

City of Lamar
Lamar, Colorado

Financial Statements
with
Independent Auditor's Report

For the Year Ended
December 31, 2023

**City of Lamar, Colorado
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December 31, 2023**

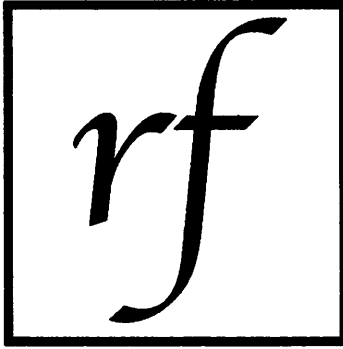
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FINANCIAL SECTION



Independent Auditor's Report

Members of City Council
City of Lamar
Lamar CO 81052

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 City of Lamar (the "City"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2023, 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 the required supplementary information on pages 60 through 67, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information

and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has elected to omit the management's discussion and analysis which is required by the Governmental Accounting Standards Board. The omission of this information does not affect our opinions.

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 accompanying supplementary information, such as the combining and individual nonmajor fund financial statements, budgetary comparison schedules, schedule of revenues, expenses, and changes in net position budget and actual for the enterprise funds and the local highway finance report on page 68 through 83 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

rfarmer, llc

July 19, 2024

BASIC FINANCIAL STATEMENTS

The Basic Financial Statements provide a financial overview of the City's operations. These financial statements present the financial position, operating results, and cash flows where applicable, of all funds and activities as of December 31, 2023.

City of Lamar, Colorado
Statement of Net Position
December 31, 2023

ASSETS	Governmental Activities	Business-type Activities	Total
Cash and Equivalents	\$ 10,647,166	\$ 13,367,301	\$ 24,014,467
Receivables	1,277,675	2,350,114	3,627,789
Internal Balances	1,342,454	(1,347,318)	(4,864)
Inventories	-	1,258,445	1,258,445
Other assets	56,267	20	56,287
Capital Assets:			
Capital Assets not being Depreciated	6,038,782	2,855,307	8,894,089
Capital Assets being Depreciated	30,621,173	72,770,298	103,391,471
Less: Accumulated Depreciation	(19,095,916)	(38,751,272)	(57,847,188)
Net Pension Asset	981,991	-	981,991
Total Capital Assets	<u>18,546,030</u>	<u>36,874,333</u>	<u>55,420,363</u>
Total Assets	<u>31,869,592</u>	<u>52,502,895</u>	<u>84,372,487</u>
DEFERRED OUTFLOWS OF RESOURCES			
Net Deferred Outflows Pensions	195,237	2,142,673	2,337,910
Net Deferred Outflows OPEB	-	36,525	36,525
Total Deferred Outflows	<u>195,237</u>	<u>2,179,198</u>	<u>2,374,435</u>
Total Assets and Deferred Outflows	<u>32,064,829</u>	<u>54,682,093</u>	<u>86,746,922</u>
LIABILITIES			
Accounts payable and accrued expenses	569,421	1,123,152	1,692,573
Deposits held in escrow	123,735	-	123,735
Deferred revenues	1,924,082	-	1,924,082
Customer deposits	-	404,703	404,703
Long-term liabilities			
Due within one year			
Bonds, notes, and loans payable	116,048	751,003	867,051
Accrued interest payable	17,132	35,662	52,794
Compensated Absences	91,671	149,755	241,426
Due in more than one year			
Pension and OPEB liability	-	2,386,529	2,386,529
Bonds, notes, and loans payable	717,542	4,750,726	5,468,268
Compensated absences	366,682	477,288	843,970
Landfill closure costs	-	395,030	395,030
Total liabilities	<u>3,926,313</u>	<u>10,473,848</u>	<u>14,400,161</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Taxes	436,580	-	436,580
Deferred Inflows of Pensions	145,230	1,239,618	1,384,848
Deferred Inflows of OPEB	-	58,980	58,980
Total Deferred Inflows	<u>581,810</u>	<u>1,298,598</u>	<u>1,880,408</u>
NET POSITION			
Net Investment in Capital Assets	19,996,388	31,372,602	51,368,990
Restricted	380,000	-	380,000
Unrestricted	7,180,318	11,537,045	18,717,363
Total Net Position	<u>\$ 27,556,706</u>	<u>\$ 42,909,647</u>	<u>\$ 70,466,353</u>

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

City of Lamar, Colorado
Statement of Activities
For the Year Ended December 31, 2023

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government							
Governmental Activities							
General Government	\$ 3,319,500	\$ 600,181	\$ 14,841	\$ -	\$ (2,704,478)	\$ -	\$ (2,704,478)
Public Safety	3,748,153	296,329	520,240	-	(2,931,584)	-	(2,931,584)
Public Works	1,502,279	19,048	527,064	-	(956,167)	-	(956,167)
Cemetery	383,226	64,555	-	-	(318,671)	-	(318,671)
Culture and Recreation	2,716,306	225,551	210,826	-	(2,279,929)	-	(2,279,929)
Total governmental activities	<u>11,669,464</u>	<u>1,205,664</u>	<u>1,272,971</u>	<u>-</u>	<u>(9,190,829)</u>	<u>-</u>	<u>(9,190,829)</u>
Business-type activities:							
Utility	14,288,298	15,117,050	-	-	-	828,752	828,752
Water	2,767,279	3,040,283	108,241	3,000	-	384,245	384,245
Sanitation	1,503,825	1,675,276	-	-	-	171,451	171,451
Ambulance	686,172	451,535	133,750	-	-	(100,887)	(100,887)
Airport	1,210,633	667,039	600,307	-	-	56,713	56,713
Total business-type activities	<u>20,456,207</u>	<u>20,951,183</u>	<u>842,298</u>	<u>3,000</u>	<u>-</u>	<u>1,340,274</u>	<u>1,340,274</u>
Total primary government	<u>\$ 32,125,671</u>	<u>\$ 22,156,847</u>	<u>\$ 2,115,269</u>	<u>\$ 3,000</u>	<u>(9,190,829)</u>	<u>1,340,274</u>	<u>(7,850,555)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					662,497	-	662,497
Cigarette tax					11,364	-	11,364
Sales & SO tax					5,399,665	-	5,399,665
Unrestricted investment earnings					186,638	251,838	438,476
Miscellaneous					939,880	925,867	1,865,747
Special item - gain (loss) on disposition of assets					126,248	-	126,248
Transfers					2,574,184	(2,574,184)	-
Total general revenues, special items, and transfers					<u>9,900,476</u>	<u>(1,396,479)</u>	<u>8,503,997</u>
Change in net assets					709,647	(56,205)	653,442
Net position - beginning					26,846,573	42,965,852	69,812,911
Net position - ending					<u>\$ 27,556,706</u>	<u>\$ 42,909,647</u>	<u>\$ 70,466,353</u>

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

City of Lamar, Colorado
Balance Sheet
Governmental Funds
December 31, 2023

	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 8,842,080	\$ 257,117	\$ 1,547,970	\$ 10,647,167
Taxes receivable, net	436,580	-	-	436,580
Due from other funds	1,431,319	-	(165)	1,431,154
Other receivables	86,939	93,470	660,685	841,094
Prepaid expenses	56,267	-	-	56,267
Total assets	<u>10,853,185</u>	<u>350,587</u>	<u>2,208,490</u>	<u>13,412,262</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	151,219	83,563	105,238	340,020
Due to other funds	-	61,760	26,941	88,701
Deposits	123,735	-	-	123,735
Unearned revenue	1,924,082	-	-	1,924,082
Accrued salaries and benefits	210,765	-	18,635	229,400
Total liabilities	<u>2,409,801</u>	<u>145,323</u>	<u>150,814</u>	<u>2,705,938</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred property taxes	<u>436,580</u>	<u>-</u>	<u>-</u>	<u>436,580</u>
Fund balances:				
Committed	-	183,440	1,940,852	2,124,292
Restricted	380,000	272,568	89,675	742,243
Unassigned	7,626,804	(250,744)	-	7,376,060
Unreserved, reported in non-major:				
Special revenue funds	-	-	27,149	27,149
Total fund balances	<u>8,006,804</u>	<u>205,264</u>	<u>2,057,676</u>	<u>10,269,744</u>
Total liabilities and fund balances	<u>\$ 10,853,185</u>	<u>\$ 350,587</u>	<u>\$ 2,208,490</u>	<u>\$ 13,412,262</u>

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

City of Lamar, Colorado
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2023

Total fund balance, governmental funds	\$ 10,269,744
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	18,741,267
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Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	<u>(1,454,305)</u>
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Net Position of Governmental Activities in the Statement of Net Position	<u>\$ 27,556,706</u>
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The accompanying notes to financial statements
are an integral part of these statements.

City of Lamar, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property taxes	\$ 493,783	\$ -	\$ 191,367	\$ 685,150
Specific Ownership tax	78,082	-	-	78,082
Sales taxes	-	-	5,321,583	5,321,583
Fees and fines	28,984	-	9,995	38,979
Licenses and permits	194,256	-	15,780	210,036
Intergovernmental	1,288,026	320,564	399,461	2,008,051
Charges for services	624,426	49,500	272,237	946,163
Investment earnings	160,430	2,342	23,865	186,637
Miscellaneous	188,283	5,010	12,323	205,616
Donations	100	-	-	100
Total revenues	<u>3,056,370</u>	<u>377,416</u>	<u>6,246,611</u>	<u>9,680,397</u>
EXPENDITURES				
Current:				
General government	2,972,003	-	239,541	3,211,544
Public safety	2,607,843	153,347	716,321	3,477,511
Public works	1,208,535	-	-	1,208,535
Cemetery	2,805,430	-	-	2,805,430
Culture and recreation	-	44,520	49,164	93,684
Debt Service:	368,555	-	-	368,555
Interest and other charges	26,365	-	-	26,365
Capital Outlay	656,218	438,437	366,060	1,460,715
Total Expenditures	<u>10,644,949</u>	<u>636,304</u>	<u>1,371,086</u>	<u>12,652,339</u>
Excess (deficiency) of revenues over expenditures	<u>(7,588,579)</u>	<u>(258,888)</u>	<u>4,875,525</u>	<u>(2,971,942)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	7,711,464	101,584	324,675	8,137,723
Transfers out	<u>(393,977)</u>	<u>-</u>	<u>(5,169,561)</u>	<u>(5,563,538)</u>
Total other financing sources and uses	<u>7,317,487</u>	<u>101,584</u>	<u>(4,844,886)</u>	<u>2,574,185</u>
SPECIAL ITEM				
Proceeds from sale of assets	36,248	90,000	-	126,248
Net change in fund balances	(234,844)	(67,304)	30,639	(271,509)
Fund balances - beginning	8,241,648	272,568	2,027,037	10,541,253
Fund balances - ending	<u>\$ 8,006,804</u>	<u>\$ 205,264</u>	<u>\$ 2,057,676</u>	<u>\$ 10,269,744</u>

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

City of Lamar, Colorado
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, 2023

Net change in fund balances - total governmental funds:	\$	(271,509)
<p>Amounts reported for Governmental Activities in the Statement of Activities are different because:</p>		
<p>Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which capital outlay of \$1,460,715 exceeded depreciation of \$913,769 in the current period.</p>		546,946
<p>Certain long-term pension related costs and adjustments are not available to pay or are payable currently and are therefore not reported in the individual funds</p>		66,143
<p>Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure, In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount by which proceeds were less than repayments.</p>		368,067
<p>Change in net position of governmental activities</p>	\$	709,647

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

City of Lamar, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2023

	Enterprise Funds					
	Utility Fund	Water	Sanitation	Ambulance	Airport	Total
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 9,639,676	\$ 1,958,955	\$1,793,818	\$ 100,226	\$ (125,375)	\$ 13,367,300
Accounts Receivable, net	1,488,333	184,282	137,969	259,849	1,665	2,072,098
Due from other funds	(122)	-	-	-	-	(122)
Other receivables	135,460	85,190	26,503	30,863	-	278,016
Inventories	1,165,429	93,016	-	-	-	1,258,445
Prepaid Expenses	-	-	-	22	-	22
Total current assets	<u>12,428,776</u>	<u>2,321,443</u>	<u>1,958,290</u>	<u>390,960</u>	<u>(123,710)</u>	<u>16,975,759</u>
Non-current assets:						
Capital Assets:						
Land and right of ways	668,327	103,335	18,000	-	-	789,662
Capital assets being depreciated	36,110,294	27,585,712	4,090,261	1,250,478	3,618,657	72,655,402
Construction in Progress	-	121,229	-	-	353,200	474,429
Intangibles and water rights	-	1,591,216	-	-	-	1,591,216
Equipment and Furniture	-	-	-	-	114,894	114,894
Less Accumulated depreciation	<u>(24,628,601)</u>	<u>(10,336,471)</u>	<u>(2,236,587)</u>	<u>(1,006,169)</u>	<u>(543,444)</u>	<u>(38,751,272)</u>
Total non-current assets	<u>12,150,020</u>	<u>19,065,021</u>	<u>1,871,674</u>	<u>244,309</u>	<u>3,543,307</u>	<u>36,874,331</u>
Total assets	<u>24,578,796</u>	<u>21,386,464</u>	<u>3,829,964</u>	<u>635,269</u>	<u>3,419,597</u>	<u>53,850,090</u>
DEFERRED OUTFLOWS OF RESOURCES						
Net Deferred Outflows Pensions	2,142,673	-	-	-	-	2,142,673
Net Deferred Outflows OPEB	36,525	-	-	-	-	36,525
Total Deferred Outflows	<u>2,179,198</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,179,198</u>
Total assets and deferred outflows	<u>26,757,994</u>	<u>21,386,464</u>	<u>3,829,964</u>	<u>635,269</u>	<u>3,419,597</u>	<u>56,029,288</u>
LIABILITIES						
Current Liabilities:						
Accounts payable	848,610	57,523	65,798	14,651	9,018	995,600
Salaries payable	76,925	22,287	19,323	14,788	-	133,323
Accrued interest payable	23,077	12,585	-	-	-	35,662
Due to other funds	377	303,295	429,312	495,510	118,702	1,347,196
Other accrued expenses	(23,940)	(15,740)	33,909	-	-	(5,771)
Compensated absences	72,472	35,506	37,702	3,855	220	149,755
Customer deposits	322,562	82,141	-	-	-	404,703
Bonds, notes and loans payable	-	743,549	-	-	7,454	751,003
Total current liabilities	<u>1,320,083</u>	<u>1,241,146</u>	<u>586,044</u>	<u>528,804</u>	<u>135,394</u>	<u>3,811,471</u>
Non-current liabilities:						
Compensated absences	249,816	155,252	41,807	30,413	-	477,288
Net pension and OPEB liability (asset)	2,386,529	-	-	-	-	2,386,529
Landfill closure costs	-	-	395,030	-	-	395,030
Bonds, notes and loans payable	-	4,712,966	-	-	37,760	4,750,726
Total non-current liabilities	<u>2,636,345</u>	<u>4,868,218</u>	<u>436,837</u>	<u>30,413</u>	<u>37,760</u>	<u>8,009,573</u>
Total liabilities	<u>3,956,428</u>	<u>6,109,364</u>	<u>1,022,881</u>	<u>559,217</u>	<u>173,154</u>	<u>11,821,044</u>
DEFERRED INFLOWS OF RESOURCES						
Net Deferred Inflows Pensions	1,239,618	-	-	-	-	1,239,618
Net Deferred Inflows OPEB	58,980	-	-	-	-	58,980
Total Deferred Inflows	<u>1,298,598</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,298,598</u>
Net Position						
Net investment in capital assets	12,150,020	13,608,506	1,871,674	244,309	3,498,093	31,372,602
Unrestricted	9,352,948	1,668,594	935,409	(168,257)	(251,650)	11,537,044
Total Net Position	<u>\$21,502,968</u>	<u>\$15,277,100</u>	<u>\$2,807,083</u>	<u>\$ 76,052</u>	<u>\$3,246,443</u>	<u>\$ 42,909,646</u>

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

City of Lamar, Colorado
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2023

	Enterprise Funds					Total
	Utility Fund	Water	Sanitation	Ambulance	Airport	
REVENUES						
Charges for services	\$15,117,050	\$ 3,040,283	\$ 1,675,276	\$ 450,595	\$ 589,800	\$ 20,873,004
Miscellaneous	-	25,634	-	-	77,239	102,873
Total operating revenues	15,117,050	3,065,917	1,675,276	450,595	667,039	20,975,877
OPERATING EXPENSES						
Personal services	1,712,369	946,023	722,950	511,810	254,199	4,147,351
Contractual services	-	81,858	-	-	-	81,858
Power and water purchased	8,840,450	320,874	-	-	-	9,161,324
Utilities	-	6,670	13,935	34	39,144	59,783
Repairs and maintenance	2,198,220	138,345	348,676	14,617	-	2,699,858
Other supplies and expenses	183,006	491,968	223,128	39,339	709,581	1,647,022
Insurance claims and expenses	321,013	88,112	83,579	26,837	31,674	551,215
Depreciation	824,917	571,375	111,558	93,315	163,258	1,764,423
Total Operating Expenses	14,079,975	2,645,225	1,503,826	685,952	1,197,856	20,112,834
Operating income (loss)	1,037,075	420,692	171,450	(235,357)	(530,817)	863,043
NON-OPERATING REVENUES						
(EXPENSES)						
Interest and investment revenue	186,056	32,797	31,210	1,694	80	251,837
Miscellaneous revenue	809,464	81,033	22,683	22,573	50,028	985,781
Grants and contributions	-	30,208	-	134,690	600,307	765,205
Interest expense	(5,355)	(91,859)	-	-	(2,454)	(99,668)
Miscellaneous expenses	(202,968)	(30,195)	-	(220)	(14,838)	(248,221)
Total non-operating revenue (expenses)	787,197	21,984	53,893	158,737	633,123	1,654,934
Income (loss) before contributions and transfers	1,824,272	442,676	225,343	(76,620)	102,306	2,517,977
Transfers in	-	-	(59,127)	26,846	-	(32,281)
Transfers out	(1,828,306)	(402,951)	(310,646)	-	-	(2,541,903)
Change in Net Position	(4,034)	39,725	(144,430)	(49,774)	102,306	(56,207)
Total Net Position - beginning	21,507,002	15,237,375	2,951,513	125,826	3,144,137	42,965,853
Total Net Position - ending	\$21,502,968	\$15,277,100	\$ 2,807,083	\$ 76,052	\$ 3,246,443	\$ 42,909,646

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

City of Lamar, Colorado
Statement of Cash Flows
Business-Type Activities
For the year ended December 31, 2023

	Business-type Activities					Totals
	Enterprise Fund					
	<u>Utility</u>	<u>Water</u>	<u>Sanitation</u>	<u>Ambulance</u>	<u>Airport</u>	
CASH FLOWS FROM OPERATING ACTIVITIES:						
Cash Received from Charges for Services	\$ 15,061,063	\$ 3,042,034	\$ 1,667,541	\$ 349,384	\$ 674,306	\$ 20,794,328
Cash Received from Miscellaneous Operating Revenues	-	25,634	-	-	-	25,634
Cash Payments to Suppliers for Goods & Services	(11,529,718)	(1,114,209)	(573,052)	(65,325)	(793,950)	(14,076,254)
Cash Payments for Salaries & Benefits	(1,712,369)	(946,023)	(722,950)	(511,810)	(254,199)	(4,147,351)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,818,976</u>	<u>1,007,436</u>	<u>371,539</u>	<u>(227,751)</u>	<u>(373,843)</u>	<u>2,596,357</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Customer Deposits Increase (Decrease)	(29,608)	3,880	-	-	-	(25,728)
Increase (Decrease) in Due to other Funds	(13,036)	101,395	148,821	60,339	6,766	304,285
Transfer In	-	-	(59,127)	26,846	-	(32,281)
Transfer Out	(1,828,306)	(402,951)	(310,646)	-	-	(2,541,903)
Miscellaneous Cash Receipts(Disbursements)	606,496	81,046	22,683	157,043	635,497	1,502,765
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>(1,264,454)</u>	<u>(216,630)</u>	<u>(198,269)</u>	<u>244,228</u>	<u>642,263</u>	<u>(792,862)</u>
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES:						
Current Portion of Long Term Debt Paid	(381,696)	(762,691)	-	-	(7,092)	(1,151,479)
Interest Paid on Long-Term Debt & Customer Deposits	(5,355)	(91,859)	-	-	(2,454)	(99,668)
Purchase of Equipment/Construction in Progress	(709,798)	(313,622)	(803,880)	-	(458,603)	(2,285,903)
NET CASH (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(1,096,849)</u>	<u>(1,168,172)</u>	<u>(803,880)</u>	<u>-</u>	<u>(468,149)</u>	<u>(3,537,050)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:						
Interest Received on Investments	186,056	32,797	31,210	1,694	79	251,836
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>186,056</u>	<u>32,797</u>	<u>31,210</u>	<u>1,694</u>	<u>79</u>	<u>251,836</u>
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	<u>(356,271)</u>	<u>(344,569)</u>	<u>(599,400)</u>	<u>18,171</u>	<u>(199,650)</u>	<u>(1,481,719)</u>
Cash & Cash Equivalents:						
Beginning of Year	9,995,947	2,303,524	2,393,218	82,055	74,275	14,849,019
End of Year	<u>\$ 9,639,676</u>	<u>\$ 1,958,955</u>	<u>\$ 1,793,818</u>	<u>\$ 100,226</u>	<u>\$(125,375)</u>	<u>\$ 13,367,300</u>

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

City of Lamar, Colorado
Statement of Cash Flows
Business-Type Activities
for the year ended December 31, 2023
(Continued)

	Business-type Activities					Totals
	Enterprise Fund					
	<u>Utility</u>	<u>Water</u>	<u>Sanitation</u>	<u>Ambulance</u>	<u>Airport</u>	
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:						
Operating Income (Loss)	\$ 1,037,075	\$ 420,692	\$ 171,450	\$ (235,357)	\$(530,817)	\$ 863,043
Adjustments to Reconcile Operating Income To Net Cash Provided by Operating Activities:						
Depreciation & Amortization	824,917	571,375	111,558	93,315	163,258	1,764,423
Change in Assets and Liabilities:						
(Increase) Decrease in Receivables	(55,987)	1,751	(7,735)	(101,211)	7,267	(155,915)
(Increase) Decrease in Inventory	(140,731)	(8,386)	-	-	-	(149,117)
Increase (Decrease) in Accrued Liabilities	81,307	24,662	36,045	4,321	174	146,509
Increase (Decrease) in Accounts Payable	72,395	(2,658)	60,221	11,181	(13,725)	127,414
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 1,818,976</u></u>	<u><u>\$ 1,007,436</u></u>	<u><u>\$ 371,539</u></u>	<u><u>\$ (227,751)</u></u>	<u><u>\$(373,843)</u></u>	<u><u>\$ 2,596,357</u></u>
ANALYSIS OF CASH						
Cash & Cash Equivalents	<u>9,639,676</u>	<u>1,958,955</u>	<u>1,793,818</u>	<u>100,226</u>	<u>(125,375)</u>	<u>13,367,300</u>
Total	<u><u>\$ 9,639,676</u></u>	<u><u>\$ 1,958,955</u></u>	<u><u>\$ 1,793,818</u></u>	<u><u>\$ 100,226</u></u>	<u><u>\$(125,375)</u></u>	<u><u>\$ 13,367,300</u></u>

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

City of Lamar
Notes to Basic Financial Statements
December 31, 2023

Note 1 **Summary of Significant Accounting Policies**

The City of Lamar is a home rule City operating under a charter provided by the authority of the Constitution of the State of Colorado and adopted by its citizens in 1962. The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police and fire), street maintenance, water and wastewater treatment, sanitation and landfill operation, parks and recreation, cemetery, planning and development, public improvements, historic preservation, and general administrative services. The City's basic financial statements include the accounts of all City operations.

This summary of the City of Lamar's significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The accounting policies of the City of Lamar conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

In accordance with Governmental Accounting Standards, the City has considered the possibility of inclusion of additional entities in its basic financial statements. The definition of the reporting entity is based primarily on financial accountability. The City is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if City officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for benefits to, or to impose specific financial burdens on, the City. The City may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Based upon the application of these criteria, the following component unit is included in the City's reporting entity because of the significance of its operational or financial relationship to the City.

The Lamar Building Finance Corporation was organized as a nonprofit corporation in 1992 for the purpose of financing the acquisition, construction and equipping of improvements, repairs, renovation, and enlargement to the Lamar Community Building. The Corporation is dependent on the City, the governing board was appointed by the City, the City significantly influences the operations of the corporation, and the Corporation is accountable to the City for financial matters. The corporation is accounted for as a blended component unit of the General Fund.

The City Council established the Lamar Redevelopment Authority (the Authority) by resolution on September 14, 2009 as a tax increment financing entity. As allowed by

statue, the City Council opted to appoint themselves as the governing board of the Authority. The Authority is dependent on property tax revenue, the City significantly influences the operation of the Authority, and the Authority is accountable to the City for financial matters. The Authority is accounted for as a special revenue fund.

The Lamar Housing Authority is not considered a component unit of the City since it is financially independent, it designates its own management, its operations are not significantly influenced by the City, and it is not accountable to the City for fiscal matters.

Government-Wide and Fund Financial Statements

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

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the 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 considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, specific ownership taxes, sales and use taxes, franchise fees, state shared revenues, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

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

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 the fund's principal ongoing operations. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund also includes the City's separately budgeted Sales and Use Tax Fund which is considered part of the General Fund for external reporting purposes.

Capital Improvement Fund

The Capital Improvement Fund accounts for construction of capital assets including street improvements, large equipment acquisitions and other capital improvements.

The City also reports the following major proprietary funds:

Water & Sewer Fund

The Water & Sewer Fund accounts for all activities necessary for the provision of water and sewer services to City residents.

Light and Power Fund

The Light and Power Fund accounts for all activities necessary for the provision of electrical services for area residents and businesses, including agricultural usage.

Sanitation Fund

The Sanitation Fund accounts for all activities necessary for the provision of refuse collection and landfill maintenance.

Ambulance Fund

The Ambulance Fund accounts for all activities necessary for the provision of ambulance services.

Airport Fund

The Airport Fund accounts for all activities necessary for the provision of the airport.

Budgets and Budgetary Accounting

Annual budgets are adopted as required by Colorado statutes. Formal budgetary integration is employed as a management control device during the year.

- | | |
|-------------|--|
| August 25 | Assessors must submit abstracts of assessments, reflecting all assessed values of property in the County by class and subclass to the Division of Property Taxation. Deadline for County Assessors to certify to all taxing entities and the Division of Local Government of the new total assessed valuation and the amounts for the various factors needed to compute the statutory property tax revenue limits. |
| October 15 | Statutory deadline for submission of proposed budget to the local governing body. "Notice of Budget" to be published when budget received. |
| December 15 | Statutory deadline for certification of mill levies to the Board of County Commissioners. Local governments levying a property tax must adopt their budgets before certifying the levy to the County. Local governing body shall enact an ordinance or resolution making appropriations for the ensuing fiscal year. |
| December 22 | Statutory deadline for Board of County Commissioners to levy all taxes and certify the levies. |

Budgetary comparisons in this report are presented on the GAAP basis, except for proprietary funds that are on a non-GAAP basis.

Appropriations are adopted by ordinance. Over-expenditures are not deemed to exist unless the fund as a total has expenditures in excess of appropriations. All appropriations lapse at year end.

Supplemental budgets were adopted due to unanticipated revenues and expenditures.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents are defined as investments with original maturities of three months or less. The City pools cash from several funds for the purpose of increasing investment returns. Investment returns are allocated to individual funds based on average balances of the funds.

Reserved Cash and Restricted Cash

Resources set aside for the repayment of bonds and landfill closure and post-closure costs are restricted by applicable bond covenants or bond ordinance agreements. Restricted cash is included in cash and cash equivalents for financial reporting purposes.

Property Taxes

Property taxes for the City are levied by the City Council and certified for collection to Prowers County by December 15 of each year. These taxes become due January 1 of the succeeding year and are payable in full by April 30 or in two installments by June 15 in the year of collection. Property taxes levied in the current year for collection in the subsequent year by the General Fund are included in receivables and deferred inflows at year end. These taxes are classified as deferred inflows since they were levied for and are not available to the City until the subsequent year.

Receivables

The City is reporting receivables net of allowances in the General, Water & Wastewater, Light and Power, Sanitation, and Ambulance Funds. The City will review accounts receivable balances and write off accounts that are deemed uncollectible.

Inventory

Inventories are valued at cost, using the first-in, first-out (FIFO) method.

Property, Plant and Equipment

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. For land and land improvements, vehicles and heavy equipment all costs are capitalized. For buildings and building improvements, leasehold improvements, and infrastructure the cost is \$50,000 or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized. Property and equipment of the City is depreciated using the straight-line method over the following useful lives.

Buildings and Improvements	15-50 Years
Equipment	5-30 Years
Infrastructure	30-50 Years

Compensated Absences

On January 1st of each calendar year, eligible employees shall be granted up to 21 days of paid annual leave to be used by December 31st of that calendar year. The number of days of vacation available to each employee in any calendar year shall be based on the employee’s years of service with the City and reference to the following schedule. An employee’s years of service for purposes of this section will be calculated as of December 31st of the current calendar year.

Years of Service as of December 31, of the current year	No. Days of Leave
Less than 2 years	10 Days
2 years – 10 years	15 Days
11 years – 15 years	18 Days
16 years and more	21 Days

Annual leave is granted, and is intended to be used, on a calendar year basis. Annual leave not used before December 31st, does not carry-over to the next year.

All regular employees are eligible for annual leave benefit upon commencement of employment.

Regular part-time employees shall receive a pro-rated annual leave benefit of 50% of the full-time benefit.

New employees still serving the introductory period will not be eligible to use the annual leave benefit during the introductory period.

Part-time or temporary employees are not eligible for annual leave.

On January 1st of each year regular full-time and regular part-time employees shall be granted ten (10) days of sick leave which may be used during the current calendar year.

The sick leave benefit is granted and is intended to be used on an annual basis. Sick leave which is not used by December 31st of each calendar year does not carry-over from year-to-year.

Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of net position will sometimes report a separate section for deferred outflows and inflows of resources. These separate financial statement elements, deferred outflows of financial resources and deferred inflows of financial resources, represent a usage or acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until a future period. The government has three types of items, which arise under the full accrual basis of accounting for both types and modified accrual basis of accounting, in the case of unearned property taxes, that qualify for reporting in these categories. The deferred charge on refunding is reported as a deferred outflow for the governmental activities' presentation. The other item, unavailable revenue, is reported in both the governmental activities statement of net position and in the governmental funds balance sheet. The final item, included in governmental activities and at the enterprise fund level, are deferred outflows and inflows related to pension and OPEB, as further described in Note 6 and Note 7. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and will be recognized as an outflow or inflow of resources in the period that the amounts become recognizable as an expense or available, respectively. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow is recorded at December 31. As the tax is collected in the succeeding year, the deferred inflow is recognized as revenue and the receivable is reduced. In the case of the deferred outflow, the charge will be recognized proportionately as the outstanding principal is repaid.

Net Position/Fund Balance

In the government-wide financial statements and for the proprietary fund statements, net position is either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as “nonspendable” include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Fund balances are reported as “restricted” when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Amounts that can only be used for specific purposes pursuant to constraints imposed by the highest formal action, the adoption of an Ordinance, of the government’s highest level of decision-making authority, the City Council, are reported as “committed” fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Amounts that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed, are reported as “assigned” fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

All remaining fund balance in the General Fund or deficits in the other governmental funds are presented as unassigned.

Net Position/Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance, if allowed under the terms of the restriction. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Cash Reserves – Utility Fund

Lamar Utilities Board has a fiduciary responsibility to make sure the utility is financially healthy and sound to meet its obligation of providing safe and reliable electrical service to its customers. It is a prudent utility operation to maintain six months of cash reserves to cover its utility operations, liabilities and risks that include the following:

- 1960’s Electromechanical feeder protection relays and switchgear upgrade;
- Wind turbine gearbox replacement in case of failure;
- Decommissioning of three (3) wind turbines that are approaching end of life;
- Decommissioning of seventy-nine (79) miles of natural gas pipeline that is used to supply natural gas to a retired power plant;
- Five (5) major feeders that run underground from the old power plant to Beech Street tower The construction of a proposed Willow Valley substation;
- Legal and litigation fees;
- Storm related damage to our distribution system as our insurance will only cover up to \$500k.

The cash reserve that the Lamar Utilities Board maintains will help cover some of these costs.

Note 2

Cash and Investments

The City’s cash and investment balances are comprised of the following:

Petty Cash	\$ 4,850
Cash Accounts	<u>24,009,617</u>
Total Cash and Investments	<u>\$ 24,014,467</u>

Deposits

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of bank failure, the government’s deposits may not be returned to it. The City’s deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market

value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2023, all of the City's deposits as shown above were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

Investments

Credit Risk

The City invests excess funds under the prudent investor rule. The criteria for selection of investments and their order of priority are: 1) Safety, 2) Liquidity, and 3) Yield. The City Clerk is responsible for all of the investments of the City.

Eligible investments shall conform to state law and may include any of the following:

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

The City is subject to Colorado statutes, which define eligible investments for local governments. Eligible investments include bonds and other interest-bearing obligations of or guaranteed by US government or its agencies, bonds which are direct obligations of the State of Colorado or any of its political subdivisions, repurchase agreements, commercial paper, guaranteed investment contracts and local government investment pools.

Interest Rate Risk

The City manages its interest rate risk by setting a maximum maturity date no more than five years from the date of purchase unless otherwise authorized by the City Council.

Concentration of Credit Risk

The City places no limit on the amount that may be invested in any one issuer.

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City was not exposed to custodial credit risk during the fiscal year.

Note 3 Capital Assets

The following schedule presents changes in governmental activities capital assets during 2023:

Governmental Activities:	Balance 12/31/2022	Increases	Decreases	Balance 12/31/2023
Capital asset not being depreciated:				
Land	\$ 581,457	\$ -	\$ -	\$ 581,457
Construction in progress	5,245,306	212,019	-	5,457,325
Total capital assets not being depreciated	<u>5,826,763</u>	<u>212,019</u>	<u>-</u>	<u>6,038,782</u>
Capital asset being depreciated:				
Equipment	4,793,031	961,592	(43,824)	5,710,799
Vehicles	4,556,849	-	-	4,556,849
Buildings	5,371,419	121,326	-	5,492,745
Infrastructure	14,695,003	165,778	-	14,860,781
Total capital assets being depreciated	29,416,302	1,248,696	(43,824)	30,621,174
Accumulated Depreciation	(17,261,048)	(913,769)	(921,099)	(19,095,916)
Total capital assets being depreciated, net	<u>12,155,254</u>	<u>334,927</u>	<u>(964,923)</u>	<u>11,525,258</u>
Governmental activity capital assets, net	<u>\$ 17,982,017</u>	<u>\$ 546,946</u>	<u>\$ (964,923)</u>	<u>\$ 17,564,040</u>

Depreciation has been charged to the various functions and programs as follows:

Government Activities	
General government	\$ 197,761
Public safety	249,481
Public works	57,694
Library	38,216
Culture and recreation	273,970
Infrastructure	97,647
Total depreciation expense, Governmental Activities	<u>\$ 913,769</u>

The following schedule presents business-type activities capital assets at December 31, 2023:

Business-Type Activities	Balance 12/31/2022	Increases	Decreases	Balance 12/31/2023
Capital asset not being depreciated:				
Land	\$ 789,662	\$ -	\$ -	\$ 789,662
Intangibles and water rights	1,591,216	-	-	1,591,216
Construction in progress	140,720	333,709	-	474,429
Total capital assets not being depreciated	2,521,598	333,709	-	2,855,307
Capital asset being depreciated:				
Equipment	18,777,020	-	(7,924,048)	10,852,972
Buildings and improvements	8,556,861	-	(7,924,048)	2,078,078
Distribution systems	39,451,567	16,769,024	-	56,220,591
Airport improvements	3,608,657	10,000	-	3,618,657
Total capital assets being depreciated	70,394,105	16,779,024	(14,402,831)	72,770,298
Accumulated Depreciation	(37,064,314)	(1,601,166)	(85,792)	(38,751,272)
Total capital assets being depreciated, net	33,329,791	15,177,858	(14,488,623)	34,019,026
Governmental activity capital assets, net	\$ 35,851,389	\$ 15,511,567	\$ (14,488,623)	\$ 36,874,333

Depreciation has been charged to the various functions and programs as follows:

Business-Type Activities	
Light & Power	\$ 824,917
Water	571,376
Sanitation	111,558
Ambulance	93,315
Airport	163,258
Total depreciation expense, Business-Type Activities	\$ 1,601,166

Note 4 Long-Term Obligations

Changes in business-type activity long-term obligations are as follows:

Business-Type Activities	Balance 12/31/22	Advances	Repayments	Balance 12/31/23	Current Portion
CWRPDA Note Payable	\$ 2,908,457	\$ -	\$ (359,755)	\$ 2,548,702	\$ 363,046
2015 CWCB Note Payable	490,376	-	(17,471)	472,905	17,864
2017 CWCB Note Payable	59,904	-	(8,071)	51,833	8,228
2016 DWRP Note Payable	159,659	-	(6,516)	153,143	6,516
2021 DWRP Note Payable	1,069,280	-	(34,351)	1,034,929	34,524
Honeywell Acquisition Lease	1,280,319	-	(277,132)	1,003,187	251,965
2020 Frontier Bank	251,209	-	(59,393)	191,816	61,406
Total Water & Sewer Fund	6,219,204	-	(762,689)	5,456,515	743,549
2013 Revenue Bonds - L&P	381,396	-	(381,396)	-	-
PERA Net Pension Liability	(196,235)	2,435,610	-	2,239,375	-
Net OPEB Liability	(153,447)	300,601	-	147,154	-
Total Utility Fund	31,714	2,736,211	(381,396)	2,386,529	-
IRE Enterprises, LLC	52,306	-	(7,092)	45,214	7,092
Total Airport Fund	52,306	-	(7,092)	45,214	7,092
Community State Bank	57,545	-	(57,545)	-	-
Landfill Post closure Liability	365,270	29,760	-	395,030	-
Total Sanitation Fund	422,815	29,760	(57,545)	395,030	-
Accrued Compensated Absences					
– All Enterprise Funds	366,682	260,361	-	627,043	149,755
Total Business-type Activities	\$ 7,040,415	\$ 3,026,332	\$ (1,201,630)	\$ 8,865,117	\$ 893,304

Business-Type Activities

Colorado Water Resources and Power Development Authority Loans

On May 27, 2010, the City received loan funds totaling \$2,000,000 from the Colorado Water Resources and Power Development Authority (CWRPDA) Water Pollution Control Revolving Fund program for upgrades to the water system. The loan bears interest at 2% and requires semi-annual principal and interest payments through May 1, 2031. Payments are made through the Water Fund.

On December 17, 2009, the City was awarded loan funds totaling \$5,020,000 from CWRPDA Drinking Water Revolving Fund to finance the relocation of the existing chlorine building, storage tank improvements, and installation resource project. This loan matures in 2031 and is split with \$3,952,375 being noninterest bearing and \$1,067,625 bearing interest at 2.5%. The loan requires semi-annual principal and interest payments through June 15, 2030. Payments are made through the Water Fund.

On August 26, 2016, the City received loan funds totaling \$195,500 from the CWRPDA Drinking Water Revolving Fund for the replacement of the distribution and service pipelines. The loan is noninterest bearing and requires semi-annual principal payments through May 1, 2047. Payments are made through the Water Fund. The loan also

contains an additional \$1,417,300 of proceeds subject to loan forgiveness at the discretion of the Authority.

A summary of payments follows for the CWRPDA Loans:

CWRPDA Loans			
Fiscal Year	Principal	Interest	Total
2024	\$ 363,046	\$ 26,728	\$ 389,774
2025	366,761	23,013	389,774
2026	370,277	19,497	389,774
2027	373,217	16,557	389,774
2028	376,187	13,587	389,774
2029-2032	699,154	24,348	723,502
Total	\$ 2,548,642	\$ 123,730	\$ 2,672,372

Colorado Water Conservation Board Loans

On November 10, 2014, the City received loan funds totaling \$616,994 from the Colorado Water Conservation Board (CWCB) for upgrades to the water transmission lines. The loan bears interest at 2.25% and matures in 2044.

Principal and Interest is payable on the outstanding loans as follows:

CWCB Loans			
Fiscal Year	Principal	Interest	Total
2024	\$ 17,864	\$ 10,641	\$ 28,505
2025	18,266	10,239	28,505
2026	18,677	9,828	28,505
2027	19,097	9,408	28,505
2028	19,527	8,978	28,505
2028-2032	104,428	38,097	142,525
2033-2037	116,716	25,809	142,525
2038-2042	130,451	12,074	142,525
2043-2044	27,879	57,636	85,515
Total	\$ 472,905	\$ 182,710	\$ 655,615

During 2017, the City of Lamar Water and Sewer Fund borrowed \$195,500 from the Drinking Water Revolving Fund. The terms of repayment are annual payments of \$6,516 with no interest and the final payment due May 2047.

Drinking Water Revolving Fund			
Fiscal Year	Principal	Interest	Total
2024	\$ 6,516	\$ -	\$ 6,516
2025	6,516	-	6,516
2026	6,516	-	6,516
2027	6,516	-	6,516
2028	6,516	-	6,516
2029-2033	32,580	-	32,580
2034-2038	32,580	-	32,580
2039-2043	32,580	-	32,580
2044-2047	22,823	-	22,823
Total	\$ 153,143	\$ -	\$ 153,143

On June 17, 2016, the City received loan funds totaling \$101,000 from the Colorado Water Conservation Board (CWCB) for upgrades to the water transmission lines. The loan bears interest at 1.95% and matures ten years from substantial project completion. Principal and interest will be due annually. Principal and interest is payable on the outstanding loans as follows:

CWCB Loans			
Fiscal Year	Principal	Interest	Total
2024	\$ 8,228	\$ 1,100	\$ 9,328
2025	8,388	940	9,238
2026	8,551	687	9,238
2027	8,718	520	9,238
2028	8,888	350	9,238
2029	9,060	18,654	27,714
Total	\$ 51,833	\$ 22,161	\$ 73,994

On March 3, 2020, the City purchased a truck for the Water Fund at a cost of \$430,000. The purchase was financed with seven annual payments of \$67,839, principal and interest, with an interest rate of 3.39%. Principal and interest is payable on the loan as follows:

Frontier Bank Loan			
Fiscal Year	Principal	Interest	Total
2024	\$ 61,406	\$ 6,433	\$ 67,839
2025	63,488	4,351	67,839
2026	66,922	142	67,064
Total	\$ 191,816	\$ 10,926	\$ 202,742

During 2021, the City of Lamar Water and Sewer Fund borrowed \$1,089,200 from the Drinking Water Revolving Fund. The repayments terms call for annual payments of \$39,655, principal and interest, after the 2022 payment of \$23,089, principal and interest. Interest is at 0.50%. The final payment is due November 2051.

Drinking Water Revolving Fund			
Fiscal Year	Principal	Interest	Total
2024	\$ 34,524	\$ 5,131	\$ 39,655
2025	34,697	4,958	39,655
2026	34,870	4,785	39,655
2027	35,045	4,610	39,655
2028	35,220	4,435	39,655
2029-2033	178,764	19,511	198,275
2034-2038	183,285	14,990	198,275
2039-2043	187,917	10,358	198,275
2044-2048	193,034	5,241	198,275
2049-2051	117,573	80,702	198,275
Total	\$ 1,034,929	\$ 154,721	\$ 1,189,650

Electric Revenue Bonds

In 2013, the City fully refunded 2004 Electric Enterprise Revenue Bonds by issuing Revenue Bonds in the amount of \$3,490,000. The 2013 bonds bear interest at 2.55%. Interest is payable semi-annually on January 1st and July 1st of each year. These bonds were paid in full during 2023.

During 2019, the City of Lamar Sanitation Fund borrowed \$221,102 for equipment. The terms of repayment are four annual payments of \$59,127, principal and interest with interest at the rate of 2.75%. This note was paid in full during 2023.

During 2019, the City of Lamar Ambulance Fund borrowed \$100,388 for the purchase of a 2019 Ford Ambulance. Repayments terms require four annual payments of \$26,845 including principal and interest with interest at 2.75%. This note was paid in full during 2023.

During 2021, the City purchased a fuel truck to be used at the airport. Collateral for the fuel truck is the fuel truck. Interest is at 5.00%. Payments are as follows.

Fiscal Year	Principal	Interest	Total
2024	\$ 7,454	\$ 2,092	\$ 9,546
2025	7,835	1,711	9,546
2026	8,237	1,309	9,546
2027	8,658	888	9,546
2028	9,101	445	9,546
2029	3,929	48	3,977
Total	\$ 45,214	\$ 6,493	\$ 51,707

Honeywell Lease Payable – Business-Type Activities

The Honeywell acquisition lease is for energy efficiency improvements in the amount of \$4,456,988 which is being repaid through both the General Fund and the Water Fund. The lease began in December of 2012 with the final payment date in June of 2027. The lease bears interest of 2.8% and has a purchase option. Payments are due every quarter of the year and range from \$55,943 to \$120,305 during the lease term. A summary of the future lease payments follows:

Honeywell Capital Lease			
Business-Type Activities			
Fiscal Year	Principal	Interest	Total
2024	\$ 251,965	\$ 28,157	\$ 280,122
2025	226,796	21,204	248,000
2026	256,796	14,204	271,000
2026-2027	267,628	14,206	281,834
	<u>\$ 1,003,185</u>	<u>\$ 77,771</u>	<u>\$ 1,080,956</u>

Governmental Activities

Capital Lease Payable

In 2016, the City entered into a lease purchase agreement for a 2014 Pierce Aerial fire truck. The lease requires annual base rentals of \$74,728 consisting of both principal and interest at 3.49% on May 5th of each year starting in 2016. Assets with a remaining basis of \$528,894 were capitalized as part of this lease.

In 2018, the City entered into a lease purchase agreement for a Pierce Freightliner Type-3 Fire Truck. The lease requires 10 annual base rentals of \$43,223 consisting of both principal and interest at 3.95% on October 1st of each year starting in 2018.

A summary of the capital lease payments follows:

Fiscal Year	Aerial Fire Truck Payment	Fire Truck Payment	Totals
2024	\$ 74,728	43,223	117,951
2025	74,534	43,223	117,757
2026	-	43,223	43,223
2027	-	43,223	43,223
Total Future Payments	149,262	172,892	322,154
Less: Interest Portion	(12,176)	(16,030)	(28,206)
Present Value of Payments	<u>\$ 137,086</u>	<u>\$ 156,862</u>	<u>\$ 293,948</u>

Lease Purchase Agreements

Changes in governmental activity long-term obligations are as follows:

Governmental Activities	Balance 12/31/22	Advances	Repayments	Balance 12/31/23	Current Portion
Honeywell Lease	\$ 83,890	\$ -	\$ (83,890)	\$ -	\$ -
Equipment Capital Leases	1,274,868	360,338	(487,540)	1,147,666	196,940
Accrued Compensated Absences	458,353	-	-	458,353	91,671
Total Governmental Activities	\$ 1,817,111	\$ 360,338	\$ (571,430)	\$ 1,606,019	\$ 288,611

In 2020, the City entered into a finance agreement to buy three vehicles for use by the police department. The note calls for five payments of \$14,691 each, with the first payment due April 1, 2020 and four annual payments of the \$14,691 each due April 1 with interest at 3.24%. Future payments are:

GN Bank N. A.			
Fiscal Year	Principal	Interest	Total
2024	\$ 14,230	\$ 461	\$ 14,691

During 2021, the City entered into a lease purchase agreement for 2 Dodge Ram 1500 pickups for \$57,646. The note calls for five annual payments beginning July 2021 of \$12,188 principal and interest, each. The note is secured by the vehicles. Interest is at 2.89%. Future payments are:

Community State Bank			
Fiscal Year	Principal	Interest	Total
2024	\$ 11,520	\$ 668	\$ 12,188
2025	11,850	338	12,188
Total	\$ 23,370	\$ 1,006	\$ 24,376

During 2021, the City entered into a lease purchase agreement for surveying equipment for \$50,290. The note calls for five annual payments beginning July 2021 of \$10,659 principal and interest, each. The note is secured by the equipment. Interest is at 2.89%. Future payments are:

GN Bank N. A.			
Fiscal Year	Principal	Interest	Total
2024	\$ 10,049	\$ 610	\$ 10,659
2025	10,351	308	10,659
Total	\$ 20,400	\$ 918	\$ 21,318

During 2021, the City entered into a lease purchase agreement for a 2021 Pierce Fire Truck for \$590,598. The note calls for ten annual payments beginning September 2021 of \$65,945 principal and interest, each. The note was secured by the fire truck. Interest is at 2.99%. Future payments are:

GN Bank N. A.			
Fiscal Year	Principal	Interest	Total
2024	\$ 55,326	\$ 10,619	\$ 65,945
2025	56,732	9,213	65,945
2026	58,173	7,772	65,945
2027	59,650	6,295	65,945
2028	61,165	4,780	65,945
2029	62,719	3,226	65,945
2030	64,312	1,638	65,950
Total	\$ 418,077	\$ 43,543	\$ 461,620

During 2022, the City entered into 3 separate lease purchase agreements for 3 vehicles. Collateral for the 3 leases are the vehicles. Interest is 2.69%, 2.76%, and 2.76%. Payments are as follows:

Fiscal Year	Principal	Interest	Total
2024	\$ 9,215	\$ 764	\$ 9,979
2025	9,463	516	9,979
2026	9,718	261	9,979
Total	\$ 28,396	\$ 1,541	\$ 29,937

Fiscal Year	Principal	Interest	Total
2024	\$ 6,908	\$ 587	\$ 7,495
2025	7,098	397	7,495
2026	7,295	200	7,495
Total	\$ 21,301	\$ 1,184	\$ 22,485

Fiscal Year	Principal	Interest	Total
2024	\$ 6,756	\$ 575	\$ 7,331
2025	6,943	388	7,331
2026	7,134	197	7,331
Total	\$ 20,833	\$ 1,160	\$ 21,993

During 2023, the City entered into a lease purchase agreement for three police vehicles for \$127,707. The note calls for four annual payments beginning November 2024 in the amount of \$29,862, principal and interest, each. The note is secured by the equipment. There was a down payment of \$24,500 made in November 2023. Interest is at 5.85%, future payments are:

Community State Bank			
Fiscal Year	Principal	Interest	Total
2024	\$ 23,645	\$ 6,037	\$ 29,682
2025	25,028	4,654	29,682
2026	26,492	3,190	29,682
2027	28,042	1,640	29,682
Total	\$ 103,207	\$ 15,521	\$ 118,728

During 2023, the City entered into a lease purchase agreement for an asphalt paver for \$232,631. The note calls for nine annual payments beginning June 2023 in the amount of \$29,148, principal and interest, each. The note is secured by the equipment. There was a down payment of \$29,148 made in June 2023. Interest is at 5.35%, future payments are:

Community State Bank			
Fiscal Year	Principal	Interest	Total
2024	\$ 18,235	\$ 10,913	\$ 29,148
2025	19,211	9,937	29,148
2026	20,239	8,909	29,148
2027	21,321	7,827	29,148
2028	22,372	6,776	29,148
2029	23,664	5,484	29,148
2030	24,930	4,218	29,148
2031	26,264	2,884	29,148
2032	27,668	1,480	29,148
Total	\$ 203,904	\$ 58,428	\$ 262,332

During 2022, the City entered into a lease purchase agreement for a pickup for \$44,360. The note calls for five annual payments beginning July 2022 in the amount of \$9,537, principal and interest, each. The note is secured by the equipment. There was a down payment of \$9,537 made in June 2022. Interest is at 3.75%, future payments are:

Community State Bank			
Fiscal Year	Principal	Interest	Total
2024	\$ 8,540	\$ 997	\$ 9,537
2025	8,860	677	9,537
2026	9,192	345	9,537
Total	\$ 26,592	\$ 2,019	\$ 28,611

Note 5 Interfund Transactions

The City has recorded the following routine transfers:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 7,520,617	\$ 260,130
Sanitation Fund	53,046	310,645
Water Fund	-	402,951
Utility Fund	-	1,892,895
Nonmajor Govt. Funds	260,130	4,967,172
Totals	<u>\$ 7,883,793</u>	<u>\$ 7,833,793</u>

Note 6 Employee Benefit Plans

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. The City of Lamar – Light and Power Fund (Light & Power Fund) participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees’ Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description. Eligible employees of the Light & Power Fund are provided with pensions through the LGDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided as of December 31, 2022. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100% of highest average salary and cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. For State Troopers whose disability is caused by an on- the-job injury, the five-year service requirement is waived and they are immediately eligible to apply for disability benefits. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions provisions as of December 31, 2023: Eligible employees of Light & Power and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LGDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates for the period of January 1, 2023 through December 31, 2023 are summarized in the table below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022
Employee contribution (all employees other than State Troopers)	8.50%	9.00%

**Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

The employer contribution requirements for all employees other than State Troopers are summarized in the table below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022
Employer contribution rate	10.50%	11.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02%)	(1.02%)
Amount apportioned to the LGDTF	9.48%	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.03%	0.03%
Total employer contribution rate to the LGDTF	13.21%	13.71%

**Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Light & Power Fund is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from Light & Power Fund were \$246,161 for the year ended December 31, 2022.

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

The net pension liability for the LGDTF was measured as of December 31, 2022, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TPL to December 31, 2022. The Light & Power Fund proportion of the

roll-forward the TPL to December 31, 2022. The Light & Power Fund proportion of the net pension liability was based on Light & Power Fund contributions to the LGDTF for the calendar year 2022 relative to the total contributions of participating employers.

At December 31, 2022, the Light & Power Fund reported a liability of \$2,239,375 for its proportionate share of the net pension liability.

At December 31, 2022, the Light & Power Fund proportion was .223365%, which is the same as its proportion measured as of December 31, 2021.

For the year ended December 31, 2022, the Light & Power Fund recognized pension expense of \$246,161. At December 31, 2022, the Light & Power Fund reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ -	\$ 11,164
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	2,142,673	1,228,454
Contributions subsequent to the measurement date	255,859	N/A
Total	<u>\$ 2,398,532</u>	<u>\$ 1,239,618</u>

\$255,859 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:

2023	\$ (101,553)
2024	134,289
2025	334,648
2026	535,672
2027	-
Thereafter	-

Actuarial assumptions. The TPL in the December 31, 2021, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	.70%
Wage inflation	3.00%
Salary increases, including wage inflation:	
Members other than State Troopers	3.20% - 11.30%
State Troopers	3.20% - 12.40%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06 ¹	Financed by the AIR

¹ Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

The TPL for the LGDTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, as allowable under C.R.S. § 24-51-313, of Tri-County Health Department (Tri-County Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

Pre-retirement mortality assumptions for members other than State Troopers were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019. Pre-retirement mortality assumptions for State Troopers were based upon the PubS-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for members other than State Troopers were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

Disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared at least every five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25%.

Discount rate. The discount rate used to measure the TPL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the LGDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Light & Power Fund proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a

discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
Proportionate share of the net pension liability/(asset)	\$ 3,759,347	\$ 2,239,375	\$ 966,907

Pension plan fiduciary net position. Detailed information about the LGDTF’s FNP is available in PERA’s ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

Defined Contribution Pension Plans

Voluntary Investment Program (PERAPlus 401(k) Plan)

Plan Description - Employees of the Light & Power Fund that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program (PERAPlus 401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the PERAPlus 401(k) Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy - The PERAPlus 401(k) Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. In addition, the Light & Power Fund does not match employee contributions. Employees are immediately vested in their own contributions, employer contributions, if any, and investment earnings. For the year ended December 31, 2022, members contributed \$40,987.

Defined Contribution Retirement Plan (PERA DC Plan)

Plan Description – Eligible employees of the LGDTF hired on or after January 1, 2019, have the option to participate in the LGDTF, a cost-sharing multiple-employer defined benefit pension plan, or the Defined Contribution Retirement Plan (PERA DC Plan).

The PERA DC Plan is an Internal Revenue Code Section 401(a) governmental profit-sharing defined contribution plan. Title 24, Article 51, Part 15 of the C.R.S., as amended, assigns the authority to establish Plan provisions to the PERA Board of Trustees. The PERA DC Plan is also included in PERA’s ACFR as referred to above.

Funding Policy – All participating employees in the PERA DC Plan and the Light & Power Fund are required to contribute a percentage of the participating employees’ PERA-includable salary to the PERA DC Plan. The employee and employer contribution rates for the period January 1, 2023 through December 31, 2023 are summarized in the tables below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022
Employee Contribution Rates:		
All employees other than State Troopers	8.50%	9.00%
State Troopers	12.50%	13.00%
Employer Contribution Rates:		
On behalf of all employees other than State Troopers	10.00%	10.00%
State Troopers	12.85%	12.85%

**Contribution rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Additionally, the employers are required to contribute AED, SAED, and other statutory amounts for employees other than State Troopers to the LGDTF, as follows:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24- 51-411	1.50%	1.50%
Automatic Adjustment Provision (AAP) as specified in C.R.S. § 24-51-413	0.50%	1.00%
Additional Contribution Supplement as specified in C.R.S. § 24-51-401 and § 24-51-415	0.03%	0.03%
Total employer contribution rate to the LGDTF	4.23%	4.73%

**Contribution rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Contribution requirements are established under Title 24, Article 51, Section 1505 of the C.R.S., as amended. Participating employees of the PERA DC Plan are immediately vested in their own contributions and investment earnings and are immediately 50% vested in the amount of employer contributions made on their behalf. For each full year of participation, vesting of employer contributions increases by 10%. Forfeitures are used to pay the expenses of the PERA DC Plan in accordance with PERA Rule 16.80 as adopted by the PERA Board of Trustees in accordance with Title 24, Article 51, Section 204 of the C.R.S. As a result, forfeitures do not reduce pension expense. Participating employees in the PERA DC Plan contributed \$165,871 and the Light & Power Fund recognized pension expense and a liability of \$272,028 and \$2,386,529, respectively, for the PERA DC Plan.

Defined Contribution Plans – Money Purchase Pension Plan

The City reinstated and administered a money purchase pension plan, effective June 1, 2010. All City employees except Light and Power employees, policemen, and volunteer firemen are covered under this defined contribution plan if they meet eligibility requirements specified in the plan document. Participants are required to contribute 8% of their eligible wages and can voluntarily contribute an additional 6% of compensation through the City's 457 voluntary contribution plan. The City is required to contribute 9% of allowable compensation for retirement benefits.

The policemen have established a money purchase defined contribution pension plan (FPMP for new hires). FPMP may be amended by action of the Retirement Board with the approval of at least 65% of actively employed eligible employees and former employees entitled to FPMP benefits. The plan was maintained through Fidelity Advisor Funds and American Century Funds through September 2023. Effective October 2023, the plan administration was moved to Empower. The participants are required to contribute 8% of their eligible salaries, and the City contributes 9%. For 2023, the City contributed \$87,279 and participants contributed \$77,582.

Deferred Compensation Plan -457 Plan

In 1997, the City offered its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits the employees to defer a portion of their salary. The deferred portion is not available to employees until termination, retirement, death or an unforeseeable emergency. The plan is managed by One America. During 2023, the City added a ROTH 457 option for the employee's benefit. The One America plan also covers firemen. In addition, the City has a plan specific for the City Administrator, through ICMA. The contributions to the ICMA plan are limited to 2%.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or beneficiary) solely the property and rights of the City (without being restricted to the provisions of benefits under the plan), subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account of each participant.

Volunteer Firefighters' Pension Plan

Plan Description

On July 1, 2006, the City's Volunteer Plan affiliated with FPPA under CRS 31-30-1005(l)(k), as amended, at which time all plan assets were transferred to FPPA for financial administration. Under FPPA administration, the City's Volunteer Plan is an "affiliated local plan" that is part of an agent multiple-employer Public Employee Retirement System (PERS). Assets of the Plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund, an agent multiple-employer defined benefit pension Plan administered by FPPA.

Under the FPPA affiliation agreement, the City is responsible for the collection and transmission of all contributions to the Plan. FPPA is responsible for the physical safekeeping and investing of such contributions, as well as for making the appropriate and legally authorized payments of pension benefits and other expenses of the Plan.

All City volunteer firefighters participate in this non-contributing local defined benefit pension plan administered by FPPA. For the year ended December 31, 2019, the City has acted as the trustee for the plan and has authority to amend benefit provisions.

The Plan does not issue separate financial statements. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado 80111-2721, or by calling FPPA at (303) 770-3772 in the Denver metro area and 1-800-332-FPPA (3772) from outside the metro area.

Description of Benefits

The Plan provides retirement benefits for Members and beneficiaries according to Plan provisions as enacted and governed by the Firefighters Pension Board. Colorado Revised Statutes (CRS), as amended, establishes basic benefit provisions under the Plan. A participant becomes fully vested after 10 years of active service and reaching age 50. The plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. Benefits provided are as follows:

Age and service retirement after age 50 with 20 years of credited service (monthly)	\$250
Disability retirement benefit:	
Temporary	-
Permanent	-
Surviving spouse death benefit:	
Following death before retirement eligible, death in line of duty	-
Following death after normal retirement	\$125
Following death after vested retirement with 10 to 20 years of service, amount per year of service per minimum vesting years	-
Funeral benefit, lump sum	\$100

Contributions

The City makes contributions in accordance with the Plan per provisions in the Plan document and Colorado statutes based on Trustees established benefits and funding requirements based on an actuarial study. The City contributes to the Volunteer Fire Department Pension Fund at a rate determined in the following manner: at least every three (3) years, the Volunteer Fire Department Pension Fund shall have an actuarial study prepared to determine the funds required. The required funds will be paid annually from general revenues of the City into the Volunteer Fire Department Pension Fund. The Volunteer Firefighter’s Pension Plan receives contributions from the City in an amount not to exceed one half mill of property tax revenue.

As established by the legislature, the State of Colorado contributes up to 90% of the City’s contribution. The contributions are not actuarially determined.

The financial statements of the volunteer Plan are prepared using the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The investments are presented at fair value except for short-term investments that are recorded at cost, which approximates fair value.

Administrative costs of the Plan are paid from the pension fund (CRS 31-30.5-204(3)). There are no investments in, loans to, or leases with parties related to the Plan.

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

Net Pension Liability/(Asset)	
Total Pension Liability	\$ 374,905
Plan Fiduciary Net Position	<u>(1,356,896)</u>
Net Pension Liability/(Asset)	\$ (981,991)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	361.93%
Net Pension Liability/(Asset) as a Percentage of Covered Payroll	N/A
Development of the Single Discount Rate	
Single Discount Rate	7.00%
Long-Term Expected Rate of Investment Return	7.00%
Long-Term Municipal Bond Rate	4.05%
Last year ending December 31 in the 2023 to 2123 projection period for which projected benefit payments are fully funded	2,122
Total Pension Expense/(Income)	\$ (59,551)

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

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 7,486	\$ 41,357
Changes in assumptions	9,867	-
Net difference between projected and actual earnings on pension plan investments	<u>177,884</u>	<u>103,873</u>
Total	\$ 195,237	\$ 145,230

Actuarial Assumptions

The January 1, 2021 actuarial valuation was used to determine the Actuarially Determined Contribution for the fiscal years ending December 31, 2022 and 2023.

Methods and Assumptions Used to Determine Contribution Rates for the Fiscal Year Ending December 31, 2020:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open *
Remaining Amortization Period	20 Years *
Asset Valuation Method	5 – Year smoothed fair value
Inflation	2.50%
Salary Increase	N/A
Investment Rate of Return	7.00%
Retirement Age	50% per year eligibility until 100% at age 65
Mortality	<p>Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality.</p> <p>Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.</p> <p>Disabled: 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.</p>

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

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

arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Cash	1.00%	3.91%
Fixed Income – Rates	10.00%	5.45%
Fixed Income – Credit	5.00%	6.90%
Absolute Return	9.00%	6.49%
Long Short	6.00%	7.47%
Global Equity	35.00%	5.95%
Private Markets	34.00%	10.31%
Total	100.00%	

Sensitivity of the City's Net Pension Liability to Changes in the Discount Rate for the Measurement Period Ended December 31, 2022

The following presents the City's net position calculated using the discount rate of 7.00%, as well as what the City's net position would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.0%)	Current Single Discount Rate (7.0%)	1% Increase (8.0%)
Proportionate Share of the Net Pension (Asset)	\$ (926,420)	\$ (981,991)	\$ (1,026,642)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial report.

Changes in net pension liability for the City's agent multiple-employer plan is listed below:

A. Total Pension Liability	
1. Service Cost	\$ 4,392
2. Interest on the Total Pension Liability	24,651
3. Benefit Changes	-
4. Difference Between Expected and Actual Experience on the Total Pension Liability	(3,311)
5. Changes of Assumptions	4,515
6. Benefit Payments	(10,500)
7. Net Changes in Total Pension Liability	19,747
8. Total Pension Liability - Beginning	355,158
9. Total Pension Liability - Ending	\$ 374,905

B. Plan Fiduciary Net Position	
1. Contributions - Employer	\$ 6,592
2. Net Investment Income	(18,907)
3. Benefit Payments	(10,500)
4. Pension Plan Administrative Expense	(6,018)
5. State of Colorado Supplemental Discretionary Payment	<u>(5,932)</u>
6. Net Change in Plan Fiduciary Net Position	(122,901)
7. Plan Fiduciary Net Position - Beginning	<u>1,479,797</u>
8. Plan Fiduciary Net Position - Ending	<u>\$ 1,356,896</u>
C. Net Pension Liability/(Asset) – (Item A.9 – Item B.8)	<u>\$ (981,991)</u>
D. Plan Fiduciary Net Position as a percentage of the Total Pension Liability – (Item B.8 / Item A.9)	361.93%
E. Covered Employee Payroll	N/A
F. Net Pension Liability/(Asset) as a percentage of Covered Payroll	N/A

Membership

As of the January 1, 2021 measurement date, pension plan membership consisted of the following:

Retirees and Beneficiaries	5
Inactive, Nonretired Members	1
Active Members	<u>32</u>
Total	<u>38</u>
Covered Payroll	N/A

Note 7

Post Employment Healthcare Benefits

Defined Benefit Other Post Employment Benefit (OPEB) Plan

Summary of Significant Accounting Policies

OPEB. City of Lamar – Light and Power Fund (Light & Power Fund) participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees’ Retirement Association of Colorado (“PERA”). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan

Plan description. Eligible employees of the Light & Power Fund are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 *et seq.* specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare health benefits program is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

DPS Benefit Structure

The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions. Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Light & Power Fund is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Light & Power Fund were \$18,655 for the year ended December 31, 2022.

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

At December 31, 2022, the Light & Power Fund reported a liability of \$147,154 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TOL to December 31, 2022. The Light & Power Fund proportion of the net OPEB liability was based on Light & Power Fund contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF.

At December 31, 2022, the Light & Power Fund proportion was .018023%, which is approximately the same as its proportion measured as of December 31, 2021.

For the year ended December 31, 2022, the Light & Power Fund recognized OPEB expense of \$18,655. At December 31, 2022, the Light & Power Fund reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 19	\$ 35,587
Changes of assumptions/other inputs	2,365	16,241
Net difference between projected and actual earnings on pension plan investments	16,140	7,152
Contributions subsequent to the measurement date	18,000	N/A
Total	\$ 36,524	\$ 58,980

\$18,000 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	
2023	\$ (14,600)
2024	(13,766)
2025	(6,393)
2026	(959)
2027	(3,811)
Thereafter	(867)

Actuarial assumptions. The TOL in the December 31, 2021 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method			Entry age	
Price inflation			2.30%	
Real wage growth			0.70%	
Wage inflation			3.00%	
Salary increases, including wage inflation:				
Members other than State Troopers	3.30%-10.90%	3.40%-11.00%	3.20%-11.30%	2.80%-5.30%
State Troopers	3.20%-12.40%	N/A	3.20%-12.40%	N/A
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation			7.25%	
Discount rate			7.25%	
Health care cost trend rates:				
PERA benefit structure:				
Service-based premium subsidy			0.00%	
PERACare Medicare plans			6.50% in 2022 Gradually decreasing to 4.50% in 2030	
Medicare Part A premiums			3.75% in 2022 Gradually increasing to 4.50% in 2029	
DPS benefit structure:				
Service-based premium subsidy			0.00%	
PERACare Medicare plans			N/A	
Medicare Part A premiums			N/A	

The TOL for the HCTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. § 24-51-313, of Tri-County Health Department (TriCounty Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

Beginning January 1, 2022, the per capita health care costs are developed by plan option; based on 2022 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This

approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

<u>Participant</u> <u>Age</u>	<u>Annual Increase</u> <u>(Male)</u>	<u>Annual Increase</u> <u>(Female)</u>
65-69	3.0%	1.5%
70	2.9%	1.6%
71	1.6%	1.4%
72	1.4%	1.5%
73	1.5%	1.6%
74	1.5%	1.5%
75	1.5%	1.4%
76	1.5%	1.5%
77	1.5%	1.5%
78	1.5%	1.6%
79	1.5%	1.5%
80	1.4%	1.5%
81 and older	0.0%	0.0%

<u>Sample</u> <u>Age</u>	<u>MAPD PPO #1 with</u> <u>Medicare Part A</u>		<u>MAPD PPO #2 with</u> <u>Medicare Part A</u>		<u>MAPD HMO</u> <u>(Kaiser) with</u> <u>Medicare Part A</u>	
	<u>Retiree/Spouse</u>		<u>Retiree/Spouse</u>		<u>Retiree/Spouse</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
65	\$ 1,704	\$ 1,450	\$ 583	\$ 496	\$ 1,923	\$ 1,634
70	\$ 1,976	\$ 1,561	\$ 676	\$ 534	\$ 2,229	\$ 1,761
75	\$ 2,128	\$ 1,681	\$ 728	\$ 575	\$ 2,401	\$ 1,896

<u>Sample</u> <u>Age</u>	<u>MAPD PPO #1</u> <u>without</u> <u>Medicare Part A</u>		<u>MAPD PPO #2</u> <u>without</u> <u>Medicare Part A</u>		<u>MAPD HMO</u> <u>(Kaiser) without</u> <u>Medicare Part A</u>	
	<u>Retiree/Spouse</u>		<u>Retiree/Spouse</u>		<u>Retiree/Spouse</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
65	\$ 6,514	\$ 5,542	\$ 4,227	\$ 3,596	\$ 6,752	\$ 5,739
70	\$ 7,553	\$ 5,966	\$ 4,901	\$ 3,872	\$ 7,826	\$ 6,185
75	\$ 8,134	\$ 6,425	\$ 5,278	\$ 4,169	\$ 8,433	\$ 6,657

The 2022 Medicare Part A premium is \$499 (actual dollars) per month.

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2021, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates used to measure the TOL are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2022	6.50%	3.75%
2023	6.25%	4.00%
2024	6.00%	4.00%
2025	5.75%	4.00%
2026	5.50%	4.25%
2027	5.25%	4.25%
2028	5.00%	4.25%
2029	4.75%	4.50%
2030+	4.50%	4.50%

Mortality assumptions used in the December 31, 2021, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed on a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for State Troopers were based upon the PubS-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for the School Division were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for the Judicial Division were based upon the PubG-2010(A) Above-Median Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the School Division were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 112% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83% of the rates prior to age 80 and 106% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the Judicial Division were based upon the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

Disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The following health care costs assumptions were updated and used in the roll-forward calculation for the HCTF:

- Per capita health care costs in effect as of the December 31, 2021, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2022 plan year.
- The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health

benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.

- The health care cost trend rates applicable to health care premiums were revised to reflect the, then, current expectation of future increases in those premiums. Medicare Part A premiums continued with the prior valuation trend pattern.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by PERA Board's actuary, as discussed above.

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the TOL, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared at least every five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25%.

Sensitivity of the Light and Power Fund proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease In Trend Rates	Current Trend Rates	1% Increase In Trend Rates
Initial PERACare Medicare trend rate ¹	5.50%	6.25%	7.25%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB liability	\$142,989	\$147,154	\$151,686

¹For the January 1, 2023, plan year.

Discount rate. The discount rate used to measure the TOL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2022, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the HCTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% increase (8.25%)
Proportionate share of the net OPEB liability	\$170,595	\$147,154	\$127,104

OPEB plan fiduciary net position. Detailed information about the HCTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

Note 8

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.

For risks related to property and liability and workers' compensation, the City is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, section 18(2). The purposes of CIRSA are to provide members defined liability and property coverage and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees or officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage at reasonable costs.

All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity; the City does not approve budgets, nor

does it have ability to significantly affect the operations of the unit. The City has not significantly changed its insurance coverage over the past three years, nor have settlements exceeded coverage during the same period.

The City purchases commercial insurance coverage for all items not covered by CIRSA. Settled claims for these risks have not exceeded insurance coverage in the past three years.

Note 9

Related Parties

The City entered into a contract in 1979 with five other municipalities to create a separate governmental entity known as the Arkansas River Power Authority (ARPA) under provisions of CRS 1973, § 29-1-204 as amended, “to effect the development of electric energy resources and the production and transmission of electric energy in whole or in part for the benefit of the inhabitants of the Municipalities.” Under the provisions of this agreement and the subsequent Power Purchase Agreement and various amendments to the Power Purchase Agreement, the member municipalities, all of which had the capacity to generate electric power, agreed to allow ARPA to coordinate and manager the “economic dispatching of the power and energy supplied by the system of the Authority (ARPA) and supplied by the electric systems of the individual Municipalities and other entities to which such systems are interconnected.”

Over succeeding years, the Parties to the agreement(s) have changed. Some original member municipalities have left ARPA and the terms of the Power Purchase Agreement(s) between the member municipalities have also changed to accommodate changes in the regulatory environment, economic conditions, and the condition of the electric generating assets of the member municipalities, to the point where all of the member municipalities now purchase all of their electric energy from ARPA, including the City’s electric Light and Power enterprise, LUB.

During 2023, purchases of power by the City from ARPA were \$8,840,450.

Note 10

Landfill Closure and Post Closure Liability

State and federal laws and regulations require the City to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The estimated cost to perform all closure and post closure care was \$1,125,741, based on a cost estimate completed in February 2024. The costs were comprised of \$734,902 of closure costs and \$390,839 of post-closure costs. The City currently filled an estimated 491,900 cubic meters on overall capacity of 1,314,539 cubic meters, for an estimated used amount of slightly more than 37%. Based on this usage, the City has recorded an inflation adjusted long-term liability of \$395,030, with current expense increase of \$25,843. This increase in the liability is primarily related to Colorado Department of Public Health and Environment modifications to closure and post-closure costs and the

annual inflation factor of 1.070%. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The City is required by state and federal laws and regulations to make annual contributions to a trust to finance closure and post closure care or to exhibit financial assurance that it is able to finance these costs without the contributions to a trust. The City has demonstrated financial assurance and has restricted \$365,494 of its available cash balance to meet this liability and as a result has not made any contributions to a trust.

Note 11 **Commitments and Contingencies**

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. In November 1995, voters within the City approved the collection, retention and expenditure of the full revenues generated by the City in 1994 and subsequent years, notwithstanding the provisions of the Amendment.

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2023, the emergency reserve of \$380,000 was recorded in the General Fund.

REQUIRED SUPPLEMENTARY INFORMATION
(Pension Schedules)

City of Lamar
Schedule of the City's Proportionate Share of the Net Pension Asset (Liability)
PERA Pension Plan
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
City's proportion of the net pension asset (liability)	0.2233650%	0.2288802%	0.2338966%	0.2457920%	0.24254690%	0.237995%	0.261972%	0.226729%	0.342544%	0.369087%
City's proportionate share of the net pension asset (liability)	\$ (2,239,375)	\$ 196,235	\$ (1,218,864)	\$ (1,797,686)	\$ (3,049,331)	\$ (2,649,906)	\$ (3,537,518)	\$ (2,938,240)	\$ (3,070,251)	\$ (3,037,293)
City's covered payroll	\$ 1,828,923	\$ 1,703,311	\$ 1,650,932	\$ 1,692,641	\$ 1,590,848	\$ 1,501,372	\$ 1,587,879	\$ 1,514,816	\$ 1,876,987	\$ 1,969,113
City's proportionate share of the net pension asset (liability) as a percentage of covered payroll	(122.44%)	11.52%	(73.83%)	(106.21%)	(191.68%)	(176.50%)	(222.78%)	(193.97%)	(163.57%)	(154.25%)
Plan fiduciary net position as a percentage of the total pension liability	82.99%	101.49%	90.88%	86.26%	75.95%	79.37%	73.65%	76.87%	80.72%	81.00%

⁽¹⁾ - Additional years will be added to this schedule as they become available.

**City of Lamar
Schedule of City Contributions
PERA Pension Plan
Last 10 Fiscal Years**

	For the Years Ended December 31,									
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contributions	\$ 246,161	\$ 224,805	\$ 213,505	\$ 214,627	\$ 233,630	\$ 190,374	\$ 201,343	\$ 192,079	\$ 238,002	\$ 249,683
Actual Contributions	<u>(246,161)</u>	<u>(224,805)</u>	<u>(213,505)</u>	<u>(214,627)</u>	<u>(233,630)</u>	<u>(190,374)</u>	<u>(201,343)</u>	<u>(192,079)</u>	<u>(238,002)</u>	<u>(249,683)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 City's covered payroll	 \$ 1,828,923	 \$ 1,703,311	 \$ 1,650,932	 \$ 1,692,640	 \$ 1,590,848	 \$ 1,501,372	 \$ 1,587,879	 \$ 1,514,816	 \$ 1,876,987	 \$ 1,969,113
 Contributions as a percentage of covered payroll	 13.46%	 13.19%	 12.93%	 12.68%	 14.69%	 12.68%	 12.68%	 12.68%	 12.68%	 12.68%

City of Lamar
Schedule of Changes in the City's Net Pension (Asset) Liability
FPPA Lamar Volunteer Fire Department Pension Fund
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	\$ 4,392	\$ 4,392	\$ 5,734	\$ 5,734	\$ 6,592	\$ 6,592	\$ 5,643	\$ 5,643	\$ 7,265
Interest	24,651	23,438	24,494	23,232	26,248	24,794	15,999	15,196	13,208
Differences between expected and actual experience	(3,311)	-	(34,160)	-	(54,349)	-	99,193	-	15,819
Changes of assumptions	4,515	-	-	-	15,530	-	7,613	-	-
Benefits payments	(10,500)	(10,500)	(10,500)	(11,350)	(12,000)	(12,000)	(11,315)	(9,000)	(8,984)
Net changes in total pension liability	19,747	17,330	(14,432)	17,616	(17,979)	19,386	117,133	11,839	27,308
Total Pension Liability - Beginning	355,158	337,828	352,260	334,644	352,623	333,237	216,104	204,265	176,957
Total Pension Liability - Ending (a)	<u>\$ 374,905.00</u>	<u>\$ 355,158.00</u>	<u>\$ 337,828.00</u>	<u>\$ 352,260.00</u>	<u>\$ 334,644.00</u>	<u>\$ 352,623</u>	<u>\$ 333,237</u>	<u>\$ 216,104</u>	<u>\$ 204,265</u>
Plan Fiduciary Net Position									
Contributions - Employer	\$ 6,592	\$ 6,592	\$ 6,592	\$ 6,592	\$ 14,200	\$ 14,200	\$ 14,200	\$ 14,200	\$ 14,200
Net investment income	(118,907)	191,188	150,976	143,430	(22)	127,194	44,326	14,222	47,876
Benefit payments, including refunds of employee contributions	(10,500)	(10,500)	(10,500)	(11,350)	(12,000)	(12,000)	(11,315)	(9,000)	(8,984)
Administrative expense	(6,018)	(5,484)	(5,026)	(10,501)	(10,110)	(9,182)	(1,578)	(2,364)	(1,498)
State of Colorado discretionary payment	5,932	11,864	-	25,560	-	12,780	12,780	12,780	25,560
Net change in plan fiduciary net position	(122,901)	193,660	142,042	153,731	(7,932)	132,992	58,413	29,838	77,154
Plan Fiduciary Net Position - Beginning	1,479,797	1,286,137	1,144,095	990,364	998,296	865,304	806,891	777,053	699,899
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,356,896</u>	<u>\$ 1,479,797</u>	<u>\$ 1,286,137</u>	<u>\$ 1,144,095</u>	<u>\$ 990,364</u>	<u>\$ 998,296</u>	<u>\$ 865,304</u>	<u>\$ 806,891</u>	<u>\$ 777,053</u>
City's Net Pension Liability/(Asset) - Ending (a) - (b)	<u>\$ (981,991)</u>	<u>\$ (1,124,639)</u>	<u>\$ (948,309)</u>	<u>\$ (791,835)</u>	<u>\$ (655,720)</u>	<u>\$ (645,673)</u>	<u>\$ (532,067)</u>	<u>\$ (590,787)</u>	<u>\$ (572,788)</u>

⁽¹⁾ - Additional years will be added to this schedule as they become available.

City of Lamar
Schedule of the City's Proportionate Share of the Net Pension Asset (Liability)
FPPA Lamar Volunteer Fire Department Pension Fund
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
City's proportion of the net pension asset (liability)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
City's proportionate share of the net pension asset (liability)	\$ 981,991	\$ 1,124,639	\$ 948,309	\$ 791,835	\$ 655,720	\$ 645,673	\$ 532,067	\$ 590,787	\$ 572,788	\$ 522,942
City's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
City's proportionate share of the net pension asset (liability) as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	361.93%	466.66%	380.71%	325.79%	295.95%	283.11%	259.67%	373.38%	380.41%	395.52%

⁽¹⁾ - Additional years will be added to this schedule as they become available.

City of Lamar
Schedule of City Contributions
FPPA Lamar Volunteer Fire Department Pension Fund
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Actual Contributions	12,524	18,456	6,592	32,152	14,200	26,980	26,980	26,980	39,760
Contribution deficiency (excess)	<u>\$ (12,524)</u>	<u>\$ (18,456)</u>	<u>\$ (6,592)</u>	<u>\$ (32,152)</u>	<u>\$ (14,200)</u>	<u>\$ (26,980)</u>	<u>\$ (26,980)</u>	<u>\$ (26,980)</u>	<u>\$ (39,760)</u>
City's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

⁽¹⁾ - Additional years will be added to this schedule as they become available.

City of Lamar
Schedule of the City's Proportionate Share of the OPEB Asset (Liability)
PERA Health Care Trust Fund
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,						
	2022	2021	2020	2019	2018	2017	2016
City's proportion of the net OPEB asset (liability)	0.0180230%	0.017795%	0.017853%	0.018824%	0.018809%	0.018493%	0.020110%
City's proportionate share of the net OPEB asset (liability)	\$ (147,154)	\$ 153,447	\$ (169,642)	\$ (211,589)	\$ (225,911)	\$ (240,339)	\$ (260,732)
City's covered payroll	\$ 1,828,923	\$ 1,703,311	\$ 1,650,932	\$ 1,692,640	\$ 1,590,848	\$ 1,501,373	\$ 276,273
City's proportionate share of the net OPEB asset (liability) as a percentage of covered payroll	(8.05%)	9.01%	(10.28%)	(12.50%)	(14.20%)	(16.01%)	(94.37%)
Plan fiduciary net position as a percentage of the total OPEB liability	38.57%	39.40%	32.78%	24.49%	17.03%	17.53%	16.70%

⁽¹⁾ - Additional years will be added to this schedule as they become available.

City of Lamar
Schedule of City Contributions OPEB
PERA Health Care Trust Fund
Last 10 Fiscal Years ⁽¹⁾

	For the Years Ended December 31,						
	2022	2021	2020	2019	2018	2017	2016
Contractually required contributions	\$ 18,655	\$ 17,373	\$ 16,839	\$ 17,265	\$ 16,227	\$ 15,314	\$ 2,818
Actual Contributions	<u>(18,655)</u>	<u>(17,373)</u>	<u>(16,839)</u>	<u>(17,265)</u>	<u>(16,227)</u>	<u>(15,314)</u>	<u>(2,818)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,828,923	\$ 1,703,311	\$ 1,650,932	\$ 1,692,640	\$ 1,590,848	\$ 1,501,373	\$ 276,273
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

⁽¹⁾ - Additional years will be added to this schedule as they become available.

REQUIRED SUPPLEMENTARY INFORMATION

City of Lamar, Colorado
Budget and Actual
General
For the year ended December 31, 2023

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Property Taxes	\$ 508,930	\$ 508,930	\$ 493,783
SO Taxes	73,000	73,000	78,082
Fees and fines	43,000	43,000	28,984
Licenses and permits	174,500	174,500	194,256
Intergovernmental	1,216,236	1,136,203	1,288,026
Charges for services	663,698	663,698	624,426
Gifts and grants	500	500	100
Investment earnings	223,516	223,516	160,430
Miscellaneous	152,883	152,883	188,283
Total revenues	<u>3,056,263</u>	<u>2,976,230</u>	<u>3,056,370</u>
EXPENDITURES			
Current:			
General government	2,926,586	3,326,586	2,972,003
Public Safety	2,614,513	2,614,513	2,607,843
Highways and roads	1,185,333	1,185,333	1,208,535
Cemetery	3,053,199	3,053,199	2,805,430
Debt Service:			
Principal	452,848	452,848	368,555
Interest and other charges	-	-	26,365
Capital Outlay	580,000	580,000	656,218
Total Expenditures	<u>10,812,479</u>	<u>11,212,479</u>	<u>10,644,949</u>
Excess (deficiency) of revenues over expenditures	<u>(7,756,216)</u>	<u>(8,236,249)</u>	<u>(7,588,579)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from other financing sources	79,893	79,893	-
Transfers in	8,147,854	8,627,887	7,711,464
Transfers out	(471,521)	(471,521)	(393,977)
Total other financing sources and uses	<u>7,756,226</u>	<u>8,236,259</u>	<u>7,317,487</u>
Net change in fund balances	10	10	(271,092)
Fund balances - beginning	9,169,572	9,169,572	7,481,162
Fund balances - ending	<u>\$ 9,169,582</u>	<u>\$ 9,169,582</u>	<u>\$ 7,210,070</u>

OTHER SUPPLEMENTARY INFORMATION

**City of Lamar, Colorado
Balance Sheet
Other Governmental Funds
December 31, 2023**

	<u>Conservation Trust</u>	<u>Lamar Redevelopment Authority</u>	<u>Victims Assistance</u>	<u>E-911</u>	<u>Fairmount Investment Trust</u>	<u>Library</u>	<u>Sales Tax</u>	<u>Total Special Revenue Funds</u>
ASSETS								
Cash and cash equivalents	\$ 89,675	\$ 851,862	\$ 68,308	\$197,502	\$ 263,796	\$ 75,768	\$ 1,059	\$ 1,547,970
Due from other funds	-	-	17	-	89	-	(271)	(165)
Other receivables	-	-	23	58,819	927	-	600,916	660,685
Total assets	<u>89,675</u>	<u>851,862</u>	<u>68,348</u>	<u>256,321</u>	<u>264,812</u>	<u>75,768</u>	<u>601,704</u>	<u>2,208,490</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	-	17,111	-	86,957	-	1,080	90	105,238
Due to other funds	-	-	-	26,941	-	-	-	26,941
Other accrued expenses	-	-	-	18,635	-	-	-	18,635
Total liabilities	<u>-</u>	<u>17,111</u>	<u>-</u>	<u>132,533</u>	<u>-</u>	<u>1,080</u>	<u>90</u>	<u>150,814</u>
Fund balances:								
Committed	-	834,751	68,348	123,788	264,812	74,688	574,465	1,940,852
Restricted	89,675	-	-	-	-	-	-	89,675
Total fund balances	<u>89,675</u>	<u>834,751</u>	<u>68,348</u>	<u>123,788</u>	<u>264,812</u>	<u>74,688</u>	<u>601,614</u>	<u>2,057,676</u>
Total liabilities and fund balances	<u>\$ 89,675</u>	<u>\$ 851,862</u>	<u>\$ 68,348</u>	<u>\$256,321</u>	<u>\$ 264,812</u>	<u>\$ 75,768</u>	<u>\$ 601,704</u>	<u>\$ 2,208,490</u>

City of Lamar, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended December 31, 2023

	<u>Conservation Trust</u>	<u>Lamar Redevelopment Authority</u>	<u>Victims Assistance</u>	<u>E-911</u>	<u>Fairmount Investment Trust</u>	<u>Library</u>	<u>Sales Tax</u>	<u>Total Special Revenue Funds</u>
REVENUES								
Property taxes	\$ -	\$ 191,367	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 191,367
Sales taxes	-	-	-	-	-	-	5,321,583	5,321,583
Fees and fines	-	-	-	-	-	-	9,995	9,995
Licenses and permits	-	-	-	-	-	-	15,780	15,780
Intergovernmental	107,834	-	-	281,135	-	10,492	-	399,461
Charges for services	-	-	6,751	253,377	12,109	-	-	272,237
Investment earnings	1,169	15,490	1,063	2,575	2,679	455	434	23,865
Miscellaneous	-	-	750	-	-	9,692	649	11,091
Total revenues	<u>109,003</u>	<u>206,857</u>	<u>8,564</u>	<u>537,087</u>	<u>14,788</u>	<u>20,639</u>	<u>5,348,441</u>	<u>6,245,379</u>
EXPENDITURES								
Current:								
General government	-	83,303	-	-	-	-	156,238	239,541
Public Safety	-	-	10,287	706,034	-	-	-	716,321
Culture and recreation	29,409	-	-	-	-	18,523	-	47,932
Capital Outlay	60,685	-	-	289,126	16,249	-	-	366,060
Total Expenditures	<u>90,094</u>	<u>83,303</u>	<u>10,287</u>	<u>995,160</u>	<u>16,249</u>	<u>18,523</u>	<u>156,238</u>	<u>1,369,854</u>
Excess (deficiency) of revenues over expenditures	<u>18,909</u>	<u>123,554</u>	<u>(1,723)</u>	<u>(458,073)</u>	<u>(1,461)</u>	<u>2,116</u>	<u>5,192,203</u>	<u>4,875,525</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	324,675	-	-	-	324,675
Transfers out	-	-	-	-	-	-	(5,169,561)	(5,169,561)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>324,675</u>	<u>-</u>	<u>-</u>	<u>(5,169,561)</u>	<u>(4,844,886)</u>
SPECIAL ITEM								
Net change in fund balances	18,909	123,554	(1,723)	(133,398)	(1,461)	2,116	22,642	30,639
Fund balances - beginning	70,766	711,197	70,071	257,186	266,273	72,572	578,972	2,027,037
Fund balances - ending	<u>\$ 89,675</u>	<u>\$ 834,751</u>	<u>\$ 68,348</u>	<u>\$ 123,788</u>	<u>\$ 264,812</u>	<u>\$ 74,688</u>	<u>\$ 601,614</u>	<u>\$ 2,057,676</u>

CAPITAL PROJECTS FUND

Capital Projects Fund – This fund accounts for construction of capital assets including street improvements, large equipment acquisitions and other capital improvements.

City of Lamar, Colorado
Budget and Actual
Capital Projects
For the year ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Intergovernmental	\$ 700,000	\$ 700,000	\$ 320,564
Charges for services	-	-	49,500
Investment earnings	-	-	2,342
Miscellaneous	500,000	500,000	5,010
Total revenues	<u>1,200,000</u>	<u>1,200,000</u>	<u>377,416</u>
EXPENDITURES			
Current:			
Public Safety	219,500	219,500	153,347
Culture and recreation	-	-	44,520
Capital Outlay	<u>3,900,000</u>	<u>3,900,000</u>	<u>438,437</u>
Total Expenditures	<u>4,119,500</u>	<u>4,119,500</u>	<u>636,304</u>
Excess (deficiency) of revenues over expenditures	<u>(2,919,500)</u>	<u>(2,919,500)</u>	<u>(258,888)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>3,000,000</u>	<u>3,000,000</u>	<u>101,584</u>
Total other financing sources and uses	<u>3,000,000</u>	<u>3,000,000</u>	<u>101,584</u>
SPECIAL ITEM			
Proceeds from sale capital assets	-	-	90,000
Net change in fund balances	80,500	80,500	(67,304)
Fund balances - beginning	744,074	744,074	272,568
Fund balances - ending	<u>\$ 824,574</u>	<u>\$ 824,574</u>	<u>\$ 205,264</u>

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for the proceeds of specific revenue sources, other than special assessments, expendable trusts, or major capital projects, that are legally restricted to expenditures for specified purposes.

Conservation Trust Fund – This fund accounts for lottery proceeds received from the State government. Expenditures are restricted to the development or improvement of City parks.

Lamar Redevelopment Authority Fund – This fund accounts for tax increment financing that is available to reinvest in the urban renewal district for property enhancements or new development incentives.

Victims' Assistance Fund – This fund accounts for the surcharge on certain fines and tickets and can reimburse victims for out-of-pocket expenses.

E-911 Fund – This fund accounts for all emergency services and communications relating to emergency services.

Fairmount Investment Trust Fund – This fund accounts for the proceeds from the sale of cemetery lots. Interest earnings are restricted to maintenance of the cemetery by a transfer to the General Fund.

Library Fund – This fund accounts for the activity at the City Library.

Sales Tax Fund – This fund accounts for sales and use taxes collected. The taxes collected can be transferred to other entities within the City or can be used to benefit the City.

**City of Lamar, Colorado
Budget and Actual
Conservation Trust
For the year ended December 31, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Intergovernmental	\$ 95,000	\$ 95,000	\$ 107,834
Investment earnings	175	175	1,169
Total revenues	<u>95,175</u>	<u>95,175</u>	<u>109,003</u>
EXPENDITURES			
Current:			
Culture and recreation	30,000	30,000	29,409
Capital Outlay	-	-	60,685
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>90,094</u>
Excess (deficiency) of revenues over expenditures	<u>65,175</u>	<u>65,175</u>	<u>18,909</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(100,000)	(100,000)	-
Total other financing sources and uses	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Net change in fund balances	(34,825)	(34,825)	18,909
Fund balances - beginning	266,321	266,321	70,766
Fund balances - ending	<u>\$ 231,496</u>	<u>\$ 231,496</u>	<u>\$ 89,675</u>

**City of Lamar, Colorado
Budget and Actual
Lamar Redevelopment Authority
For the year ended December 31, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Property Taxes	\$ 190,440	\$ 190,440	\$ 191,367
Investment earnings	500	500	15,490
Total revenues	<u>190,940</u>	<u>190,940</u>	<u>206,857</u>
EXPENDITURES			
Current:			
General government	<u>245,000</u>	<u>255,000</u>	<u>83,303</u>
Total Expenditures	<u>245,000</u>	<u>255,000</u>	<u>83,303</u>
Excess (deficiency) of revenues over expenditures	<u>(54,060)</u>	<u>(64,060)</u>	<u>123,554</u>
Net change in fund balances	(54,060)	(64,060)	123,554
Fund balances - beginning	-	-	711,197
Fund balances - ending	<u>\$ (54,060)</u>	<u>\$ (64,060)</u>	<u>\$ 834,751</u>

**City of Lamar, Colorado
Budget and Actual
Victims Assistance
For the year ended December 31, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for services	\$ 10,000	\$ 10,000	\$ 6,751
Investment earnings	100	100	1,063
Miscellaneous	-	-	750
Total revenues	<u>10,100</u>	<u>10,100</u>	<u>8,564</u>
EXPENDITURES			
Current:			
Public Safety	15,250	15,250	10,287
Total Expenditures	<u>15,250</u>	<u>15,250</u>	<u>10,287</u>
Excess (deficiency) of revenues over expenditures	<u>(5,150)</u>	<u>(5,150)</u>	<u>(1,723)</u>
Net change in fund balances	(5,150)	(5,150)	(1,723)
Fund balances - beginning	63,475	63,475	70,071
Fund balances - ending	<u>\$ 58,325</u>	<u>\$ 58,325</u>	<u>\$ 68,348</u>

City of Lamar, Colorado
Budget and Actual
E-911
For the year ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Intergovernmental	\$ 340,682	\$ 340,682	\$ 281,135
Charges for services	202,100	202,100	253,377
Investment earnings	150	150	2,575
Miscellaneous	65,996	65,996	-
Total revenues	<u>608,928</u>	<u>608,928</u>	<u>537,087</u>
EXPENDITURES			
Current:			
Public Safety	716,157	716,157	706,034
Capital Outlay	300,000	300,000	289,126
Total Expenditures	<u>1,016,157</u>	<u>1,016,157</u>	<u>995,160</u>
Excess (deficiency) of revenues over expenditures	<u>(407,229)</u>	<u>(407,229)</u>	<u>(458,073)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	324,675	324,675	324,675
Total other financing sources and uses	<u>324,675</u>	<u>324,675</u>	<u>324,675</u>
Net change in fund balances	(82,554)	(82,554)	(133,398)
Fund balances - beginning	314,964	314,964	257,186
Fund balances - ending	<u>\$ 232,410</u>	<u>\$ 232,410</u>	<u>\$ 123,788</u>

City of Lamar, Colorado
Budget and Actual
Fairmount Investment Trust
For the year ended December 31, 2023

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Charges for services	\$ 8,000	\$ 15,000	\$ 12,109
Investment earnings	600	600	2,679
Total revenues	<u>8,600</u>	<u>15,600</u>	<u>14,788</u>
EXPENDITURES			
Current:			
Health and sanitation	800	800	-
Capital Outlay	40,000	47,000	16,249
Total Expenditures	<u>40,800</u>	<u>47,800</u>	<u>16,249</u>
Excess (deficiency) of revenues over expenditures	<u>(32,200)</u>	<u>(32,200)</u>	<u>(1,461)</u>
Net change in fund balances	(32,200)	(32,200)	(1,461)
Fund balances - beginning	266,334	266,334	266,273
Fund balances - ending	<u>\$ 234,134</u>	<u>\$ 234,134</u>	<u>\$ 264,812</u>

**City of Lamar, Colorado
Budget and Actual
Library
For the year ended December 31, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Intergovernmental	\$ 25,000	\$ 25,000	\$ 10,492
Investment earnings	50	50	455
Miscellaneous	10,500	10,500	10,924
Total revenues	<u>35,550</u>	<u>35,550</u>	<u>21,871</u>
EXPENDITURES			
Current:			
Culture and recreation	<u>35,200</u>	<u>35,200</u>	<u>19,755</u>
Total Expenditures	<u>35,200</u>	<u>35,200</u>	<u>19,755</u>
Excess (deficiency) of revenues over expenditures	<u>350</u>	<u>350</u>	<u>2,116</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total other financing sources and uses	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Net change in fund balances	10,350	10,350	2,116
Fund balances - beginning	71,501	71,501	72,572
Fund balances - ending	<u>\$ 81,851</u>	<u>\$ 81,851</u>	<u>\$ 74,688</u>

City of Lamar, Colorado
Budget and Actual
Sales Tax
For the year ended December 31, 2023

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Sales and miscellaneous taxes	\$ 4,900,000	\$ 6,400,000	\$ 5,321,583
Fees and fines	6,000	6,000	9,995
Licenses and permits	16,500	16,500	15,780
Investment earnings	100	100	434
Miscellaneous	-	-	649
Total revenues	<u>4,922,600</u>	<u>6,422,600</u>	<u>5,348,441</u>
EXPENDITURES			
Current:			
General government	176,860	176,860	156,238
Total Expenditures	<u>176,860</u>	<u>176,860</u>	<u>156,238</u>
Excess (deficiency) of revenues over expenditures	<u>4,745,740</u>	<u>6,245,740</u>	<u>5,192,203</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(4,865,640)	(5,550,740)	(5,169,561)
Total other financing sources and uses	<u>(4,865,640)</u>	<u>(5,550,740)</u>	<u>(5,169,561)</u>
Net change in fund balances	(119,900)	695,000	22,642
Fund balances - beginning	225,087	225,087	578,972
Fund balances - ending	<u>\$ 105,187</u>	<u>\$ 920,087</u>	<u>\$ 601,614</u>

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed in a manner similar to private business enterprises. The costs of providing goods or services to the general public on a continuing basis are recovered primarily from user charges.

The following are the Enterprise Funds of the City:

Utility Fund – This fund accounts for all activities necessary for the provision of electrical services for area residents and businesses, including agricultural usage.

Water Fund – This fund accounts for all activities necessary for the provision of water services to City residents.

Sanitation Fund – This fund accounts for the provision of waste management services to City residents.

Ambulance Fund – This fund accounts for the activities necessary for the operation of the City's ambulance services.

Airport Fund – This fund accounts for the activities necessary for the operation of the City's airport services.

City of Lamar, Colorado
Budget and Actual
Utility Fund
For the year ended December 31, 2023

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Charges for Services	\$ 18,042,938	\$ 18,042,938	\$ 15,117,050
Investment earnings	(25,000)	(25,000)	186,056
Miscellaneous	(1,349,250)	(1,349,250)	809,464
Total revenues	<u>16,668,688</u>	<u>16,668,688</u>	<u>16,112,570</u>
OPERATING EXPENSES			
Personal services	1,317,499	1,317,499	1,712,369
Purchased power	11,062,456	11,062,456	8,840,450
Repairs and maintenance	2,052,287	2,052,287	2,198,220
Other supplies and expenses	318,456	318,456	183,006
Insurance claims and expenses	370,000	370,000	321,013
Capital Outlay	1,288,720	1,288,720	1,880,220
Depreciation	970,774	970,774	824,917
Interest	12,471	12,471	5,355
Miscellaneous including debt service	785,184	785,184	574,882
Total Operating Expenses	<u>18,177,847</u>	<u>18,177,847</u>	<u>16,540,432</u>
Operating income (loss)	<u>(1,509,159)</u>	<u>(1,509,159)</u>	<u>(427,862)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(1,685,806)	(1,685,806)	(1,828,306)
Total other financing sources and (uses)	<u>(1,685,806)</u>	<u>(1,685,806)</u>	<u>(1,828,306)</u>
Net change in fund balances	(3,194,965)	(3,194,965)	(2,256,168)
Fund balances - beginning	-	-	21,507,002
ADJUSTMENTS:			
Capital Outlay	-	-	1,880,220
Depreciation	925,000	925,000	-
Debt Service	-	-	371,914
Fund balances - ending	<u>\$ (2,269,965)</u>	<u>\$ (2,269,965)</u>	<u>\$ 21,502,968</u>

City of Lamar, Colorado
Budget and Actual
Water
For the year ended December 31, 2023

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Charges for Services	\$ 3,288,325	\$ 3,972,633	\$ 3,040,283
Investment earnings	3,000	3,000	32,797
Operating grants and contributions	1,500,000	1,500,000	30,208
Miscellaneous	30,000	30,000	106,667
Total revenues	<u>4,821,325</u>	<u>5,505,633</u>	<u>3,209,955</u>
OPERATING EXPENSES			
Personal services	847,206	847,206	946,023
Contractual services	30,000	30,000	81,858
Purchased power	330,000	330,000	320,874
Utilities	6,000	6,000	6,670
Repairs and maintenance	1,663,000	1,663,000	138,345
Other supplies and expenses	346,300	346,300	491,968
Insurance claims and expenses	70,000	70,000	88,112
Capital Outlay	445,000	445,000	47,147
Depreciation	440,000	440,000	571,375
Interest	83,108	83,108	91,859
Miscellaneous including debt service	703,135	703,135	758,757
Total Operating Expenses	<u>4,963,749</u>	<u>4,963,749</u>	<u>3,542,988</u>
Operating income (loss)	<u>(142,424)</u>	<u>541,884</u>	<u>(333,033)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(177,951)	(177,951)	(402,951)
Total other financing sources and uses	<u>(177,951)</u>	<u>(177,951)</u>	<u>(402,951)</u>
Net change in fund balances	(320,375)	363,933	(735,984)
Fund balances - beginning	<u>13,674,143</u>	<u>13,674,143</u>	<u>15,237,375</u>
ADJUSTMENTS:			
Capital Outlay	417,000	417,000	47,147
Debt Service	833,472	833,472	728,562
Fund balances - ending	<u>\$ 14,604,240</u>	<u>\$ 15,288,548</u>	<u>\$ 15,277,100</u>

City of Lamar, Colorado
Budget and Actual
Sanitation
For the year ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	\$ 1,573,500	\$ 2,573,500	\$ 1,675,276
Investment earnings	2,500	2,500	31,210
Miscellaneous	9,500	9,500	22,683
Total revenues	<u>1,585,500</u>	<u>2,585,500</u>	<u>1,729,169</u>
OPERATING EXPENSES			
Personal services	608,954	708,954	722,950
Utilities	10,500	10,500	13,935
Repairs and maintenance	280,000	380,000	348,676
Other supplies and expenses	75,500	299,500	223,128
Insurance claims and expenses	25,000	25,000	83,579
Capital outlay	534,000	1,134,000	153,670
Depreciation and amortization	130,000	130,000	111,558
Interest and debt service	118,500	118,500	56,005
Total Operating Expenses	<u>1,782,454</u>	<u>2,806,454</u>	<u>1,713,501</u>
Operating income (loss)	<u>(196,954)</u>	<u>(220,954)</u>	<u>15,668</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	(59,127)
Transfers out	(310,646)	(310,646)	(310,646)
Total other financing sources and uses	<u>(310,646)</u>	<u>(310,646)</u>	<u>(369,773)</u>
Net change in fund balances	(507,600)	(531,600)	(354,105)
Fund balances - beginning	2,505,359	2,505,359	2,951,513
ADJUSTMENTS:			
Capital Outlay	825,000	825,000	153,670
Debt Service	-	-	56,005
Fund balances - ending	<u>\$ 2,822,759</u>	<u>\$ 2,798,759</u>	<u>\$ 2,807,083</u>

City of Lamar, Colorado
Budget and Actual
Ambulance
For the year ended December 31, 2023

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Charges for Services	\$ 460,000	\$ 460,000	\$ 450,595
Investment earnings	200	200	1,694
Operating grants and contributions	126,000	126,000	134,690
Miscellaneous	10,000	10,000	22,573
Total revenues	<u>596,200</u>	<u>596,200</u>	<u>609,552</u>
OPERATING EXPENSES			
Personal services	447,350	447,350	511,810
Utilities	750	750	34
Repairs and maintenance	14,000	14,000	14,617
Other supplies and expenses	44,000	44,000	39,339
Insurance claims and expenses	26,000	26,000	26,837
Depreciation	115,000	115,000	93,315
Interest and debt service	26,846	26,846	-
Miscellaneous	31,154	31,154	220
Total Operating Expenses	<u>705,100</u>	<u>705,100</u>	<u>686,172</u>
Operating income (loss)	<u>(108,900)</u>	<u>(108,900)</u>	<u>(76,620)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	26,846	26,846	26,846
Total other financing sources and uses	<u>26,846</u>	<u>26,846</u>	<u>26,846</u>
Net change in fund balances	(82,054)	(82,054)	(49,774)
Fund balances - beginning	242,655	242,655	125,826
Fund balances - ending	<u>\$ 160,601</u>	<u>\$ 160,601</u>	<u>\$ 76,052</u>

City of Lamar, Colorado
Budget and Actual
Airport
For the year ended December 31, 2023

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Charges for Services	\$ 629,500	\$ 629,500	\$ 589,800
Grants	367,500	867,500	600,307
Investment earnings	500	500	80
Miscellaneous	83,250	83,250	127,267
Total revenues	<u>1,080,750</u>	<u>1,580,750</u>	<u>1,317,454</u>
OPERATING EXPENSES			
Personal services	233,276	233,276	254,199
Utilities	32,000	32,000	39,144
Other supplies and expenses	853,313	1,353,130	709,581
Insurance claims and expenses	23,000	23,000	31,674
Depreciation	14,700	14,700	163,258
Interest	3,362	3,362	2,454
Miscellaneous including debt service	7,776	7,776	14,838
Total Operating Expenses	<u>1,167,427</u>	<u>1,667,244</u>	<u>1,215,148</u>
Operating income (loss)	<u>(86,677)</u>	<u>(86,494)</u>	<u>102,306</u>
Net change in fund balances	(86,677)	(86,494)	102,306
Fund balances - beginning	39,222	39,222	3,144,137
Fund balances - ending	<u>\$ (47,455)</u>	<u>\$ (47,272)</u>	<u>\$ 3,246,443</u>

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

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
YEAR ENDING (mm/yy):
12/23

This Information From The Records Of:
City of Lamar

Prepared By:
Kristin Schwartz

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. 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 2)	\$ 727,023.00
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 748,071.00
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ 2,341.00
2. General fund appropriations		b. Snow and ice removal	
3. Other local imposts (from page 2)	\$ 1,843,053.00	c. Other	\$ 143,137.00
4. Miscellaneous local receipts (from page 2)	\$ 7,342.00	d. Total (a. through c.)	\$ 145,478.00
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 53,969.00
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 484,125.00
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 2,158,666.00
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 1,850,395.00	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government		2. Notes:	
(from page 2)	\$ 308,271.00	a. Interest	
D. Receipts from Federal Government		b. Redemption	
(from page 2)	\$ -	c. Total (a. + b.)	\$ -
E. Total receipts (A.7 + B + C + D)	\$ 2,158,666.00	3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 2,158,666.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				\$ -
1. Bonds (Refunding Portion)				\$ -
B. Notes (Total)				\$ -

V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		\$ 2,158,666.00	\$ 2,158,666.00		\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
 COLORADO
 YEAR ENDING (mm/yy):
 12/23

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assesments	\$ 48,342.00	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	\$ 7,342.00
1. Sales Taxes	\$ 1,738,418.00	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	\$ 56,293.00	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 1,794,711.00	h. Other	
c. Total (a. + b.)	\$ 1,843,053.00	i. Total (a. through h.)	\$ 7,342.00
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 282,468.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 25,803.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ 25,803.00	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 308,271.00	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs		\$ 6,159.00	\$ 6,159.00
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements			\$ -
(3). System Preservation		\$ 342,616.00	\$ 342,616.00
(4). System Enhancement And Operation		\$ 378,248.00	\$ 378,248.00
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 720,864.00	\$ 720,864.00
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 727,023.00	\$ 727,023.00
<i>(Carry forward to page 1)</i>			

Notes and Comments: