4,769,022
Investments at fair value	90,317,291
	<u>\$ 95,090,928</u>

Deposits include \$134,724 of restricted cash on deposit with the Urban Drainage & Flood Control 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’s carrying balance at December 31, 2025, was \$4,769,022, the bank balance was \$4,895,164 of which \$250,000 was covered by the FDIC and the remainder was covered by collateralized deposits under PDPA.

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:

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 3: Deposits and investments (continued)

B. Investments (continued)

- 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.
- 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, 2025, the City's investments are categorized as follows:

Account Description	Ratings	Maturity		Total
		< 1 Year	1-5 Years	
LGIP - CSAFE	AAAm S&P	\$ 809,300	\$ -	\$ 809,300
LGIP - COLOTRUST	AAAm S&P	21,289,898	-	21,289,898
U.S. Gov't Securities	AA+/stable S&P	26,183,806	40,035,182	66,218,988
Corporate Securities	A1+ S&P	1,999,105	-	1,999,105
Total Investments		\$ 50,282,109	\$ 40,035,182	\$ 90,317,291

Local Government Investment Pools (LGIP's) – At December 31, 2025, the City had \$809,300 invested in the Colorado Surplus Asset Fund Trust (CSAFE) and \$21,289,898 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.

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 3: Deposits and investments (continued)

B. Investments (continued)

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.

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, 2025, (excluding LGIP’s) the City’s investments in US Treasury securities represented 88% of total investments, Federal Farm Credit Bank securities represented 6% of total investments, Federal Home Loan Bank securities represented 3% of total investments, short-term corporate securities represented 3% of total investments, Freddie Mac securities represented 0% of total investments, and Fannie Mae securities represented 0% 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	\$ 66,218,988	\$66,218,988	\$ -	\$ -
Corporate Securities	1,999,105	-	1,999,105	-
Total USGS & CP	68,218,093	<u>\$66,218,988</u>	<u>\$ 1,999,105</u>	<u>\$ -</u>
LGIP - CSAFE (at cost)	809,300			
LGIP - COLOTRUST (at NAV)	21,289,898			
Total	<u>\$ 90,317,291</u>			

City of Louisville
Notes to the Financial Statements
December 31, 2025

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, 2025.

C. Leases

As of December 31, 2025, the City had five active leases. In January 2021, the City entered into a 120-month lease as lessor for the use of 1501 Empire Road. The lessee is required to make monthly fixed payments with an escalation of 3% per year. In 2025, the fixed monthly payment was \$20,742, and the lease has an interest rate of 0.8577%. In March 2023 the City entered into a 60-month lease with Dish Wireless. The lessee is required to make monthly fixed payments with an escalation of 2% per year. In 2025, the fixed monthly payment was \$2,601. The lease has an interest rate of 2.6820%. In April 2024, the City entered into a ten-year lease as lessor with Three Leaf. The lessee is required to make fixed annual payments of \$2,170, and the lease has an interest rate of 4.33%. In April 2024, the City entered into a ten-year lease as lessor with Schulz. The lessee is required to make fixed annual payments of \$2,500, and the lease has an interest rate of 4.62%. In February 2025, the City entered into a twenty-five-year lease as lessor with New Cingular Wireless. The lessee is required to make monthly payments of \$2,500 in the first year, monthly payments increase 2% per year for each of the succeeding years, and the lease has an interest rate of 4.84%.

As of December 31, 2025, the total combined value of the lease receivable is \$1,934,528 and the combined value of the deferred inflows of resources were \$1,819,255. The City recognized lease revenue of \$304,749 in both Governmental and Business-Type activities during the fiscal year. The annual principal and interest payments related to these leases are summarized in the following table:

Fiscal Year	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2026	163,393	27,243	190,636	126,677	6,497	133,174
2027	170,470	25,263	195,733	131,802	5,227	137,029
2028	149,925	23,444	173,370	137,078	3,922	141,000
2029	150,565	22,115	172,680	142,509	2,581	145,090
2030	132,408	20,725	153,132	123,686	1,210	124,896
2031-2035	77,964	96,704	174,669	17,268	1,412	18,680
2036-2040	109,594	83,255	192,848	-	-	-
2041-2045	154,054	58,866	212,920	-	-	-
2046-2050	183,139	19,130	202,269	-	-	-
	\$ 1,291,512	\$ 376,745	\$ 1,668,257	\$ 679,020	\$ 20,848	\$ 699,868

City of Louisville
Notes to the Financial Statements
December 31, 2025

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, 2025, there are no short-term interfund loans.

The permanent movement of resources from one fund to another represents inter-fund transfers. The inter-fund transfers occurring in 2025 are summarized in the following table.

Transfers In						
Transfers Out	General	Cemetery	Recreation	Capital Projects	Parks	Total
General Fund	\$ -	\$ 125,900	\$ 1,306,700	\$ -	\$ 1,048,400	\$2,481,000
Cemetery Perpetual	-	17,100	-	-	-	17,100
Historic Preservation	208,900	-	-	-	-	208,900
Impact Fee Fund	105,255	-	-	358,666	-	463,921
Urban Revitalization District	-	-	-	417,390	-	417,390
Recreation	-	-	-	200,000	-	200,000
Capital Projects	-	-	158,200	-	-	158,200
Total	\$ 314,155	\$ 143,000	\$ 1,464,900	\$ 976,056	\$ 1,048,400	\$3,946,511

The General Fund makes annual transfers to the Parks Fund and Recreation Fund to help cover 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 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 made transfers to the General Fund and Capital Projects Fund to help cover the cost of eligible projects. The Urban Revitalization District Fund and the Recreation Fund made a one-time transfer to the Capital Projects Fund to help cover the cost of various projects.

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 6: Capital assets

A. Governmental Activities

A summary of changes in capital assets for the year ended December 31, 2025, is shown in the following table:

Governmental activities:	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025
Capital assets not being depreciated:				
Land and easements	\$ 34,045,998	\$ -	\$ -	\$ 34,045,998
Water rights	120,000	-	-	120,000
Construction in progress	3,677,171	3,065,851	(1,646,718)	5,096,304
Total capital assets not being depreciated	37,843,169	3,065,851	(1,646,718)	39,262,302
Other capital assets:				
Buildings	64,662,573	4,506,041	-	69,168,614
Infrastructure improvements	162,458,818	9,067,277	-	171,526,095
Machinery and equipment	12,647,950	1,419,027	(296,532)	13,770,445
Right to use leases	383,668	-	-	383,668
Right to use subscriptions	539,192	482,141	-	1,021,333
Total other capital assets	240,692,201	15,474,486	(296,532)	255,870,155
Accumulated depreciation/amortization				
Buildings	(21,968,023)	(1,801,662)	-	(23,769,685)
Infrastructure improvements	(82,674,643)	(5,483,558)	-	(88,158,201)
Machinery and equipment	(7,432,397)	(1,186,069)	284,096	(8,334,370)
Right to use leases	(126,756)	(52,253)	-	(179,009)
Right to use subscriptions	(256,010)	(285,182)	-	(541,192)
Total accumulated depreciation/amortization	(112,457,829)	(8,808,724)	284,096	(120,982,457)
Other capital assets, net	128,234,372	6,665,762	(12,436)	134,887,698
Governmental activities capital assets, net	<u>\$ 166,077,541</u>	<u>\$ 9,731,613</u>	<u>\$ (1,659,154)</u>	<u>\$ 174,150,000</u>

Depreciation and amortization expenses charged to functions as follows:

General Government	\$ 1,803,478
Public Safety	194,258
Public Works	3,904,233
Culture & Recreation	2,585,180
Internal Services Funds*	321,575
Total governmental activities depreciation and amortization expense	<u>\$ 8,808,724</u>

*Depreciation on capital assets held by the City's internal service funds is charged to various functions based on asset use.

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 6: Capital assets (continued)

B. Business-type activities

A summary of changes in capital assets for the year ended December 31, 2025, is shown in the following table:

	Balance 1/1/2025	Additions	Deletions	Balance 12/31/2025
Capital assets not being depreciated:				
Land and easements	\$ 6,029,125	\$ -	\$ -	\$ 6,029,125
Water rights	34,000,784	-	-	34,000,784
Construction in progress	9,462,477	5,443,696	(5,517,939)	9,388,234
Total capital assets not being depreciated	49,492,386	5,443,696	(5,517,939)	49,418,143
Other capital assets:				
Buildings	7,557,037	-	-	7,557,037
Infrastructure improvements	142,103,306	8,584,035	-	150,687,341
Machinery and equipment	12,660,426	1,211,204	(400,595)	13,471,035
Total other capital assets	162,320,769	9,795,239	(400,595)	171,715,413
Accumulated depreciation				
Buildings	(2,107,582)	(156,789)	-	(2,264,371)
Infrastructure improvements	(57,118,959)	(3,571,293)	-	(60,690,252)
Machinery and equipment	(5,401,004)	(761,940)	362,100	(5,800,844)
Total accumulated depreciation	(64,627,545)	(4,490,022)	362,100	(68,755,467)
Other capital assets, net	97,693,224	5,305,217	(38,495)	102,959,946
Business-type activities capital assets, net	\$ 147,185,610	\$ 10,748,913	\$ (5,556,434)	\$ 152,378,089

Depreciation expense charged to enterprises as follows:

Consolidated Utility	\$ 4,190,249
Golf Course	299,773
Total business-type activities depreciation expense	<u>\$ 4,490,022</u>

City of Louisville
Notes to the Financial Statements
December 31, 2025

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, 2025, is shown in the following table:

Governmental activities

	Balance at 1/1/2025	Additions	Reductions	Balance at 12/31/2025	Due within One Year
Bonds payable:					
Recreation Center General Obligation Bonds:					
2017 General Obligation Recreation Center Bonds	\$ 22,045,000	\$ -	\$ (860,000)	\$ 21,185,000	\$ 895,000
Bond Premium	1,255,441	-	(73,850)	1,181,591	-
Total Recreation Center General Obligation Bonds	23,300,441	-	(933,850)	22,366,591	895,000
2014 URA Tax Increment Financing Bonds	1,753,631	-	(1,753,631)	-	-
Total bonds payable	25,054,072	-	(2,687,481)	22,366,591	895,000
Financed Purchase - Solar	43,724	-	(7,068)	36,656	7,319
Leases Payable	280,070	-	(51,700)	228,370	54,867
Subscriptions Payable	161,996	482,141	(356,549)	287,588	183,148
Total bonds, loans, financing agreements and leases payable	25,539,862	482,141	(3,102,798)	22,919,205	1,140,334
Other liabilities:					
Compensated absences*	2,072,319	75,893	-	2,148,212	171,857
Governmental activities non-current liabilities	\$ 27,612,181	\$ 558,034	\$ (3,102,798)	\$ 25,067,417	\$ 1,312,191

Business-type activities

	Balance at 1/1/2025	Additions	Reductions	Balance at 12/31/2025	Due within One Year
Bonds and loans payable:					
2015 CWRPDA Loan	\$ 23,013,596	\$ -	\$ (1,933,106)	\$ 21,080,490	\$ 1,965,720
Bond Premium	376,251	-	(37,625)	338,626	-
Total bonds and loans payable	23,389,847	-	(1,970,731)	21,419,116	1,965,720
Financed Purchase - Solar	561,980	-	(75,930)	486,050	81,729
Total bonds, loans, and leases payable	23,951,827	-	(2,046,661)	21,905,166	2,047,449
Other liabilities:					
Compensated absences*	451,172	56,310	-	507,482	40,598
Business-type activities non-current liabilities	\$ 24,402,999	\$ 56,310	\$ (2,046,661)	\$ 22,412,648	\$ 2,088,047

*Compensated absences are reported as a net change in the liability.

Compensated absences in both governmental and business-type activities are classified as long-term liabilities.

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 7: Long-term debt (continued)

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 commenced when the property tax increment generated by the DELO Project is sufficient to support payment. Full payment on the bonds occurred in 2025. The District is a blended component unit 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, 2025, was \$29,604,200.

C. Bonds/Loans payable - enterprise funds

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%.

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 \$7,742,319 was available to pay 2025 debt service on the bonds of \$2,246,762. The remaining debt service on the refunding bonds at December 31, 2025, was \$24,242,147.

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, 2025, equals \$582,813. 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.

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 7: Long-term debt (continued)

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, 2025, the value of the lease liability is \$228,370. The City is required to make initial monthly fixed payments of \$4,572. The lease has an interest rate of 2.6630%. The value of the right to use asset as of December 31, 2025, is \$204,658 with accumulated amortization of \$179,009. The City has 1 extension option(s), each for 60 months.

F. Subscriptions payable

As of December 31, 2025, the City had five Subscriptions, each with fixed annual payments and with a range of interest rates (2.656%-3.77%). GASB No. 96, Subscription-Based Information Technology Arrangements (SBITA), requires the subscriber (the City) to recognize a subscription liability and an intangible right-to-use subscription asset.

In January 2023, the City entered into a contract for the use of resource management software and extended the agreement through 2027. As of December 31, 2025, the value of the subscription liability was \$78,836, and the value of the right to use asset was \$245,928 with accumulated amortization of \$139,000.

In October 2023, the City entered into a contract for the use of office software. As of December 31, 2025, the value of the subscription liability was \$0, and the value of the right to use asset was \$334,800 with accumulated amortization of \$237,250.

In September 2023, the City entered into a contract for the use of video communication software. As of December 31, 2025, the value of the subscription liability was \$0, and the value of the right to use asset was \$118,856 with accumulated amortization of \$84,505.

In April 2025, the City entered into a contract for the use of cybersecurity software. As of December 31, 2025, the value of the subscription liability was \$136,960, and the value of the right to use asset was \$203,287 with accumulated amortization of \$50,822.

In April 2025, the City entered into a contract for the use of remote access software. As of December 31, 2025, the value of the subscription liability was \$71,792, and the value of the right to use asset was \$118,462 with accumulated amortization of \$29,615.

G. Debt requirements to maturity

The annual debt service requirements for all bonds, notes, financed solar purchases, right to use leases and right to use subscriptions outstanding as of December 31, 2025, are summarized in the following tables:

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 7: Long-term debt (continued)

G. Debt requirements to maturity (continued)

Year	Governmental Activities			Business-Type Activities		
	General Obligation Bonds			Bonds & Notes		
	Principal	Interest	Total	Principal	Interest	Total
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	965,000	774,400	1,739,400	2,012,263	410,706	2,422,969
2029	1,005,000	735,800	1,740,800	2,032,966	391,506	2,424,472
2030	1,045,000	695,600	1,740,600	2,050,444	372,131	2,422,575
2031-2035	5,890,000	2,816,000	8,706,000	11,027,375	1,098,902	12,126,277
2036-2040	7,170,000	1,540,000	8,710,000	-	-	-
2041-2042	3,285,000	198,400	3,483,400	-	-	-
Balance	\$ 21,185,000	\$ 8,419,200	\$ 29,604,200	\$ 21,080,490	\$ 3,161,657	\$ 24,242,147

Year	Governmental Activities			Business-Type Activities		
	Financed Purchase - Solar			Financed Purchase - Solar		
	Principal	Interest	Total	Principal	Interest	Total
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	7,849	654	8,503	89,085	12,310	101,396
2029	8,128	375	8,503	93,015	8,381	101,396
2030	5,781	92	5,873	88,032	4,302	92,334
2031	-	-	-	48,863	961	49,824
Balance	\$ 36,656	\$ 3,229	\$ 39,885	\$ 486,050	\$ 61,689	\$ 547,740

Year	Governmental Activities			Business-Type Activities		
	Lease			Lease		
	Principal	Interest	Total	Principal	Interest	Total
2026	54,867	5,385	60,252	-	-	-
2027	58,168	3,892	62,060	-	-	-
2028	61,602	2,318	63,920	-	-	-
2029	53,733	649	54,382	-	-	-
Balance	\$ 228,370	\$ 12,244	\$ 240,614	\$ -	\$ -	\$ -

Year	Governmental Activities			Business-Type Activities		
	Subscription			Subscription		
	Principal	Interest	Total	Principal	Interest	Total
2026	183,148	6,652	189,800	-	-	-
2027	104,440	8,024	112,464	-	-	-
Balance	\$ 287,588	\$ 14,676	\$ 302,264	\$ -	\$ -	\$ -

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 8: Retirement commitments – employee pension plan

The City provides a qualified defined contribution pension plan, administered by the Mission Square Retirement, formerly ICMA Retirement Trust, for all regular full-time and regular part-time employees. As of December 31, 2025, there were 215 active 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 2025, the City required the employee to contribute 5.0% of earnings with the City matching 6.5% for the general employee base and 10% for police. 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:

Service Completed	Specified Percent Vested
Less than one year	0%
One year	50%
Two years	100%

City contributions for, and interest forfeited by, employees who leave employment before they are partially or fully vested may be used to reduce future City contributions or cover administrative costs of the plan. The 2025 gross contributions were \$1,005,348 from employees and \$1,440,353 from the City for a total of \$2,445,701. Total forfeitures during 2025 were \$130,806. Wages paid by the City in 2025 totaled \$23,533,345 with regular full-time and part-time benefited employees receiving \$20,362,232.

In addition, employees may participate in an Internal Revenue Code 457 Plan on a voluntary basis. In 2025, the City made contributions to the City Manager's 457 Plan as per the contract agreement.

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.

City of Louisville
Notes to the Financial Statements
December 31, 2025

Note 10: Commitments (continued)

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 3.775% sales/use tax rate, less Open Space, Parks, Recreation and Historic Preservation sales/use taxes. 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 either by formal City Council approval, or if the incentive package is less than \$50,000, may be executed through City Manager 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, 2025, the City has executed over 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 rebates accrued during 2025 are shown in the following table.

Category	Rebate Amount
Sales Tax	\$134,725
Use Tax	9,338
Total	<u>\$144,063</u>

Note 12: Contingent liabilities

Litigation

Various suits and claims are pending against the City as of December 31, 2025. 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.

City of Louisville
Notes to the Financial Statements
December 31, 2025

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 an enterprise under TABOR.

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.

2005/2006 – A use tax on personal tangible property was placed on the ballot each year 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.

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 facility.

2019 – Authorization was given to the City to retain the excess collection of the recreation tax and retain the 0.15% recreation tax rate.

2023 – Approval of 1/8% increase to Open Space dedicated sales tax effective January 1, 2024.

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 are deducted. The remainder may increase by the combination of the local growth rate and the rate of inflation in the Denver/Aurora/Lakewood area.

City of Louisville
Notes to the Financial Statements
December 31, 2025

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

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 (net of allowable exclusions) 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 \$1,322,005, existed at December 31, 2025, 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.



Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Taxes:				
Property	\$ 5,168,562	\$ 5,168,562	\$ 4,977,129	\$ (191,433)
Sales and Use	15,402,950	15,402,950	16,607,321	1,204,371
Franchise	1,335,880	1,335,880	1,262,752	(73,128)
Lodging	443,300	443,300	431,746	(11,554)
Bag	100,000	100,000	162,015	62,015
Other	368,110	368,110	1,091,862	723,752
Licenses and Permits	1,385,580	1,385,580	1,649,018	263,438
Intergovernmental	1,837,996	1,945,996	2,050,460	104,464
Charges for Services	238,768	238,768	180,022	(58,746)
Fines and Forfeitures	104,000	104,000	184,136	80,136
Earnings on Investments	438,735	438,735	764,111	325,376
Miscellaneous	60,460	131,160	273,909	142,749
Total Revenue	<u>26,884,341</u>	<u>27,063,041</u>	<u>29,634,481</u>	<u>2,571,440</u>
Expenditures				
Current:				
General Government	8,424,468	7,934,045	7,189,990	744,055
Community Design	3,118,683	3,268,683	2,531,847	736,836
Public Safety & Justice	8,446,011	8,302,081	7,572,315	729,766
Transportation	3,052,003	3,052,003	2,555,170	496,833
Parks	90,216	90,216	80,556	9,660
Cultural Services	3,214,295	3,330,195	3,135,783	194,412
Economic Development	417,427	544,427	417,500	126,927
Capital Outlay	-	2,866,653	2,866,653	-
Debt Service:				
Principal	7,100	7,100	220,830	(213,730)
Interest	1,500	1,500	16,168	(14,668)
Total Expenditures	<u>26,771,703</u>	<u>29,396,903</u>	<u>26,586,812</u>	<u>2,810,091</u>
Excess (Deficiency) of Operating Over (Under) Expenditures Revenues	<u>112,639</u>	<u>(2,333,862)</u>	<u>3,047,669</u>	<u>5,381,531</u>
Other Financing Sources (Uses)				
Insurance Proceeds	-	-	852	852
Sale of Assets	-	-	690	690
Right to Use Subscription	-	-	287,588	287,588
Transfers In	-	-	314,155	314,155
Transfers Out	(2,481,000)	(2,481,000)	(2,481,000)	-
Total Other Financing Sources (Uses)	<u>(2,481,000)</u>	<u>(2,481,000)</u>	<u>(1,877,715)</u>	<u>603,285</u>
Net Change in Fund Balance	<u>\$ (2,368,362)</u>	<u>\$ (4,814,862)</u>	<u>1,169,954</u>	<u>\$ 5,984,816</u>
Fund Balance, Beginning of Year			<u>17,430,864</u>	
Fund Balance, End of Year			<u>\$ 18,600,818</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Recreation Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Sales and Use Taxes	\$ 1,217,291	\$ 1,217,291	\$ 1,284,308	\$ 67,017
Intergovernmental	5,000	5,000	79,758	74,758
Charges for Services	3,642,643	3,642,643	3,910,928	268,285
Earnings on Investments	167,346	167,346	301,723	134,377
Miscellaneous	35,000	35,000	73,271	38,271
Total Revenue	<u>5,067,280</u>	<u>5,067,280</u>	<u>5,649,988</u>	<u>582,708</u>
Expenditures				
General Operations	6,099,617	6,099,617	5,456,938	642,679
Capital Outlay	859,900	899,900	393,521	506,379
Total Expenditures	<u>6,959,517</u>	<u>6,999,517</u>	<u>5,850,459</u>	<u>1,149,058</u>
Deficiency of Operating Revenues Under Expenditures	<u>(1,892,237)</u>	<u>(1,932,237)</u>	<u>(200,471)</u>	<u>1,731,766</u>
Other Financing Sources (Uses)				
Transfer In	1,464,900	1,464,900	1,464,900	-
Transfer Out	-	(945,000)	(200,000)	745,000
Total Other Financing Sources (Uses)	<u>1,464,900</u>	<u>519,900</u>	<u>1,264,900</u>	<u>745,000</u>
Net Change in Fund Balance	<u>\$ (427,337)</u>	<u>\$ (1,412,337)</u>	<u>1,064,429</u>	<u>\$ 2,476,766</u>
Fund Balance, Beginning of Year			<u>5,817,593</u>	
Fund Balance, End of Year			<u>\$ 6,882,022</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Urban Revitalization District Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Property Taxes	\$ 2,249,755	\$ 2,249,755	\$ 2,351,698	\$ 101,943
Charges for Services	-	-	36,759	36,759
Earnings on Investments	153,899	153,899	191,447	37,548
Total Revenue	<u>2,403,654</u>	<u>2,403,654</u>	<u>2,579,904</u>	<u>176,250</u>
Expenditures				
General Operations	973,330	1,693,330	391,437	1,301,893
Capital Outlay	-	130,700	102,899	27,801
Debt Services:				
Principal	1,977,000	1,977,000	1,753,631	223,369
Interest	122,840	122,840	90,020	32,820
Total Expenditures	<u>3,073,170</u>	<u>3,923,870</u>	<u>2,337,987</u>	<u>1,585,883</u>
Excess (Deficiency) of Operating Revenues Over (Under) Expenditures	<u>(669,516)</u>	<u>(1,520,216)</u>	<u>241,917</u>	<u>1,762,133</u>
Other Financing Uses				
Proceeds from Bond Issuance	1,000,000	2,250,000	-	(2,250,000)
Transfer Out	<u>(1,000,000)</u>	<u>(2,250,000)</u>	<u>(417,390)</u>	<u>1,832,610</u>
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>(417,390)</u>	<u>(417,390)</u>
Net Change in Fund Balance	<u>\$ (669,516)</u>	<u>\$ (1,520,216)</u>	<u>(175,473)</u>	<u>\$ 1,344,743</u>
Fund Balance, Beginning of Year			<u>3,395,014</u>	
Fund Balance, End of Year			<u>\$ 3,219,541</u>	

City of Louisville, Colorado
Notes to Required Supplementary Information
December 31, 2025

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 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.

Special Revenue Funds (continued)

Open Space – Prior to 2024, Open Space and Parks operated within a single shared Fund. Approval of Ballot Measure 2C in November 2023, defined how future Sales and Use Tax revenues were to be split, as well as requiring each division to operate within its own separate and distinct fund. The Open Space Fund is used to account for dedicated sales and use tax revenues to be used exclusively for the acquisition and maintenance of open space in and around Louisville.

Parks – The Parks Fund is used to account for dedicated sales and use tax revenues to be used exclusively for development and maintenance of parks and outdoor recreational areas in Louisville.

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.

**Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2025**

	Special Revenue Funds								Debt Service	Permanent		
	PEG Fees	Parking Improvement	Conservation Trust-Lottery	Impact Fee	Cemetery	Historic Preservation	Open Space	Parks	Special Revenue Total	Recreation Center Debt Service	Cemetery Perpetual Care	Total Governmental Funds
Assets												
Cash and Investments	\$ 26,586	\$ 153,313	\$ 939,118	\$ 417,749	\$ 319,261	\$ 2,993,557	\$ 2,828,212	\$ 1,602,436	\$ 9,280,232	\$ 448,439	\$ 956,783	\$ 10,685,454
Receivables:												
Taxes	-	-	-	-	-	122,477	306,387	183,716	612,580	1,447,628	-	2,060,208
Other	2,881	-	-	-	-	-	40,081	-	42,962	-	-	42,962
Interest	172	1,117	6,838	5,516	2,135	21,774	21,196	12,357	71,105	3,258	7,059	81,422
Leases	-	-	-	-	-	-	164,406	164,406	328,812	-	-	328,812
Prepaid Items	-	-	-	-	-	2,568	1,000	-	3,568	-	-	3,568
Total Assets	29,639	154,430	945,956	423,265	321,396	3,140,376	3,361,282	1,962,915	10,339,259	1,899,325	963,842	13,202,426
Liabilities												
Accounts Payable	-	-	-	-	69	10,004	117,472	30,795	158,340	-	-	158,340
Accrued Liabilities	-	-	-	-	2,525	8,337	62,268	59,128	132,258	-	-	132,258
Total Liabilities	-	-	-	-	2,594	18,341	179,740	89,923	290,598	-	-	290,598
Deferred Inflows of Resources												
Deferred Revenue-Property Tax	-	-	-	-	-	-	-	-	-	1,447,478	-	1,447,478
Defferred Revenue-Grants	-	-	-	-	-	-	40,081	-	40,081	-	-	40,081
Deferred Revenue-Lease	-	-	-	-	-	-	151,244	151,244	302,488	-	-	302,488
Total Deferred Inflows	-	-	-	-	-	-	191,325	151,244	342,569	1,447,478	-	1,790,047
Fund Balances												
Nonspendable	-	-	-	-	-	2,568	1,000	-	3,568	-	963,842	967,410
Restricted	-	-	945,956	-	-	3,119,467	2,989,217	1,721,748	8,776,388	451,847	-	9,228,235
Committed	29,639	154,430	-	423,265	318,802	-	-	-	926,136	-	-	926,136
Total Fund Balances	29,639	154,430	945,956	423,265	318,802	3,122,035	2,990,217	1,721,748	9,706,092	451,847	963,842	11,121,781
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 29,639	\$ 154,430	\$ 945,956	\$ 423,265	\$ 321,396	\$ 3,140,376	\$ 3,361,282	\$ 1,962,915	\$ 10,339,259	\$ 1,899,325	\$ 963,842	\$ 13,202,426

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended December 31, 2025

	Special Revenue Funds								Debt Service	Permanent		
	PEG Fees	Parking Improvement	Conservation Trust-Lottery	Impact Fee	Cemetery	Historic Preservation	Open Space	Parks	Special Revenue Total	Recreation Center Debt Service	Cemetery Perpetual Care	Total Governmental Funds
Revenues												
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,317,462	\$ -	\$ 1,317,462
Sales and Use Taxes	-	-	-	-	-	1,070,256	2,676,664	1,605,761	5,352,681	-	-	5,352,681
Licenses and permits	-	45,337	-	321,348	68,796	-	-	-	435,481	-	70,193	505,674
Intergovernmental	12,191	-	235,386	-	-	-	256,652	4,750	508,979	-	-	508,979
Charges for services	-	-	-	-	49,914	-	-	-	49,914	-	-	49,914
Earnings on Investments	677	6,803	33,886	25,958	13,085	160,476	108,896	85,526	435,307	37,637	39,904	512,848
Miscellaneous	-	-	-	-	-	9,196	35,852	37,202	82,250	-	-	82,250
Total Revenues	12,868	52,140	269,272	347,306	131,795	1,239,928	3,078,064	1,733,239	6,864,612	1,355,099	110,097	8,329,808
Expenditures												
General Operations	9	79	410	292	200,487	425,534	1,829,470	2,390,812	4,847,093	691	484	4,848,268
Capital Outlay	-	-	2,459	-	1,638	1,396,919	340,501	287,715	2,029,232	-	-	2,029,232
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	860,000	-	860,000
Interest	-	-	-	-	-	-	-	-	-	881,800	-	881,800
Total Expenditures	9	79	2,869	292	202,125	1,822,453	2,169,971	2,678,527	6,876,325	1,742,491	484	8,619,300
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,859	52,061	266,403	347,014	(70,330)	(582,525)	908,093	(945,288)	(11,713)	(387,392)	109,613	(289,492)
Other Financing Sources (Uses)												
Sale of Assets	-	-	-	-	-	-	-	11,489	11,489	-	-	11,489
Transfer In	-	-	-	-	143,000	-	-	1,048,400	1,191,400	-	-	1,191,400
Transfer Out	-	-	-	(463,921)	-	(208,900)	-	-	(672,821)	-	(17,100)	(689,921)
Total Other Financing Sources (Uses)	-	-	-	(463,921)	143,000	(208,900)	-	1,059,889	530,068	-	(17,100)	512,968
Net Change in Fund Balance	12,859	52,061	266,403	(116,907)	72,670	(791,425)	908,093	114,601	518,355	(387,392)	92,513	223,476
Fund Balance - Beginning	16,780	102,369	679,553	540,172	246,132	3,913,460	2,082,124	1,607,147	9,187,737	839,239	871,329	10,898,305
Fund Balance - Ending	\$ 29,639	\$ 154,430	\$ 945,956	\$ 423,265	\$ 318,802	\$ 3,122,035	\$ 2,990,217	\$ 1,721,748	\$ 9,706,092	\$ 451,847	\$ 963,842	\$ 11,121,781

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - PEG Fees Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Intergovernmental	\$ 14,590	\$ 14,590	\$ 12,191	\$ (2,399)
Earnings on Investments	1,635	1,635	677	(958)
Total Revenue	<u>16,225</u>	<u>16,225</u>	<u>12,868</u>	<u>(3,357)</u>
Expenditures				
General Operations	50	50	9	41
Capital Outlay	<u>20,000</u>	<u>20,000</u>	-	20,000
Total Expenditures	<u>20,050</u>	<u>20,050</u>	<u>9</u>	<u>20,041</u>
Change in Fund Balance	<u>\$ (3,825)</u>	<u>\$ (3,825)</u>	12,859	<u>\$ 16,684</u>
Fund Balance, Beginning of Year			<u>16,780</u>	
Fund Balance, End of Year			<u>\$ 29,639</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Parking Improvement Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Licenses and Permits	\$ -	\$ 94,100	\$ 45,337	\$ (48,763)
Earnings on Investments	3,034	3,034	6,803	\$ 3,769
Total Revenue	3,034	97,134	52,140	(44,994)
Expenditures				
General Operations	50	150	79	71
Total Expenditures	50	150	79	71
Change in Fund Balance	<u>\$ 2,984</u>	<u>\$ 96,984</u>	52,061	<u>\$ (44,923)</u>
Fund Balance, Beginning of Year			102,369	
Fund Balance, End of Year			<u>\$ 154,430</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Conservation Trust-Lottery Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Intergovernmental	\$ 256,120	\$ 256,120	\$ 235,386	\$ (20,734)
Earnings on Investments	27,224	27,224	33,886	6,662
Total Revenue	<u>283,344</u>	<u>283,344</u>	<u>269,272</u>	<u>(14,072)</u>
Expenditures				
General Operations	100	100	410	(310)
Capital Outlay	300,000	561,035	2,459	558,576
Total Expenditures	<u>300,100</u>	<u>561,135</u>	<u>2,869</u>	<u>558,266</u>
Change in Fund Balance	<u>\$ (16,756)</u>	<u>\$ (277,791)</u>	266,403	<u>\$ 544,194</u>
Fund Balance, Beginning of Year			<u>679,553</u>	
Fund Balance, End of Year			<u>\$ 945,956</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Impact Fee Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Licenses and Permits	\$ 342,900	\$ 342,900	\$ 321,348	\$ (21,552)
Earnings on Investments	9,529	9,529	25,958	16,429
Total Revenue	<u>352,429</u>	<u>352,429</u>	<u>347,306</u>	<u>(5,123)</u>
Expenditures				
General Operations	300	300	292	8
Total Expenditures	<u>300</u>	<u>300</u>	<u>292</u>	<u>8</u>
Excess of Operating Revenues Over Expenditures	<u>352,129</u>	<u>352,129</u>	<u>347,014</u>	<u>(5,115)</u>
Other Financing Uses				
Transfer Out	<u>(339,700)</u>	<u>(463,916)</u>	<u>(463,921)</u>	<u>(5)</u>
Total Other Financing Uses	<u>(339,700)</u>	<u>(463,916)</u>	<u>(463,921)</u>	<u>(5)</u>
Net Change in Fund Balance	<u>\$ 12,429</u>	<u>\$ (111,787)</u>	<u>(116,907)</u>	<u>\$ (5,120)</u>
Fund Balance, Beginning of Year			<u>540,172</u>	
Fund Balance, End of Year			<u>\$ 423,265</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Cemetery Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Licenses and Permits	\$ 36,500	\$ 36,500	\$ 68,796	\$ 32,296
Charges for Services	40,320	40,320	49,914	9,594
Earnings on Investments	8,123	8,123	13,085	4,962
Total Revenue	<u>84,943</u>	<u>84,943</u>	<u>131,795</u>	<u>46,852</u>
Expenditures				
General Operations	179,272	264,372	200,487	63,885
Capital Outlay	16,000	16,000	1,638	14,362
Total Expenditures	<u>195,272</u>	<u>280,372</u>	<u>202,125</u>	<u>78,247</u>
Excess (Deficiency) of Operating Revenues Over (Under) Expenditures	<u>(110,329)</u>	<u>(195,429)</u>	<u>(70,330)</u>	<u>125,099</u>
Other Financing Sources				
Transfer In	143,200	143,200	143,000	(200)
Total Other Financing Sources	<u>143,200</u>	<u>143,200</u>	<u>143,000</u>	<u>(200)</u>
Net Change in Fund Balance	<u>\$ 32,871</u>	<u>\$ (52,229)</u>	72,670	<u>\$ 124,899</u>
Fund Balance, Beginning of Year			<u>246,132</u>	
Fund Balance, End of Year			<u>\$ 318,802</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Historic Preservation Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Sales and Use Taxes	\$ 1,013,119	\$ 1,013,119	\$ 1,070,256	\$ 57,137
Earnings on Investments	103,682	103,682	160,476	56,794
Miscellaneous	-	-	9,196	9,196
Total Revenue	<u>1,116,801</u>	<u>1,116,801</u>	<u>1,239,928</u>	<u>123,127</u>
Expenditures				
General Operations	742,443	742,443	425,534	316,909
Capital Outlay	15,000	1,475,850	1,396,919	78,931
Total Expenditures	<u>757,443</u>	<u>2,218,293</u>	<u>1,822,453</u>	<u>395,840</u>
Excess of Operating Revenues Over Expenditures	<u>359,358</u>	<u>(1,101,492)</u>	<u>(582,525)</u>	<u>518,967</u>
Other Financing Uses				
Transfer Out	<u>(208,900)</u>	<u>(208,900)</u>	<u>(208,900)</u>	<u>-</u>
Total Other Financing Uses	<u>(208,900)</u>	<u>(208,900)</u>	<u>(208,900)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 150,458</u>	<u>\$ (1,310,392)</u>	<u>(791,425)</u>	<u>\$ 518,967</u>
Fund Balance, Beginning of Year			<u>3,913,460</u>	
Fund Balance, End of Year			<u>\$ 3,122,035</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Open Space Fund
For the year ended December 31, 2025

	<u>Budgeted Amounts</u>			Positive (Negative) Variance - From Actual
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Sales and Use Taxes	\$ 2,534,518	\$ 2,534,518	\$ 2,676,664	\$ 142,146
Intergovernmental	3,290	3,290	256,652	253,362
Earnings on Investments	41,834	41,834	108,896	67,062
Miscellaneous	20,106	20,106	35,852	15,746
Total Revenue	<u>2,599,748</u>	<u>2,599,748</u>	<u>3,078,064</u>	<u>478,316</u>
Expenditures				
General Operations	1,915,956	1,955,956	1,829,470	126,486
Capital Outlay	320,000	691,319	340,501	350,818
Total Expenditures	<u>2,235,956</u>	<u>2,647,275</u>	<u>2,169,971</u>	<u>477,304</u>
Excess (Deficiency) of Operating Revenues Over (Under) Expenditures	<u>363,793</u>	<u>(47,527)</u>	<u>908,093</u>	<u>955,620</u>
Other Financing Sources				
Transfer In	<u>72,600</u>	<u>72,600</u>	<u>-</u>	<u>(72,600)</u>
Total Other Financing Sources	<u>72,600</u>	<u>72,600</u>	<u>-</u>	<u>(72,600)</u>
Net Change in Fund Balance	<u>\$ 436,393</u>	<u>\$ 25,073</u>	<u>908,093</u>	<u>\$ 883,020</u>
Fund Balance, Beginning of Year			<u>2,082,124</u>	
Fund Balance, End of Year			<u>\$ 2,990,217</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Parks Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Sales and Use Taxes	\$ 1,520,719	\$ 1,520,719	\$ 1,605,761	\$ 85,042
Intergovernmental	3,290	3,290	4,750	1,460
Earnings on Investments	54,291	54,291	85,526	31,235
Miscellaneous	20,105	20,105	37,202	17,097
Total Revenue	<u>1,598,405</u>	<u>1,598,405</u>	<u>1,733,239</u>	<u>134,834</u>
Expenditures				
General Operations	2,782,984	2,782,984	2,390,812	392,172
Capital Outlay	-	778,617	287,715	490,902
Total Expenditures	<u>2,782,984</u>	<u>3,561,601</u>	<u>2,678,527</u>	<u>883,074</u>
Excess (Deficiency) of Operating Revenues Over (Under) Expenditures	<u>(1,184,579)</u>	<u>(1,963,196)</u>	<u>(945,288)</u>	<u>1,017,908</u>
Other Financing Sources				
Sale of Assets	-	-	11,489	11,489
Transfer In	1,048,400	1,048,400	1,048,400	-
Total Other Financing Sources	<u>1,048,400</u>	<u>1,048,400</u>	<u>1,059,889</u>	<u>11,489</u>
Net Change in Fund Balance	<u>\$ (136,179)</u>	<u>\$ (914,796)</u>	114,601	<u>\$ 1,029,397</u>
Fund Balance, Beginning of Year			<u>1,607,147</u>	
Fund Balance, End of Year			<u>\$ 1,721,748</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Recreation Center Debt Service Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Property Taxes	\$ 1,368,000	\$ 1,368,000	\$ 1,317,462	\$ (50,538)
Earnings on Investments	45,484	45,484	37,637	(7,847)
Total Revenue	<u>1,413,484</u>	<u>1,413,484</u>	<u>1,355,099</u>	<u>(58,385)</u>
Expenditures				
General Operations	800	800	691	109
Debt Service:				
Principal	860,000	860,000	860,000	-
Interest	881,800	881,800	881,800	-
Total Expenditures	<u>1,742,600</u>	<u>1,742,600</u>	<u>1,742,491</u>	<u>109</u>
Change in Fund Balance	<u>\$ (329,116)</u>	<u>\$ (329,116)</u>	<u>(387,392)</u>	<u>\$ (58,276)</u>
Fund Balance, Beginning of Year			<u>839,239</u>	
Fund Balance, End of Year			<u>\$ 451,847</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Cemetery Perpetual Care
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Licenses and Permits	\$ 36,500	\$ 36,500	\$ 70,193	\$ 33,693
Earnings on Investments	24,831	24,831	39,904	15,073
Total Revenue	61,331	61,331	110,097	48,766
Expenditures				
General Operations	300	300	484	(184)
Total Expenditures	300	300	484	(184)
Excess of Operating Revenues Over Expenditures	61,031	61,031	109,613	48,582
Other Financing Uses				
Transfer Out	(17,300)	(17,300)	(17,100)	200
Total Other Financing Uses	(17,300)	(17,300)	(17,100)	200
Net Change in Fund Balance	<u>\$ 43,731</u>	<u>\$ 43,731</u>	92,513	<u>\$ 48,782</u>
Fund Balance, Beginning of Year			871,329	
Fund Balance, End of Year			<u>\$ 963,842</u>	

CAPITAL PROJECTS FUND

Individual Fund Budget Schedule

Capital Projects Fund – This fund accounts for the construction or renovation of parks, building facilities, improvements to streets, alleys, sidewalks, and trails, and the purchase of capital equipment.

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Capital Projects Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Sales and Use Taxes	\$ 8,684,890	\$ 8,684,890	\$ 8,934,767	\$ 249,877
Intergovernmental	9,271,000	19,959,558	2,860,049	(17,099,509)
Charges for Services	25,000	25,000	17,000	(8,000)
Earnings on Investments	521,153	521,153	944,654	423,501
Miscellaneous	86,870	99,870	67,649	(32,221)
Total Revenue	18,588,913	29,290,471	12,824,119	(16,466,352)
Expenditures				
General Operations	478,987	478,987	511,277	(32,290)
Capital Outlay	20,279,926	38,071,182	8,575,974	29,495,208
Total Expenditures	20,758,913	38,550,169	9,087,251	29,462,918
Excess (Deficiency) of Operating Revenues Over (Under) Expenditures	(2,170,000)	(9,259,698)	3,736,868	12,996,566
Other Financing Sources (Uses)				
Transfer In	267,100	1,336,316	976,056	(360,260)
Transfer Out	(158,200)	(158,200)	(158,200)	-
Total Other Financing Sources (Uses)	108,900	1,178,116	817,856	(360,260)
Net Change in Fund Balance	<u>\$ (2,061,100)</u>	<u>\$ (8,081,582)</u>	4,554,724	<u>\$ 12,636,306</u>
Fund Balance, Beginning of Year			20,454,650	
Fund Balance, End of Year			<u>\$ 25,009,374</u>	

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.

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Consolidated Utility Fund
For the year ended December 31, 2025

	<u>Budgeted Amounts</u>			Positive (Negative) Variance - From Actual
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$ 250,000	\$ 250,000	\$ 64,026	\$ (185,974)
Charges for Services	15,216,530	15,216,530	15,320,771	104,241
Earnings on Investments	806,972	806,972	1,272,094	465,122
Miscellaneous	100,420	200,420	254,094	53,674
Total Revenue	<u>16,373,922</u>	<u>16,473,922</u>	<u>16,910,985</u>	<u>437,063</u>
Expenditures				
General Operations	9,562,550	9,984,353	9,177,469	806,884
Capital Outlay	6,507,142	23,599,617	7,244,160	16,355,457
Debt Service	2,528,500	2,528,500	2,507,747	20,753
Total Expenditures	<u>18,598,192</u>	<u>36,112,470</u>	<u>18,929,376</u>	<u>17,183,094</u>
Deficiency of Operating Revenues Under Expenditures	<u>(2,224,270)</u>	<u>(19,638,548)</u>	<u>(2,018,391)</u>	<u>17,620,157</u>
Other Financing Sources				
Sale of Assets	-	-	8,803	8,803
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>8,803</u>	<u>8,803</u>
Change in Fund Balance, Budget Basis	<u>\$ (2,224,270)</u>	<u>\$ (19,638,548)</u>	<u>(2,009,588)</u>	<u>\$ 17,628,960</u>
Adjustments from Budget to GAAP Basis				
Capitalized Assets			7,244,160	
Loss on Disposal of Assets			(38,495)	
Depreciation and Amortization			(4,190,250)	
Contributed Capital			2,205,120	
Principal Retired			2,009,036	
Amortization of Bond Premium			37,625	
Change in Net Position-GAAP Basis			<u>\$ 5,257,608</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Golf Course Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Intergovernmental	\$ -	\$ 508,000	\$ 507,001	\$ (999)
Charges for Services	3,034,570	3,084,570	2,646,211	(438,359)
Earnings on Investments	46,441	46,441	82,273	35,832
Miscellaneous	8,310	8,310	9,267	957
Total Revenue	<u>3,089,321</u>	<u>3,647,321</u>	<u>3,244,752</u>	<u>(402,569)</u>
Expenditures				
General Operations	2,780,118	2,830,118	2,762,333	67,785
Capital Outlay	1,074,915	1,074,915	275,970	798,945
Total Expenditures	<u>3,855,033</u>	<u>3,905,033</u>	<u>3,038,303</u>	<u>866,730</u>
Change in Fund Balance, Budget Basis	<u>\$ (765,712)</u>	<u>\$ (257,712)</u>	206,449	<u>\$ 464,161</u>
Adjustments from Budget to GAAP Basis				
Capitalized Assets			271,715	
Depreciation			<u>(299,773)</u>	
Change in Net Position-GAAP Basis			<u>\$ 178,391</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Solid Waste & Recycling Fund
For the year ended December 31, 2025

	<u>Budgeted Amounts</u>			Positive (Negative) Variance - From Actual
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for services	\$ 1,894,740	\$ 2,294,740	\$ 2,277,954	\$ (16,786)
Earnings on Investments	8,891	8,891	10,792	1,901
Total Revenue	<u>1,903,631</u>	<u>2,303,631</u>	<u>2,288,746</u>	<u>(14,885)</u>
Expenditures				
General Operations	<u>1,927,823</u>	<u>2,327,823</u>	<u>2,286,120</u>	<u>41,703</u>
Total Expenditures	<u>1,927,823</u>	<u>2,327,823</u>	<u>2,286,120</u>	<u>41,703</u>
Net Income (Loss) Budget & GAAP Basis	<u>\$ (24,192)</u>	<u>\$ (24,192)</u>	<u>2,626</u>	<u>\$ 26,818</u>

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.

Internal Service Funds
Combining Statement of Net Position
December 31, 2025

	Technology Management	Fleet Management	Total Internal Service Funds
Assets			
Current Assets:			
Cash and Cash Equivalents	\$ 46,381	\$ 529,946	\$ 576,327
Interest Receivable	338	3,856	4,194
Total Current Assets	<u>46,719</u>	<u>533,802</u>	<u>580,521</u>
Noncurrent Assets:			
Capital Assets, Net of Accum. Depr.	143,720	1,558,143	1,701,863
Total Noncurrent Assets	<u>143,720</u>	<u>1,558,143</u>	<u>1,701,863</u>
Total Assets	<u>190,439</u>	<u>2,091,945</u>	<u>2,282,384</u>
Liabilities			
Current Liabilities:			
Accounts Payable	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Position			
Invested in Capital Assets	143,720	1,558,143	1,701,863
Unrestricted	46,719	533,802	580,521
Total Net Position	<u>\$ 190,439</u>	<u>\$ 2,091,945</u>	<u>\$ 2,282,384</u>

Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the year ended December 31, 2025

	Technology Management	Fleet Management	Total Internal Service Funds
Operating Revenue			
Charges for Services	\$ 142,550	\$ -	\$ 142,550
Total Operating Revenue	142,550	-	142,550
Operating Expenses			
Cost of Sales and Services	34,097	1,390	35,487
Depreciation	28,121	293,455	321,576
Total Operating Expenses	62,218	294,845	357,063
Operating Income (Loss)	<u>80,332</u>	<u>(294,845)</u>	<u>(214,513)</u>
Nonoperating Revenues			
Earnings on Investments	3,926	23,844	27,770
Gain on Disposal of Assets	-	27,861	27,861
Total Nonoperating Revenues	3,926	51,705	55,631
Change in Net Position	84,258	(243,140)	(158,882)
Net Position January 1	106,181	2,335,085	2,441,266
Net Position December 31	<u>\$ 190,439</u>	<u>\$ 2,091,945</u>	<u>\$ 2,282,384</u>

Internal Service Funds
Combining Statement of Cash Flows
For the year ended December 31, 2025

	Technology Management	Fleet Management	Total Internal Service Funds
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 146,243	\$ -	\$ 146,243
Payments to Suppliers	(34,097)	(2,945)	(37,042)
Net Cash Provided (Used) by Operating Activities	112,146	(2,945)	109,201
Cash Flows from Capital and Related Financing Activities			
Proceeds from Sale of Capital Assets	-	34,315	34,315
Purchases of Capital Assets	(113,474)	(287,685)	(401,159)
Net Cash Provided (Used) by Capital and Related Financing Activities	(113,474)	(253,370)	(366,844)
Cash Flows from Investing Activities			
Interest Earnings	3,588	19,988	23,576
Decrease (Increase) in Equity in Pooled Investments	(1,504)	217,889	216,385
Net Cash Provided (Used) by Investing Activities	2,084	237,877	239,961
Net Increase (Decrease) in Cash and Cash Equivalents	756	(18,438)	(17,682)
Cash and Cash Equivalents, January 1	12,302	167,644	179,946
Cash and Cash Equivalents, December 31	<u>\$ 13,058</u>	<u>\$ 149,206</u>	<u>\$ 162,264</u>
Reconciliation of Cash and Cash Equivalents to Statement of Net Position:			
Unrestricted Cash and Cash Equivalents	\$ 13,058	\$ 149,206	\$ 162,264
Unrestricted Investments	33,323	380,740	414,063
Total Cash and Investments	<u>\$ 46,381</u>	<u>\$ 529,946</u>	<u>\$ 576,327</u>
Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities			
Operating Income (Loss)	80,332	(294,845)	(214,513)
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation Expense	28,121	293,455	321,576
Change in Assets and Liabilities			
Receivables	3,693	-	3,693
Accounts Payable	-	(1,555)	(1,555)
Net Cash from Operating Activities	<u>\$ 112,146</u>	<u>\$ (2,945)</u>	<u>\$ 109,201</u>

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Technology Management Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Charges for services	\$ 142,550	\$ 142,550	\$ 142,550	\$ -
Earnings on Investments	3,705	3,705	3,926	221
Total Revenue	<u>146,255</u>	<u>146,255</u>	<u>146,476</u>	<u>221</u>
Expenditures				
General Operations	3,750	3,750	3,439	311
Capital Outlay	142,550	151,759	144,132	7,627
Total Expenditures	<u>146,300</u>	<u>155,509</u>	<u>147,571</u>	<u>7,938</u>
Change in Fund Balance, Budget Basis	<u>\$ (45)</u>	<u>\$ (9,254)</u>	(1,095)	<u>\$ 8,159</u>
Adjustments from Budget to GAAP Basis				
Capitalized Assets			113,474	
Depreciation			<u>(28,121)</u>	
Change in Net Position-GAAP Basis			<u>\$ 84,258</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Fleet Management Fund
For the year ended December 31, 2025

	Budgeted Amounts			Positive (Negative) Variance - From Actual
	Original	Final	Actual	
Revenues				
Earnings on Investments	\$ 27,835	\$ 27,835	\$ 23,844	\$ (3,991)
Total Revenue	<u>27,835</u>	<u>27,835</u>	<u>23,844</u>	<u>(3,991)</u>
Expenditures				
General Operations	500	500	315	185
Capital Outlay	<u>169,200</u>	<u>294,337</u>	<u>288,760</u>	<u>5,577</u>
Total Expenditures	<u>169,700</u>	<u>294,837</u>	<u>289,075</u>	<u>5,762</u>
Excess (Deficiency) of Operating Revenues Over (Under) Expenditures	<u>(141,865)</u>	<u>(267,002)</u>	<u>(265,231)</u>	<u>1,771</u>
Other Financing Sources				
Sale of Assets	-	-	34,315	34,315
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>34,315</u>	<u>34,315</u>
Change in Fund Balance, Budget Basis	<u>\$ (141,865)</u>	<u>\$ (267,002)</u>	(230,916)	<u>\$ 36,086</u>
Adjustments from Budget to GAAP Basis				
Capitalized Assets			287,685	
Loss on Disposal of Assets			(6,454)	
Depreciation			<u>(293,455)</u>	
Change in Net Position, GAAP Basis			<u>\$ (243,140)</u>	



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
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
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Revenue Capacity	
These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.	
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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.	
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Net Position by Component - Schedule 1
Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
Net investment in capital assets	\$ 108,153,971	\$ 115,130,035	\$ 119,069,209	\$ 123,176,977	\$ 126,603,716	\$ 129,642,917	\$ 135,179,167	\$ 138,501,633	\$ 141,607,325	\$ 151,230,795
Restricted	14,893,996	12,727,882	14,500,731	18,592,355	17,138,823	20,149,359	23,685,382	30,169,592	42,069,856	46,645,613
Unrestricted	5,384,411	6,614,403	10,882,333	10,613,925	11,096,455	12,822,488	16,887,049	17,423,315	15,406,603	18,444,925
Total governmental activities net position	\$ 128,432,378	\$ 134,472,320	\$ 144,452,273	\$ 152,383,257	\$ 154,838,994	\$ 162,614,764	\$ 175,751,598	\$ 186,094,540	\$ 199,083,784	\$ 216,321,333
Business-type activities:										
Net investment in capital assets	\$ 90,725,131	\$ 101,245,580	\$ 106,863,204	\$ 108,474,725	\$ 109,141,696	\$ 113,270,153	\$ 114,852,246	\$ 119,447,444	\$ 123,939,158	\$ 130,472,923
Restricted					1,057,359	1,057,359	1,057,359	1,057,359	131,853	134,724
Unrestricted	28,386,460	25,635,940	22,136,977	24,366,084	26,967,024	26,579,114	32,054,228	29,780,821	31,847,399	30,749,388
Total business-type activities net position	\$ 119,111,591	\$ 126,881,520	\$ 129,000,181	\$ 132,840,809	\$ 137,166,079	\$ 140,906,626	\$ 147,963,833	\$ 150,285,624	\$ 155,918,410	\$ 161,357,035
Primary government:										
Net investment in capital assets	\$ 198,879,102	\$ 216,375,615	\$ 225,932,413	\$ 231,651,702	\$ 235,745,412	\$ 242,913,070	\$ 250,031,413	\$ 257,949,077	\$ 265,546,483	\$ 281,703,718
Restricted	14,893,996	12,727,882	14,500,731	18,592,355	18,196,182	21,206,718	24,742,741	31,226,951	42,201,709	46,780,337
Unrestricted	33,770,871	32,250,343	33,019,310	34,980,009	38,063,479	39,401,602	48,941,277	47,204,136	47,254,002	49,194,313
Total primary government net position	\$ 247,543,969	\$ 261,353,840	\$ 273,452,454	\$ 285,224,066	\$ 292,005,073	\$ 303,521,390	\$ 323,715,431	\$ 336,380,164	\$ 355,002,194	\$ 377,678,368

Change in Net Position - Schedule 2
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
General government	\$ 9,891,109	\$ 7,983,427	\$ 8,537,437	\$ 8,762,112	\$ 10,301,287	\$ 9,761,697	\$ 11,766,810	\$ 15,628,107	\$ 18,907,812	\$ 18,146,090
Public Safety	4,780,161	5,082,261	5,244,164	5,619,873	5,971,684	6,020,824	7,084,109	6,978,490	7,865,976	8,173,029
Public Works	4,131,484	5,423,279	6,277,688	6,653,439	7,166,335	6,596,767	6,901,344	7,307,556	7,816,891	6,437,991
Culture & recreation	5,704,015	8,832,366	9,540,902	12,465,878	12,111,395	11,425,850	12,462,202	13,959,312	11,246,741	11,752,953
Interest on long-term debt	266,353	896,534	1,387,580	1,336,066	1,293,502	1,240,790	1,183,146	1,214,834	1,124,000	987,988
Total governmental activities expenses	24,773,122	28,217,867	30,987,771	34,837,368	36,844,203	35,045,928	39,397,611	45,088,300	46,961,421	45,498,051
Business-type activities:										
Water & wastewater	7,851,737	8,892,682	10,943,627	10,662,898	11,347,732	11,023,128	13,854,698	13,032,775	12,785,378	13,858,497
Golf	1,802,025	1,791,268	2,219,366	2,008,553	2,296,100	2,420,601	2,793,832	2,744,039	3,130,669	3,066,361
Solid Waste & Recycling	1,595,911	1,592,967	1,607,736	1,657,687	1,584,262	1,654,807	1,562,456	1,698,585	1,874,347	2,286,120
Total business-type activities	11,249,673	12,276,917	14,770,729	14,329,138	15,228,094	15,098,536	18,210,986	17,475,399	17,790,394	19,210,978
Total primary government expenses	\$ 36,022,795	\$ 40,494,784	\$ 45,758,500	\$ 49,166,506	\$ 52,072,297	\$ 50,144,464	\$ 57,608,597	\$ 62,563,699	\$ 64,751,815	\$ 64,709,029
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,807,195	\$ 1,691,937	\$ 2,754,349	\$ 2,251,702	\$ 1,604,463	\$ 1,867,522	\$ 3,595,798	\$ 4,079,634	\$ 4,144,726	\$ 2,003,925
Public Safety	170,808	170,068	146,072	128,540	85,309	69,079	52,805	86,661	139,120	180,115
Public Works	96,003	952,389	1,298,623	1,162,736	953,901	928,529	350,395	63,569	271,484	147,185
Culture & recreation	3,672,314	2,380,663	2,054,832	3,352,533	1,615,354	2,445,419	3,141,751	3,679,587	4,069,309	4,344,776
Operating grants and contributions	783,790	384,849	424,988	411,868	2,343,562	363,233	6,537,637	2,415,652	3,392,681	1,819,017
Capital grants and contributions	2,660,533	2,014,711	1,208,568	1,970,315	1,644,685	2,402,810	522,453	2,049,505	2,468,233	7,192,299
Total governmental activities program revenues	9,190,643	7,594,617	7,887,432	9,277,694	8,247,274	8,076,592	14,200,839	12,374,608	14,485,553	15,687,317
Business-type activities:										
Charges for services:										
Water & wastewater	\$ 9,880,524	\$ 10,331,106	\$ 11,018,277	\$ 10,549,525	\$ 12,045,347	\$ 11,751,419	\$ 11,133,458	\$ 10,587,414	\$ 13,251,628	\$ 13,579,898
Golf	1,426,754	1,536,097	1,606,525	1,624,496	1,933,117	2,313,947	2,392,032	2,905,055	2,961,074	2,646,211
Solid Waste & Recycling	1,553,474	1,617,620	1,679,127	1,709,878	1,651,612	1,556,357	1,627,555	1,708,405	1,859,429	2,277,954
Capital grants and contributions	12,147,614	6,307,253	1,877,860	3,501,960	3,489,409	3,202,893	2,447,046	3,367,865	3,472,672	4,517,020
Total business-type activities program revenues	25,008,366	19,792,076	16,181,789	17,385,859	19,119,485	18,824,616	17,600,091	18,568,739	21,544,803	23,021,083
Total primary government program revenues	\$ 34,199,009	\$ 27,386,693	\$ 24,069,221	\$ 26,663,553	\$ 27,366,759	\$ 26,901,208	\$ 31,800,930	\$ 30,943,347	\$ 36,030,356	\$ 38,708,400

Change in Net Position - Schedule 2 (continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expense)/Revenue										
Governmental activities	\$ (15,582,479)	\$ (20,623,250)	\$ (23,100,339)	\$ (25,559,674)	\$ (28,596,929)	\$ (26,969,336)	\$ (25,196,772)	\$ (32,713,663)	\$ (32,475,867)	\$ (29,810,734)
Business-type activities	13,758,693	7,515,159	1,411,060	3,056,721	3,891,391	3,726,080	(610,895)	1,093,340	3,754,409	3,810,105
Total primary government expenses	<u>\$ (1,823,786)</u>	<u>\$ (13,108,091)</u>	<u>\$ (21,689,279)</u>	<u>\$ (22,502,953)</u>	<u>\$ (24,705,538)</u>	<u>\$ (23,243,256)</u>	<u>\$ (25,807,667)</u>	<u>\$ (31,620,323)</u>	<u>\$ (28,721,458)</u>	<u>\$ (26,000,629)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 4,089,516	\$ 4,420,751	\$ 6,824,021	\$ 6,710,297	\$ 7,345,825	\$ 7,561,309	\$ 8,133,170	\$ 7,702,275	\$ 8,809,018	\$ 8,646,289
Sales and use taxes	17,589,016	19,382,545	21,533,224	22,972,028	20,487,744	24,475,048	26,948,065	28,285,890	31,320,305	32,179,077
Franchise tax	1,057,233	1,078,609	1,074,576	1,054,850	1,011,686	1,137,590	1,205,787	1,253,158	1,201,760	1,262,752
Other tax	789,592	830,159	892,427	908,059	575,223	641,603	846,377	1,011,411	1,288,326	1,685,623
General intergovernmental revenue	242,592	323,434	324,757	346,219	749,172	796,007	820,079	30,865	-	-
Investment earnings	180,038	395,381	807,591	845,483	483,441	(34,452)	(48,999)	2,217,436	2,571,684	2,742,553
Miscellaneous	285,967	232,312	1,623,701	653,717	399,575	168,000	1,256,262	2,555,598	274,061	531,989
Transfers	(1,147,173)	-	-	-	-	-	(827,159)	-	-	-
Total governmental activities	<u>23,086,781</u>	<u>26,663,191</u>	<u>33,080,297</u>	<u>33,490,653</u>	<u>31,052,666</u>	<u>34,745,105</u>	<u>38,333,582</u>	<u>43,056,633</u>	<u>45,465,154</u>	<u>47,048,283</u>
Business-type activities :										
Investment earnings	148,545	217,154	418,577	629,775	394,059	(28,163)	(135,926)	1,368,754	1,403,213	1,365,159
Miscellaneous	108,397	37,625	289,031	154,134	39,820	42,630	6,976,772	(140,303)	475,076	263,361
Transfers	1,147,173	-	-	-	-	-	827,159	-	-	-
Total business-type activities	<u>1,404,115</u>	<u>254,779</u>	<u>707,608</u>	<u>783,909</u>	<u>433,879</u>	<u>14,467</u>	<u>7,668,005</u>	<u>1,228,451</u>	<u>1,878,289</u>	<u>1,628,520</u>
Total primary government	<u>\$ 24,490,896</u>	<u>\$ 26,917,970</u>	<u>\$ 33,787,905</u>	<u>\$ 34,274,562</u>	<u>\$ 31,486,545</u>	<u>\$ 34,759,572</u>	<u>\$ 46,001,587</u>	<u>\$ 44,285,084</u>	<u>\$ 47,343,443</u>	<u>\$ 48,676,803</u>
Change in Net Position										
Governmental activities	\$ 7,504,302	\$ 6,039,941	\$ 9,979,958	\$ 7,930,979	\$ 2,455,737	\$ 7,775,770	\$ 14,316,435	\$ 10,342,971	\$ 12,989,287	\$ 17,237,549
Business-type activities	15,162,808	7,769,938	2,118,668	3,840,630	4,325,270	3,740,547	6,907,110	2,321,791	5,632,698	5,438,625
Total primary government	<u>\$ 22,667,110</u>	<u>\$ 13,809,879</u>	<u>\$ 12,098,626</u>	<u>\$ 11,771,609</u>	<u>\$ 6,781,007</u>	<u>\$ 11,516,317</u>	<u>\$ 21,223,545</u>	<u>\$ 12,664,762</u>	<u>\$ 18,621,982</u>	<u>\$ 22,676,174</u>

Fund Balances of Governmental Funds - Schedule 3
Last Ten Fiscal Years
(modified accrual basis of accounting)

	I									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	\$ 176,999	\$ 188,058	\$ 217,420	\$ 227,281	\$ 220,678	\$ 278,284	\$ 218,708	\$ 276,709	\$ 234,326	\$ 306,316
Restricted	906,269	1,024,122	1,151,660	1,434,787	1,275,721	1,344,760	1,780,128	1,794,884	1,269,968	1,764,099
Assigned	37,128	32,718	122,236	151,468	132,114	78,424	194,822	557,425	-	-
Unassigned	4,185,373	6,552,446	9,036,825	8,995,432	9,673,534	10,784,501	13,374,340	12,543,089	15,926,570	16,530,403
Total general fund	\$ 5,305,769	\$ 7,797,344	\$ 10,528,141	\$ 10,808,968	\$ 11,302,047	\$ 12,485,969	\$ 15,567,998	\$ 15,172,107	\$ 17,430,864	\$ 18,600,818
All Other Governmental Funds										
Nonspendable	\$ 515,002	\$ 554,242	\$ 583,565	\$ 605,777	\$ 638,840	\$ 667,226	\$ 724,233	\$ 801,309	\$ 871,329	\$ 971,973
Restricted	13,472,725	36,361,050	15,592,933	17,633,420	16,593,386	20,274,076	24,395,802	32,001,188	38,788,780	44,334,609
Committed	1,017,091	1,066,672	568,117	578,712	543,423	544,977	602,164	546,365	905,453	926,136
Total all other governmental funds	\$ 15,004,818	\$ 37,981,964	\$ 16,744,615	\$ 18,817,909	\$ 17,775,649	\$ 21,486,279	\$ 25,722,199	\$ 33,348,862	\$ 40,565,562	\$ 46,232,718

Changes in Fund Balances of Governmental Funds - Schedule 4
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes (see Schedule 5)	\$ 23,525,357	\$ 25,712,064	\$ 30,324,248	\$ 31,645,234	\$ 29,420,478	\$ 33,815,550	\$ 37,133,399	\$ 38,252,734	\$ 42,619,409	\$ 43,773,741
Licenses, fees, and permits	3,022,262	2,157,688	3,179,469	2,274,649	1,952,521	1,805,889	3,896,141	3,865,041	4,056,198	2,154,692
Intergovernmental	3,761,617	1,852,349	2,303,700	2,399,393	5,394,875	4,135,243	8,228,636	4,869,129	3,886,191	5,499,246
Charges for services	2,118,401	2,101,946	1,926,519	3,245,234	1,261,338	2,302,993	2,827,554	3,539,661	4,030,287	4,194,623
Fines and forfeits	216,085	210,719	185,850	157,594	92,763	73,066	57,456	90,557	142,924	184,136
Miscellaneous	713,118	2,216,779	2,982,699	2,991,166	1,163,708	689,806	1,202,048	2,536,302	2,885,431	3,211,862
Total Revenues	33,356,840	34,251,545	40,902,485	42,713,270	39,285,683	42,822,547	53,345,234	53,153,424	57,620,440	59,018,300
Expenditures										
General government	5,231,446	5,954,152	6,033,320	7,199,311	7,176,281	7,778,818	8,891,025	9,997,559	14,505,856	13,358,472
Police	4,719,015	4,872,387	5,198,678	5,585,633	5,706,525	5,863,711	6,965,610	6,858,014	7,549,984	7,572,315
Public works	2,164,982	2,311,041	2,508,849	2,903,101	2,822,089	2,991,019	3,603,158	3,931,089	2,954,951	2,555,170
Planning and building safety	1,034,491	1,299,734	1,449,280	1,264,924	1,129,974	1,107,958	1,664,599	2,048,976	2,795,287	2,531,847
Library and museum services	1,725,600	1,850,154	1,886,042	2,148,636	1,917,411	1,923,976	2,286,278	2,438,090	3,120,137	3,135,783
Parks and recreation	5,251,441	5,202,260	5,401,798	7,193,927	6,211,145	6,945,696	8,019,001	8,772,353	5,231,237	5,537,494
Non-capitalized budget-basis capital	(1,186,096)	609,581	1,590,337	1,440,317	2,628,422	670,564	927,053	336,033	957,366	972,661
Net capital outlay	14,205,413	13,875,610	31,905,120	10,539,775	10,047,940	8,186,614	10,599,578	11,030,088	7,987,745	12,995,618
Bond issuance costs	50,690	192,839	-							-
Debt service:										
Principal	624,571	710,150	1,980,054	685,401	844,375	1,198,126	1,370,513	1,442,228	2,038,937	2,834,461
Interest	268,901	974,705	1,465,751	1,409,916	1,367,352	1,314,640	1,256,996	1,288,684	1,124,000	987,988
Total Expenditures	34,090,454	37,852,613	59,419,229	40,370,941	39,851,514	37,981,122	45,583,811	48,143,114	48,265,500	52,481,809
Excess of revenues over/(under) expenditures	(733,614)	(3,601,068)	(18,516,744)	2,342,329	(565,831)	4,841,425	7,761,423	5,010,310	9,354,940	6,536,491
Other Financing Sources (Uses)										
Developer Contributions	50,690	-	-	-	-	-	-	-	-	-
Sale of capital assets	198,884	8,550	10,200	11,790	16,650	53,127	-	33,379	13,927	12,179
Leases or SBITA's entered into	-	-	-	-	-	-	383,668	-	-	287,588
Insurance proceeds	-	-	-	-	-	-	-	-	106,590	852
Proceeds on bonds	3,750,000	29,061,241	-	-	-	-	-	-	-	-
Transfers in	2,594,694	1,070,867	4,470,749	4,877,723	3,320,415	3,056,000	11,243,163	-	6,080,626	3,946,511
Transfers out	(3,741,867)	(1,070,867)	(4,470,749)	(4,877,723)	(3,320,415)	(3,056,000)	(12,070,322)	6,002,360	(6,080,626)	(3,946,511)
Total other financing sources (uses)	2,852,401	29,069,791	10,200	11,790	16,650	53,127	(443,491)	6,035,739	120,517	300,619
Net change in fund balance	\$ 2,118,787	\$ 25,468,723	\$ (18,506,544)	\$ 2,354,119	\$ (549,181)	\$ 4,894,552	\$ 7,317,932	\$ 11,046,049	\$ 9,475,488	\$ 6,837,110
Debt service as a percentage of noncapital expenditures	5%	7%	13%	7%	7%	8%	8%	7%	8%	10%

Tax Revenues by Source, Governmental Funds - Schedule 5
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
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
2023	7,702,275	21,071,840	7,214,050	1,253,158	415,992	206,890	388,529	38,252,734
2024	8,809,018	24,210,907	7,109,398	1,201,760	578,741	114,713	594,872	42,619,409
2025	8,646,289	26,774,427	5,404,650	1,262,752	431,746	162,015	1,091,862	43,773,741
Change								
2016-2025	111.43%	112.63%	8.16%	19.44%	-13.69%	note (1)	277.33%	86.07%

(1) - Bag Tax effective January 1, 2022

**Assessed Value and Estimated Actual Value of Taxable Property - Schedule 6
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
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
2023	326,177,026	412,690,189	239,538,099	22,569,909	156,860,709	1,000,975,223	7.934
2024	327,282,403	426,896,537	236,562,380	23,726,997	157,188,259	1,014,468,317	6.559
2025	357,054,554	447,590,865	251,514,341	23,496,542	260,796,254	1,079,656,302	6.559

Fiscal Year	Actual Commercial Property	Actual Residential Property	Actual Industrial Property	Actual Other Property	Less: Actual Tax-Exempt Property	Total Taxable Actual Value
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
2023	1,176,764,978	6,561,058,750	858,559,786	80,908,614	636,771,023	8,677,292,128
2024	1,180,725,826	6,774,779,586	847,893,229	85,055,904	638,665,252	8,888,454,545
2025	1,322,423,960	7,161,425,724	931,534,723	87,024,196	1,037,389,644	9,502,408,603

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

**Property Tax Rates and Tax Levies - Schedule 7
Direct and Overlapping Governments
Last Ten Fiscal Years**

Mill Levies

Levy Year	Collection Year	City of Louisville			Boulder Valley Schools	Boulder County	Urban Drainage and Flood Control	Louisville Fire District	Northern Colorado Water	Total
		Operating	Debt Service	Total Direct						
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
2023	2024	5.184	1.375	6.559	48.024	21.287	0.900	10.586	1.000	88.356
2024	2025	5.184	1.375	6.559	48.175	22.661	0.900	10.586	1.000	89.881

Tax Levies

Levy Year	Collection Year	City of Louisville			Boulder Valley Schools	Boulder County	Urban Drainage and Flood Control	Louisville Fire District (1)	Northern Colorado Water	Total
		Operating	Debt Service	Total Direct						
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
2023	2024	4,655,095	1,300,000	5,955,095	405,367,389	244,580,163	7,537,172	10,615,593	10,699,189	686,054,601
2024	2025	5,119,415	1,357,869	6,477,284	408,336,865	261,575,369	7,573,544	10,785,515	10,761,787	706,868,233

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)

Principal Property Tax Payers - Schedule 8
Current Year and Ten Years Ago

Taxpayer	Type of Business	2016 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Phillips 66 Company	Energy Training and R&D Center	\$10,499,160	1	2.0%
Public Service Co of Colorado	Energy	9,254,213	2	1.8%
FFI CO Coal Creek LLC (Medtronics)	Electromedical	8,438,857	3	1.6%
Neodata Servicess	Businesss Services	6,243,120	4	1.2%
TKG Louisville Colorado Development LLC	Commercial Real Estate	5,240,358	5	1.0%
Colorado Tech LLC	Technology	4,745,295	6	0.9%
Infinite Drive LLC	Commercial Real Estate	4,634,200	7	0.9%
VTR Avista MOB LLC	Medical Offices	4,557,698	8	0.9%
Boulder Road LLC	Unknown	4,289,911	9	0.8%
Lexington Louisville LP	Commercial Real Estate	3,910,925	10	0.7%
	Totals	\$ 61,813,737		11.8%

Taxpayer	Type of Business	2025 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
WSRE CP Centential Investors	Ind Flex	\$31,644,540	1	2.4%
TFG Coal Creek Property	Ind Flex	23,766,582	2	1.8%
Loxo Oncology	Medical Offices	23,694,426	3	1.8%
CTC Properties LLLP	Office	23,047,200	4	1.7%
BVCSF Bolder Innovation LLC	Ind Flex	20,996,550	5	1.6%
RREF IV P Infinite Drive LLC	Ind Flex	20,520,000	6	1.5%
Sierra Space Corporation	Engineering	18,172,283	7	1.4%
SREIT 725 TECH COURT LLC	Ind Flex	17,712,000	8	1.3%
SREIT 2000 Taylor Avenue LLC	Ind Flex	17,280,000	9	1.3%
SREIT 633 CTC Boulevard LLC	Ind Flex	15,660,000	10	1.2%
	Totals	\$ 212,493,581		15.9%

Source: Boulder County Assessor's Office

**Property Tax Levies and Collections - Schedule 9
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 (2)
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%
2022	2023	5,760,480	7,702,275	2,095,246	5,607,029	97.34%	37,398	5,644,427	97.99%
2023	2024	5,955,095	8,809,018	2,378,979	6,430,039	107.98%	39,488	6,469,527	108.64%
2024	2025	6,447,284	8,646,289	2,351,698	6,294,591	97.63%	-	6,294,591	97.63%

Notes:

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

(2) Collection year 2024 includes property tax received through the State exemption backfill

Sales Taxes Collected by Category - Schedule 10
Last Ten Fiscal Years

Category	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Agriculture	\$ 56,291	\$ 60,988	\$ 64,350	\$ 64,173	\$ 66,577	\$ 105,810	\$ 114,933	\$ 150,317	\$ 125,167	\$ 148,804
Construction	124,420	32,411	6,891	-	-	-	-	-	79,348	102,072
Manufacturing	288,159	761,684	711,077	950,415	711,751	975,595	1,307,161	1,354,181	1,391,766	1,541,866
Trans/Comm/Utilities	1,521,106	1,482,100	1,473,217	1,988,948	1,568,118	1,576,177	1,762,198	1,765,133	1,871,947	1,974,269
Wholesale	255,073	290,646	393,942	348,083	412,031	571,639	712,722	853,746	947,011	931,699
Home Improvements Centers (1)	1,572,172	1,719,927	2,107,438	2,104,158	2,424,799	2,708,793	2,692,373	2,684,687	2,418,999	2,170,965
General Merchandise	960,576	1,149,950	1,324,738	1,946,922	2,344,968	3,080,305	3,137,964	3,735,354	4,407,696	4,856,873
Grocery Stores	2,973,998	3,195,006	3,297,739	3,279,991	3,707,830	3,647,969	3,462,274	3,447,185	3,527,437	3,484,180
Automotive	63,394	70,895	81,151	74,535	81,068	93,698	159,025	198,231	217,638	144,083
Apparel/Accessory	100,095	111,505	115,857	139,292	141,620	193,303	219,436	323,710	365,501	378,627
Furniture	298,700	288,334	321,916	356,020	364,024	445,810	533,114	638,126	564,167	601,681
Food/Beverage	2,287,270	2,438,032	2,723,132	2,790,461	2,133,527	2,802,708	2,962,734	3,349,831	3,477,619	3,620,586
Miscellaneous (2)	660,645	540,800	691,978	-	-	-	-	-	-	4,823
Financial/Insurance	373,260	389,265	504,075	497,317	439,322	459,803	845,161	677,733	784,196	51,447
Services	1,296,971	1,420,146	1,499,690	1,546,310	1,225,305	1,592,730	2,014,237	2,226,246	2,905,901	4,156,732
Total	<u>\$12,832,130</u>	<u>\$13,951,689</u>	<u>\$15,317,191</u>	<u>\$16,086,625</u>	<u>\$15,620,940</u>	<u>\$18,254,340</u>	<u>\$ 19,923,333</u>	<u>\$21,404,479</u>	<u>\$ 23,084,393</u>	<u>\$ 24,168,707</u>

Notes:

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

(1) - Construction combined with Home Improvements Centers in 2019

(2) - Miscellaneous combined with General Merchandise in 2019

Direct and Overlapping Sales Tax Rates - Schedule 11
Last Ten Fiscal Years

Fiscal Year	City of Louisville	County of Boulder	State of Colorado	Regional Transporation District	Cultural District	Total
2016	3.500%	0.985%	2.90%	1.00%	0.10%	8.485%
2017	3.500%	0.985%	2.90%	1.00%	0.10%	8.485%
2018	3.650%	0.985%	2.90%	1.00%	0.10%	8.635%
2019	3.650%	0.985%	2.90%	1.00%	0.10%	8.635%
2020	3.650%	0.985%	2.90%	1.00%	0.10%	8.635%
2021	3.650%	0.985%	2.90%	1.00%	0.10%	8.635%
2022	3.650%	0.985%	2.90%	1.00%	0.10%	8.635%
2023	3.650%	1.185%	2.90%	1.00%	0.10%	8.835%
2024	3.775%	1.185%	2.90%	1.00%	0.10%	8.960%
2025	3.775%	1.185%	2.90%	1.00%	0.10%	8.960%

Sales Tax Revenue Payers by Industry - Schedule 12
Current Year and Nine Years Ago

Taxpayer (1)	Fiscal Year 2016				Fiscal Year 2025			
	Number of Filers	Percent of Total	Sales Tax Revenue	Percent of Total	Number of Filers	Percent of Total	Sales Tax Revenue	Percent of Total
Agriculture	33	1.3%	\$ 56,291	0.4%	51	0.6%	\$ 148,804	0.6%
Construction (2)	148	5.9%	\$ 124,420	1.0%	165	2.0%	102,072	0.4%
Manufacturing	246	9.8%	\$ 288,159	2.2%	595	7.3%	1,541,866	6.4%
Trans/Comm/Utilities	180	7.2%	\$ 1,521,106	11.9%	271	3.3%	1,974,269	8.2%
Wholesale	126	5.0%	\$ 255,073	2.0%	367	4.5%	931,699	3.9%
Home Improvements	113	4.5%	\$ 1,572,172	12.3%	366	4.5%	2,170,965	9.0%
General Merchandise	28	1.1%	\$ 960,576	7.5%	3,026	37.0%	4,856,874	20.1%
Grocery Stores	62	2.5%	\$ 2,973,998	23.2%	287	3.5%	3,484,180	14.4%
Automotive	7	0.3%	\$ 63,394	0.5%	24	0.3%	144,083	0.6%
Apparel/Accessory	53	2.1%	\$ 100,095	0.8%	495	6.1%	378,627	1.6%
Furniture	80	3.2%	\$ 298,700	2.3%	229	2.8%	601,681	2.5%
Eating/Drinking	119	4.8%	\$ 2,287,270	17.8%	192	2.4%	3,620,586	15.0%
Miscellaneous (3)	324	12.9%	\$ 660,645	5.1%	10	0.1%	4,823	0.0%
Financial/Insurance	251	10.0%	\$ 373,260	2.9%	78	1.0%	51,447	0.2%
Services	732	29.3%	\$ 1,296,971	10.1%	2,012	24.6%	4,156,732	17.2%
Totals	2,502	100%	\$ 12,832,130	100%	8,168	100.0%	\$ 24,168,707	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.
- (2) - Construction combined with Home Improvements Centers in 2019
- (3) - Miscellaneous combined with General Merchandise in 2019

Ratios of Outstanding Debt by Type - Schedule 13
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-type Activities					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
	General Obligation Bonds	Financed Purchase	Leases	SBITA's	Tax Increment Bonds	Financed Purchase	Water Bonds Payable	Wastewater Revolving Loan	Stormwater Revolving Loan	Total Primary Government				
2016	2,023,642	91,229			4,500,000	1,075,950	6,330,000	25,950,202	5,315,102	45,286,125	0.05	98	2,194	3.44
2017	30,301,712	86,079			4,500,000	1,021,239	5,605,000	25,193,292	5,160,071	71,867,393	0.57	1,432	3,397	4.90
2018	28,248,541	81,023			4,500,000	965,311	4,860,000	24,421,042	5,001,900	68,077,817	0.53	1,334	3,214	4.38
2019	25,870,000	75,619			4,500,000	906,218	4,100,000	23,156,576	4,742,913	63,351,326	0.44	1,243	3,045	3.98
2020	25,165,000	69,613			4,366,631	843,275	3,315,000	22,386,740	4,585,236	60,731,495	0.42	1,189	2,869	5.06
2021	25,906,991	63,487			3,909,631	777,451	3,009,126	21,594,117	4,422,891	59,683,694	0.39	1,242	2,862	4.57
2022	25,068,141	431,626			3,319,631	708,723	2,151,501	20,783,160	4,256,791	56,719,573	0.42	1,293	2,925	4.44
2023	24,199,291	740,727			2,712,631	636,809	1,273,876	19,953,852	4,086,933	53,604,119	0.28	1,237	2,739	3.97
2024	23,300,441	485,790			1,753,631	561,980	-	19,413,573	3,976,274	49,491,689	0.26	1,172	2,488	3.99
2025	22,366,591	36,656	228,370	287,588	-	486,050	-	17,777,866	3,641,250	44,824,371	0.24	N/A	N/A	N/A

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

In 2022, the City implemented GASB Statement No. 87, Leases (Right to Use Leases)

In 2023, the City implemented GASB Statement No. 96, Subscription-Based Information Technology (SBITA)

Computation of Direct and Overlapping Bonded Debt - Schedule 14
As of December 31, 2025

<u>Jurisdiction (1)</u>	<u>Total Direct Debt Outstanding</u>	<u>Percentage Applicable to Louisville (2)</u>	<u>Amount Applicable to Louisville</u>
Direct:			
City of Louisville	<u>\$ 22,889,297</u>	100.00%	<u>\$ 22,889,297</u>
Overlapping:			
Boulder Valley School District No. RE-2	928,148,156	14.45%	134,133,011
Colorado Tech Center Metropolitan District	1,150,000	100.00%	1,150,000
Colorado Tech Center Metropolitan Subdistrict	3,160,000	100.00%	3,160,000
Northern Colorado Water Conservancy District	99,833,277	11.42%	11,402,993
Takoda Metro District	12,662,002	100.00%	12,662,002
Subtotal Overlapping Debt	<u>1,044,953,435</u>		<u>162,508,005</u>
Total direct and overlapping debt	<u><u>\$ 1,067,842,732</u></u>		<u><u>\$ 185,397,302</u></u>

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: Most recent available Annual Financial Reports of individual taxing entities

Computation of Legal Debt Margin - Schedule 15
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total estimated actual value	\$ 4,368,015,411	\$ 5,367,852,321	\$ 5,445,908,700	\$ 5,951,945,351	\$ 6,009,316,067	\$ 6,640,692,687	\$ 6,109,156,693	\$ 8,743,507,560	\$ 8,959,222,263	\$ 9,577,885,222
Debt limit: 3% of actual value	131,040,462	161,035,570	163,377,261	178,558,361	180,279,482	199,220,781	183,274,701	262,305,227	268,776,668	287,336,557
Total net amount of debt applicable to debt limit	2,023,642	30,301,712	28,248,541	25,870,000	26,715,841	25,906,991	25,068,141	24,199,291	23,539,862	22,919,205
Legal debt margin	\$ 129,016,820	\$ 130,733,858	\$ 135,128,720	\$ 152,688,361	\$ 153,563,641	\$ 173,313,790	\$ 158,206,560	\$ 238,105,936	\$ 245,236,806	\$ 264,417,352
Total net debt applicable to the limit as a percentage of debt limit	2.05%	1.54%	18.82%	17.29%	14.49%	13.00%	13.68%	9.23%	8.76%	7.98%

Pledged Revenue Coverage - Schedule 16
Last Ten Fiscal Years

Fiscal Year	Water Revenue Bonds							Total Debt Service	Coverage
	Operating Utility Revenue (1)	Tap Fees	Gross Utility Revenue (2)	Less: Operating Expenses (3)	Net Available Revenue	Debt Service			
						Principal	Interest		
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
2023	10,587,414	3,362,506	13,949,920	8,491,100	5,458,820	1,839,167	583,646	2,422,813	2.25
2024	13,578,717	3,109,474	16,688,191	8,378,390	8,309,801	1,962,110	558,882	2,520,992	3.30
2025	15,178,915	1,740,873	16,919,788	9,177,469	7,742,319	2,009,036	516,766	2,525,802	3.07

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.

Principal Employers - Schedule 17
Current Year and Nine Years Ago

2016			
Employment Sector	Estimated Number of Employees	Rank	Percentage of Total City Employment
Health Care and Social Assistance	766	1	5.3%
Health Care and Social Assistance	450	2	3.1%
Retail Trade	355	3	2.4%
Public Administration	340	4	2.3%
Research & Development	306	5	2.1%
Manufacturing	291	6	2.0%
Construction	287	7	2.0%
Information	256	8	1.8%
Administrative and Support	240	9	1.6%
Health Care and Social Assistance	227	10	1.6%

2025			
Employment Sector	Estimated Number of Employees (1)	Rank	Percentage of Total City Employment
Professional, Scientific, and Technical Services	4,834	1	24.0%
Manufacturing	4,205	2	20.9%
Health Care and Social Assistance	3,073	3	15.3%
Accommodation and Food Services	1,397	4	6.9%
Retail Trade	1,017	5	5.1%
Wholesale Trade	968	6	4.8%
Construction	928	7	4.6%
Information	884	8	4.4%
Public Administration	462	9	2.3%
Finance and Insurance	365	10	1.8%

Demographic and Economic Statistics - Schedule 18
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)
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	19,394	1,278,200	65,907	37.2	28,419	2.5
2023	19,570	1,350,624	69,015	37.2	27,827	2.8
2024	19,889	1,241,790	62,436	37.5	27,488	4.0
2025	N/A	N/A	N/A	N/A	27,072	3.4

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 and median age estimates not available for current year at the time of schedule preparation.

(2) U.S. Department of Commerce, Bureau of Economic Analysis for Boulder County Metropolitan

Statistical Area. Per Capita Personal Income not available for current year at the time of schedule preparation

(3) Boulder Valley School District Enrollment Count.

(4) Bureau of Labor Statistics for Boulder County.

Full-time/FTE City Government Employees by Function - Schedule 19
Last Ten Fiscal Years

	2016	2017 (1)	2018	2019	2020	2021	2022	2023	2024	2025
Function/Program:										
General government	31	39	41	42	41	43	49	53	62	59
Public safety	37	43	43	45	44	43	42	40	43	44
Public works	45	50	48	50	47	47	52	51	56	60
Culture and recreation	46	102	99	123	97	105	113	119	129	139
Economic Development	1	1	1	1	1	1	2	2	2	2
Total	160	235	232	261	230	239	258	265	292	304

Notes:

(1) Amounts for 2016 are full-time employee counts; amounts beginning in 2017 are full-time equivalents (FTEs)

Operating Indicators by Function/Program - Schedule 20
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government										
Building permits issued	1,513	1,653	5,907	2,607	1,418	1,334	3,412	1,931	1,981	1,862
Building inspections concluded	9,941	9,439	18,864	9,733	5,665	5,376	9,056	15,752	14,124	7,509
Police										
Physical arrests	304	363	323	339	252	345	309	213	220	204
Parking violations	526	1,024	254	317	155	154	127	1,900	635	253
Traffic violations	3,051	2,869	1,202	566	482	572	378	1,011	1,316	1,623
Other public works										
Street sweeping - miles per year	3,058	2,619	3,229	3,260	3,707	3,183	2,510	3,961	4,158	2,828
Potholes repaired	1,115	1,851	1,275	1,275	589	287	295	579	463	185
Snow and Ice - miles/year cleared	9,924	8,829	8,732	21,484	16,654	13,061	21,021	9,627	14,219	10,450
Square feet of buildings to maintain	187,800	187,800	232,000	291,000	291,000	291,000	291,000	291,000	291,000	291,000
Parks and recreation										
Attendance	271,478	277,774	259,009	404,569	149,040	214,757	283,960	392,350	446,820	477,317
Athletic field permits issued	33	30	30	25	9	19	19	20	19	21
Library										
Volumes in collection	90,521	86,891	89,686	86,738	86,596	84,188	84,389	83,143	82,681	83,180
Water										
New connections	84	75	42	18	42	21	29	29	20	22
Water main breaks	10	12	24	17	13	5	7	3	6	8
Average daily consumption	2,950,000	3,235,682	3,427,363	2,839,878	3,447,606	3,392,139	3,339,331	2,889,701	3,587,060	3,419,892
Peak daily consumption	6,756,000	7,777,000	7,742,000	7,093,617	7,507,485	7,418,045	7,496,515	6,676,891	7,757,589	7,669,134
Wastewater										
Average daily sewage treatment	1.79 MGD	1.65 MGD	1.74 MGD	1.77 MGD	1.74 MGD	1.77 MGD	1.65 MGD	1.83 MGD	1.92 MGD	2.01 MGD

Sources: Internally tracked departmental statistics

Capital Asset Statistics by Function/Program - Schedule 21
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function/Program										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	18	19	22	26	26	30	30	33	36	36
Public Works										
Streets and Highways (miles)	88	88	88	88	88	88	88	88	88	88
Parks and recreation										
Parks Acreage	353	353	353	353	353	353	355	355	355	355
Acres of open space (includes jointly owned)	1,800	1,920	1,920	1,920	2,000	2,000	2,000	2,000	2,000	2,000
Playgrounds	14	14	14	14	12	14	14	16	16	16
Baseball/softball diamonds	11	11	11	11	11	11	10	10	10	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)	118	119	119	119	127	129	130	131	131	131
Storage capacity (MG)	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)	88	88	89	89	93	93	93	93	93	93
Storm sewers (miles)	39	39	43	43	58	58	66	69	69	69
Treatment capacity (MGD)	3.4	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5

Source: Internally tracked departmental statistics



Compliance Section

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO	
THIS INFORMATION FROM THE RECORDS OF: CITY OF LOUISVILLE, COLORADO		PREPARED BY: James Franks jfranks@louisvilleco.gov	
		REPORT YEAR ENDING DATE(mm/yyyy): 12/2025	
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE			
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes
1. Total receipts available			
2. Minus amount used for collection expenses			
3. Minus amount used for nonhighway purposes			
4. Minus amount used for mass transit			
5. Total (1 - (2 through 4))			
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other Local Imposts:		A.4. Miscellaneous Local Receipts:	
a. Property Taxes and Assessments	4,977,129.00	a. Interest on investments	261,677.00
b. Non-property Taxes and Assessments Imposts	401,025.00	b. Other Misc. Local Receipts	1,601,628.00
c. Total (a + b)	\$ 5,378,154.00	c. Total (a + b)	\$ 1,863,305.00
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user Taxes (from Item I.C.5.)	691,423.00	1. FHWA (from Item I.D.5.)	
2. State General Funds		2. Other Federal Agencies:	1,596,223.00
3. Other State funds:			
a. State Bond Proceeds			
b. Non-State Bond Proceeds	822,433.00		
c. Total (a + b)	\$ 822,433.00		
4. Total (1 + 2 + 3c)	\$ 1,513,856.00	3. Total (1 + 2)	\$ 1,596,223.00
III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT		
A.1. Capital outlay:			
a. Right-Of-Way Costs			
b. Engineering Costs	1,390,411.00		
c. Construction Costs	4,052,407.00		
d. Total Capital Outlay (a+ b + c)	\$ 5,442,818.00		
Form FHWA-536 (Rev. 02-2025) Page2			

LOCAL HIGHWAY FINANCE REPORT		STATE:		
		COLORADO		
		REPORT YEAR ENDING DATE(mm/yyyy):		
		12/2025		
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE				
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Amount used for highway purposes				
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. EXPENDITURES FOR ROAD AND STREET PURPOSES		
ITEM	AMOUNT	ITEM	AMOUNT	
A. Receipts from Local Sources:		A. Local highway expenditures:		
1. Local Highway-user Taxes		1. Capital Outlay (from page 1, Item III.A1.d)	\$ 5,442,818.00	
a. Motor Fuel (from Item I.A.1)		2. Maintenance:	1,290,407.00	
b. Motor Vehicle (from Item I.B.1)		3. Road and Street Services:		
c. Total (a + b)		a. Snow and Ice Removal	425,292.00	
2. General Fund Appropriations		b. Other & Traffic Control Operations		
3. Other Local Imposts (from page 1, Item II.A3.c)	\$ 5,378,154.00	c. Total (a + b)	\$ 425,292.00	
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	\$ 1,863,305.00	4. General Administration & Miscellaneous	340,596.00	
5. Transfers from Toll Facilities		5. Highway Law Enforcement and Safety	2,852,425.00	
6. Proceeds of Sale of Bonds and Notes:		6. Total (1 through 5)	\$ 10,351,538.00	
a. Bonds - Original Issues		B. Debt Service on Local Obligations:		
b. Bonds - Refunding Issues		1. Bonds:		
c. Notes		a. Interest		
d. Total (a + b + c)	\$ -	b. Redemption		
7. Total (1 through 6)	\$ 7,241,459.00	c. Total (a + b)	\$ -	
B. Private Contributions		2. Notes:		
C. Receipts from State government (from page 1, Item II.C.4)	\$ 1,513,856.00	a. Interest		
D. Receipts from Federal government (from page 1, Item II.D.3)	\$ 1,596,223.00	b. Redemption		
E. Total receipts (A.7 + B + C + D)	\$ 10,351,538.00	c. Total (a + b)	\$ -	
		3. Total (1c + 2c)	\$ -	
		C. Payments to State for Highways		
		D. Payments to Toll Facilities		
		E. Total Expenditures (A6 + B3 + C + D)	\$ 10,351,538.00	
IV. LOCAL HIGHWAY DEBT STATUS				
(Show all entries at par)				
ITEM	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)		\$ -	\$ -	\$ -
1. Bonds (Refunding Portion)		\$ -		
B. Notes (Total)		\$ -	\$ -	\$ -