

# CONTINUING DISCLOSURE REPORT

For the year ended December 31, 2021



As Longmont celebrates its 150th year anniversary, the Longmont 1975 Projects at the Civic Center Complex including the Longmont Public Library get the needed structural rehabilitation to serve the community another fifty years. These projects were funded primarily from the 2019 Sales & Use Tax bond.



## LONGMONT, COLORADO

# TABLE OF CONTENTS

	<u>Page</u>
<b><u>INTRODUCTORY SECTION</u></b>	
Table of Contents .....	i
Letter of Transmittal .....	iv
Reporting of Significant Events, Subsequent Events and Statistical Disclosure .....	v
<b><u>SALES AND USE TAX REVENUE BONDS</u></b>	
<b>2018 Open Space Sales and Use Tax Revenue Bonds - Matures in 2033</b>	1
<b>2020 Open Space Sales and Use Tax Revenue Bonds - Matures in 2034</b>	1
Historical Pledged Revenue and Pro Forma Debt Service Coverage, Table 1.1 .....	2
Annual History of Pledged Sales and Use Tax Collections, Table 1.2 .....	3
Summary of Revenues, Expenditures and Changes in Fund Balance - Open Space Fund, Table 1.3 .....	4
<b>2019 Sales and Use Tax Revenue Bonds - Matures in 2039</b>	5
Pro-Forma Debt Service Coverage, Table 2.1 .....	6
Annual History of City Sales and Use Tax Collections, Table 2.2 .....	7
General Fund - History of Revenue, Expenditures and Changes in Fund Balance, Table 2.3 .....	8
Public Improvement Fund - History of Revenue, Expenditures and Changes in Fund Balance, Table 2.4 ...	9
<b><u>ENTERPRISE BONDS</u></b>	
<b>2014 Electric and Broadband Utility Enterprise Revenue Bonds - Matures in 2029</b>	10
<b>2017 Electric and Broadband Utility Enterprise Revenue Bonds - Matures in 2029</b>	10
History of Net Pledged Revenues and Pro-forma Debt Service Coverage, Table 3.1 .....	11
Electric System User Charges, Table 3.2 .....	12
Electric System User Charges, Table 3.2 cont. ....	13
History of Electric System Customers, Table 3.3 .....	14
Electric System Customer Information by Customer Type, Table 3.4 .....	15
Largest Electric System Customers, Table 3.5 .....	16
History of Broadband System Customers by Customer Class, Table 3.6 .....	17
History of Broadband System Revenues by Customer Class, Table 3.7 .....	18
Electric and Broadband Fund-History of Revenues, Expenses and Changes in Fund Net Position, Table 3.8	19
<b>2013 Enterprise Wastewater Revenue Bonds - Matures in 2032</b>	20
<b>2015 Enterprise Wastewater Revenue Bonds - Matures in 2035</b>	20
<b>2020 Enterprise Wastewater Revenue Bonds - Matures in 2030</b>	20
History of Net Pledged Revenues and Pro-Forma Debt Service Coverage, Table 4.1 .....	21
and Comparative Table 4.1a .....	22
History of Wastewater System Development Fees, Table 4.2 .....	23
History of User Connections by Customer Type, Table 4.3 .....	24
History of Charges for Service by Category, Table 4.4 .....	25
Sewer Fund - History of Revenues, Expenses and Changes in Fund Net Position, Table 4.5 .....	26
Sewer Construction Fund - History of Revenues, Expenditures And Changes in Fund Balances, Table 4.6 ..	27

	<u>Page</u>
<b>2014 Storm Drainage Revenue Bonds - Matures in 2034</b>	28
<b>2016 Storm Drainage Revenue Refunding Bonds - Matures in 2028</b>	28
History of Pledged Revenues and Pro-forma Debt Service Coverage, Table 5.1 .....	29
and Comparative Table 5.1a .....	30
History of Storm Drainage Revenues, Table 5.2 .....	31
Storm Drainage Enterprise Fund Comparative Statement of Revenues, Expenditures and Changes in Fund Net Position, Table 5.3 .....	32
<b>2021 Water Revenue Bonds - Matures in 2041</b>	33
<b>2021A Water Revenue Bonds - Matures in 2041</b>	33
History of Net Pledged Revenues and Pro-Forma Debt Service Coverage, Table 6.1 .....	34
History of Water System Development Fees, Table 6.2 .....	35
History of User Connections by Customer Type, Table 6.3 .....	36
History of Charges for Service by Category, Table 6.4 .....	37
Water Fund - History of Revenues, Expenses and Changes in Fund Net Position, Table 6.5 .....	38
Water Sytem Construction Reserve Fund - History of Revenues, Expenditures And Changes in Fund Balance, Table 6.6 .....	39
Water Acquisition Fund - History of Revenues, Expenditures And Changes in Fund Balance, Table 6.7 .....	40



## CITY OF LONGMONT | Finance Department

September 26, 2022

In connection with the issuance of municipal securities, the City of Longmont has agreed to provide certain continuing disclosure for the benefit of the holders of such securities. The commitments to provide such disclosure, commonly referred to as “continuing disclosure undertakings”, have been undertaken in conformity with the requirements established by Rule 15c2-12(b)(5) (the Rule) under the Securities Exchange Act of 1934. The Rule was in effect at the time of the issuance of the securities, and references to the Rule in this report are to Rule 15c2-12(b)(5) in effect at the time of execution and delivery of each continuing disclosure undertaking. This report is meant to supplement and complement information found within the City of Longmont’s 2021 Annual Comprehensive Financial Report (ACFR) and is not intended to be viewed as a fully inclusive compliance document.

The City of Longmont reaffirms its commitment to provide, on an annual basis, secondary market disclosure in conformity with the continuing disclosure undertakings entered into in connection with the primary offering of its municipal securities. Specifically, the City continues to meet its obligation to provide to the Municipal Securities Rulemaking Board, through its single centralized repository, annual financial information and operating data identified in its continuing disclosure undertakings and remains alert to the requirement that the City make timely notice of identified material events.

The Continuing Disclosure Report is delivered by the City for the benefit of the holders and beneficial owners of these and other outstanding obligations of the City and the Continuing Disclosure Report is available at: [www.emma.msrb.org](http://www.emma.msrb.org) or at the City’s website at [www.longmontcolorado.gov](http://www.longmontcolorado.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "James M. Golden".

James M. Golden  
Chief Financial Officer  
City of Longmont



## **Reporting of Significant Events**

As of December 31, 2021 the City of Longmont had outstanding four different types of publicly offered obligations: Sales & Use Tax Revenue bonds, Enterprise Revenue Bonds, Loans and Certificates of Participation. Information related to the disclosures made by the City for those obligations can be found at the MSRB's disclosure portal, also known as EMMA – Electronic Municipal Market Access, at [www.emma.msrb.org](http://www.emma.msrb.org).

## **Subsequent Events**

On April 15, 2022, the City of Longmont entered into an amendment to a Lease Purchase Agreement dated as of August 1, 2014, with UMB Bank, n.a., as Trustee (the “2014 Lease”). The City’s obligations under the 2014 Lease, as amended, support the payment of certain Certificates of Participation, Series 2022A and 2022B, which are outstanding in the combined principal amount of \$26,735,000 (the “2022 COPS”). The 2022 COPS refunded all of the City’s outstanding 2014 COPS. The City’s obligations under the 2014 Lease are payable from all legally available revenues of the City and are subject to annual appropriation. The 2022 COPS were privately placed with Webster Bank, National Association; no continuing disclosure with respect to the 2022 COPS is required to be made.

## **Statistical Disclosure**

This Continuing Disclosure Report reflects each debt structure outstanding as of December 31, 2021 requiring annual reporting: (1) Sales and Use Tax Revenue Bonds (2) Enterprise Revenue Bonds.

In addition, the City of Longmont, acting principally through an enterprise of the City, occasionally enters into loan and note agreements, the most significant of which is an issue with the Colorado Water Resources and Power Development Authority.

This Continuing Disclosure Report is delivered by the City for the benefit of the holders and beneficial owners of Longmont obligations and is available at: [www.emma.msrb.org](http://www.emma.msrb.org) or at the City’s website at [www.longmontcolorado.gov](http://www.longmontcolorado.gov).

The Table of Contents outlines each bond issue along with relevant tables as listed in the exhibit to the Continuing Disclosure Certificate(s) of each issue, except that the Budget Summary and Comparison information required to be updated pursuant to the various undertakings is not found in this report. Instead, that information can be found in the City’s Annual Comprehensive Financial Report (“ACFR”).

Summarized below is a listing, including the CUSIP 6-digit issuer number, of all obligations outstanding by type as of December 31, 2021.

### **Sales & Use Tax Revenue Bonds**

Open Space Revenue Refunding Bonds, Series 2018 – CUSIP #543103

Sales and Use Tax Revenue Bonds, Series 2019 – CUSIP #543103

Open Space Revenue Refunding Bonds, Series 2020 – CUSIP #543103

### **Enterprise Bonds**

Electric and Broadband Utility Enterprise Revenue Bonds, Series 2014 – CUSIP #543097

Electric and Broadband Utility Enterprise Revenue Bonds, Series 2017 – CUSIP #543097

Wastewater Revenue Refunding Bonds, Series 2013 – CUSIP #543098

Wastewater Enterprise Revenue Bonds, Series 2015 – CUSIP #543098

Wastewater Revenue Refunding Bonds, Series 2020 - CUSIP #543098

Storm Drainage Revenue Bonds, Series 2014 – CUSIP #54310P

Storm Drainage Revenue Refunding Bonds, Series 2016 – CUSIP #54310P

Water Enterprise Revenue Bonds, Series 2021 - CUSIP #543099  
Water Enterprise Revenue Bonds, Series 2021A - CUSIP #543099  
Certificates of Participation  
Certificates of Participation, Series 2014A and Series 2014B – CUSIP #543096

Open Space

Sales and Use Tax Revenue Bonds

Series 2018

Series 2020

(CUSIP #543103)

**Historical Pledged Revenues and Pro-Forma Debt Service Coverage**

<u>Year</u>	<u>Open Space Sales and Use Tax Revenues (1)</u>	<u>Maximum Annual Debt Service on the 2018 &amp; 2020 Bonds (2)</u>	<u>Pro-Forma Coverage</u>
2005	\$2,727,251	\$2,268,205	1.20
2006	2,799,861	2,268,205	1.23
2007	2,853,231	2,268,205	1.26
2008	2,816,039	2,268,205	1.24
2009	2,606,718	2,268,205	1.15
2010	2,722,178	2,268,205	1.20
2011	2,882,395	2,268,205	1.27
2012	3,010,578	2,236,214	1.35
2013	3,195,124	2,218,314	1.44
2014	3,436,196	2,205,314	1.56
2015	3,537,857	2,187,114	1.62
2016	3,776,468	2,168,814	1.74
2017	4,156,190	2,145,414	1.94
2018	4,296,909	2,651,973	1.62
2019	4,368,325	2,651,973	1.65
2020	4,570,297	2,372,813	1.93
2021	5,137,042	2,372,813	2.16

(1) Includes only the proceeds on the Open Space Sales and Use Tax.

(2) Represents the Combined Maximum Annual Debt Service on the 2018 and the 2020 Bonds.



**Annual History of Pledged Sales and Use Tax Collections**

<u>Year</u>	<u>Open Space Sales Tax Collections</u>	<u>Percent Increase (Decrease)</u>	<u>Open Space Use Tax Collections</u>	<u>Percent Increase (Decrease)</u>	<u>Total City Sales &amp; Use Tax Collections</u>	<u>Percent Increase (Decrease)</u>
2005	\$2,151,677	--	\$575,573	--	\$2,727,250	--
2006	2,267,867	5.40 %	531,994	(7.57) %	2,799,861	2.66 %
2007	2,409,631	6.25 %	443,600	(16.62) %	2,853,231	1.91 %
2008	2,385,798	(0.99) %	430,241	(3.01) %	2,816,039	(1.30) %
2009	2,260,388	(5.26) %	346,330	(19.50) %	2,606,718	(7.43) %
2010	2,336,822	3.38 %	385,356	11.27 %	2,722,178	4.43 %
2011	2,449,451	4.82 %	432,944	12.35 %	2,882,395	5.89 %
2012	2,526,923	3.16 %	483,655	11.71 %	3,010,578	4.45 %
2013	2,685,133	6.26 %	509,991	5.45 %	3,195,124	6.13 %
2014	2,866,270	6.75 %	569,926	11.75 %	3,436,196	7.55 %
2015	2,907,789	1.45 %	630,068	10.55 %	3,537,857	2.96 %
2016	3,105,706	6.81 %	670,763	6.46 %	3,776,469	6.74 %
2017	3,377,230	8.74 %	778,960	16.13 %	4,156,190	10.05 %
2018	3,488,421	3.29 %	808,489	3.79 %	4,296,909	3.39 %
2019	3,625,292	3.92 %	743,033	(8.10) %	4,368,325	1.66 %
2020	3,856,456	6.38 %	713,840	(3.93) %	4,570,297	4.62 %
2021	4,354,452	12.91 %	782,589	9.63 %	5,137,042	12.40 %

**Summary of Revenues, Expenditures and Changes in Fund Balance - Open Space Fund**

	2017	2018	2019	2020	2021
<b>REVENUE</b>					
Taxes(1)	\$ 4,156,190	\$ 4,296,909	\$4,368,325	\$4,570,297	\$ 5,137,042
Intergovernmental	2,677,164	828,734	182,701	92,727	98,545
Investment income	54,592	234,579	267,404	101,028	(16,641)
Developer Participation	-	-	439,094	-	-
Miscellaneous income	73,413	558,844	178,137	171,417	3,024,093
Total revenue	<u>6,961,359</u>	<u>5,919,066</u>	<u>5,435,661</u>	<u>4,935,469</u>	<u>8,243,039</u>
<b>EXPENDITURES</b>					
Current					
Culture and recreation	829,967	1,262,023	1,051,055	1,204,979	1,030,338
Capital Outlay	2,589,160	8,987,025	7,229,315	3,340,391	259,544
Debt Service					
Bond principal retired	1,170,000	1,185,000	1,400,000	1,510,000	1,390,000
Interest and fiscal charges	975,414	940,314	1,247,621	1,294,718	980,612
Total Expenditures	<u>5,564,541</u>	<u>12,374,362</u>	<u>10,927,991</u>	<u>7,350,088</u>	<u>3,660,494</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>1,396,818</u>	<u>(6,455,296)</u>	<u>(5,492,330)</u>	<u>(2,414,619)</u>	<u>4,582,545</u>
<b>OTHER FINANCING SOURCES (uses)</b>					
Transfers in:					
Self Insurance Fund	-	-	-	11,400	-
Transfers out:					
Art in public places fund	-	-	(4,629)	(32,194)	(1,009)
General Fund	(364)	(270)	(5,887)	(57,813)	-
Fleet Fund	-	-	(50,602)	(13,216)	-
Sustainability Fund	-	-	-	-	(39,730)
Issuance of long-term debt	-	8,150,000	-	17,810,000	-
Premium on issuance of long-term debt	-	329,749	-	2,846,240	-
Payment to refunded bond escrow agent	-	-	-	(18,139,615)	-
Total other financing sources (uses)	<u>(364)</u>	<u>8,479,479</u>	<u>(61,118)</u>	<u>2,424,802</u>	<u>(40,739)</u>
<b>Net Changes in Fund Balance</b>	1,396,454	2,024,183	(5,553,448)	10,183	4,541,806
FUND BALANCE, January 1	<u>8,236,985</u>	<u>9,633,439</u>	<u>11,657,622</u>	<u>6,104,174</u>	<u>6,114,357</u>
FUND BALANCE, December 31	<u>\$ 9,633,439</u>	<u>\$ 11,657,622</u>	<u>\$ 6,104,174</u>	<u>\$ 6,114,357</u>	<u>\$ 10,656,163</u>

(1) Represents the Open Space Sales and Use Tax revenues.

# Sales and Use Tax Revenue Bonds

Series 2019

(CUSIP #543103)

**Pro-Forma Debt Service Coverage**

<u>Year</u>	<u>Pledged Sales and Use Tax Revenues (1)</u>	<u>Maximum Annual Debt Service on the 2019 Bonds (2)</u>	<u>Coverage</u>
2014	34,361,981	2,042,150	16.83
2015	35,378,567	2,042,150	17.32
2016	37,385,418	2,042,150	18.31
2017	40,270,349	2,042,150	19.72
2018	42,647,482	2,042,150	20.88
2019	42,947,390 (3)	2,042,150	21.03
2020	45,336,290	2,042,150	22.20
2021	51,120,553	2,042,150	25.03

(1) Includes only the proceeds of the 2.0% Sales and Use Tax, net of incremental sales tax amounts allocated to LURA. See "CERTAIN RISK FACTORS-Other Factors Impacting Pledged Sales and Use Tax Collections" in the Official Statement related to the 2019 Bonds.

(2) Represents the Maximum Annual Debt Service on the 2019 Bonds. See "DEBT SERVICE REQUIREMENTS" in the Official Statement related to the 2019 Bonds.

(3) An error was discovered in statistical table 16 in the 2019 ACFR. The pledged Sales and Use Tax revenue total number did not include accrual figures. This was corrected for the 2020 ACFR.



**Annual History of City Sales and Use Tax Collections**

<u>Year</u>	<u>Sales Tax Collections</u>	<u>Percent Increase (Decrease)</u>	<u>Use Tax Collections</u>	<u>Percent Increase (Decrease)</u>	<u>Total City Sales &amp; Use Tax Collections</u>	<u>Percent Increase (Decrease)</u>
2014	46,935,209	6.75 %	9,332,536	11.75 %	56,267,745	7.55 %
2015	47,615,035	1.45 %	10,317,371	10.55 %	57,932,406	2.96 %
2016	50,855,932	6.81 %	10,983,746	6.46 %	61,839,678	6.74 %
2017	55,302,213	8.74 %	12,755,456	16.13 %	68,057,669	10.06 %
2018 (1)	61,570,629	11.33 %	14,277,137	11.93 %	75,847,766	11.45 %
2019	63,987,502	3.93 %	13,114,528	(8.14) %	77,102,030	1.65 %
2020	68,066,310	6.37 %	12,599,273	(3.93) %	80,665,583	4.62 %
2021	76,856,012	12.91 %	13,812,598	9.63 %	90,668,610	12.40 %

(1) The City Sales and Use Tax increased on January 1, 2018 from 3.275% to 3.53% to increase the Public Safety Sales Tax from .325% to .58%.

**General Fund - Summary of Revenue, Expenditures and changes in Fund Balances (1)**

	Fiscal Year Ended December 31,				
	2017	2018	2019	2020	2021
<b>REVENUE</b>					
Taxes(2)	\$ 57,902,019	\$ 62,944,236	\$ 63,205,442	\$ 68,656,638	\$ 74,476,972
Licenses and permits	2,710,611	3,840,157	3,252,113	2,880,757	2,316,869
Inergovernmental	1,621,870	1,248,900	1,272,440	2,168,564	5,774,056
Charges for services	14,541,212	15,143,106	15,116,062	11,916,351	13,373,747
Fines and forfeits	1,024,934	764,100	1,473,141	1,029,088	866,946
Investment income	189,385	574,032	881,727	491,502	(91,760)
Miscellaneous income	193,430	275,971	404,952	2,903,769	2,095,997
Total revenue	<u>78,183,461</u>	<u>84,790,502</u>	<u>85,605,877</u>	<u>90,046,669</u>	<u>98,812,827</u>
<b>EXPENDITURES</b>					
Current					
General Government	24,009,145	26,127,399	27,429,637	29,753,712	29,927,709
Public Safety	35,915,239	36,594,663	38,495,558	39,004,752	40,699,504
Culture and Recreation	15,884,542	16,581,203	17,136,247	16,030,674	16,790,168
Total Expenditures	<u>75,808,926</u>	<u>79,303,265</u>	<u>83,061,442</u>	<u>84,789,138</u>	<u>87,417,381</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	<u>2,374,535</u>	<u>5,487,237</u>	<u>2,544,435</u>	<u>5,257,531</u>	<u>11,395,446</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in	904,975	327,539	595,911	2,915,055	621,143
Operating transfers out	(1,129,371)	(1,251,020)	(2,172,964)	(4,105,218)	(1,823,773)
Total other financing sources (uses)	<u>(224,396)</u>	<u>(923,481)</u>	<u>(1,577,053)</u>	<u>(1,190,163)</u>	<u>(1,202,630)</u>
<b>EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<u>2,150,139</u>	<u>4,563,756</u>	<u>967,382</u>	<u>4,067,368</u>	<u>10,192,816</u>
<b>FUND BALANCE, January 1</b>	<u>19,784,130</u>	<u>21,934,269</u>	<u>26,498,025</u>	<u>27,465,407</u>	<u>31,532,775</u>
<b>FUND BALANCE, December 31</b>	<u>\$ 21,934,269</u>	<u>\$ 26,498,025</u>	<u>\$ 27,465,407</u>	<u>\$ 31,532,775</u>	<u>\$ 41,725,591</u>

(1) GAAP basis.

(2) Includes general property taxes, a portion of the City Sales and Use Tax, cigarette taxes and franchise taxes.

Source: Derived from the City's ACFRs for the years ended December 31, 2017 through 2021

**Public Improvement Fund - History of Revenue, Expenditures and changes in Fund Balance(1)**

	Fiscal Year Ended Dec. 31,				
	2017	2018	2019	2020	2021
<b>REVENUE</b>					
Taxes(2)	\$ 6,639,848	\$ 6,356,829	\$ 6,442,081	\$ 6,800,409	\$ 7,668,020
Intergovernmental	188,889	-	94,582	27,301	-
Interest earnings	31,786	119,101	359,842	655,087	15,197
Private grants/donations	9,330	-	-	-	-
Miscellaneous	300	6,269	24,110	20,679	3,404
Total revenue	<u>6,870,153</u>	<u>6,482,199</u>	<u>6,920,615</u>	<u>7,503,476</u>	<u>7,686,621</u>
<b>EXPENDITURES</b>					
General Government	2,664,021	770,103	3,894,447	1,028,874	1,030,178
Capital outlay	1,457,025	3,755,866	6,480,407	4,306,512	3,877,685
Debt service	2,370,000	2,560,000	-	605,000	990,000
Interest and fiscal charges	400,993	266,705	103,527	1,438,988	1,053,239
Total Expenditures	<u>6,892,039</u>	<u>7,352,674</u>	<u>10,478,381</u>	<u>7,379,374</u>	<u>6,951,102</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	<u>(21,886)</u>	<u>(870,475)</u>	<u>(3,557,766)</u>	<u>124,102</u>	<u>735,519</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in	253,000	-	697,000	2,500,000	-
Operating transfers out	(129,344)	(32,902)	(44,078)	(37,131)	(23,145)
Issuance of debt	-	-	28,620,001	-	-
Premium on debt	-	-	3,031,691	-	-
Total other financing sources (uses)	<u>123,656</u>	<u>(32,902)</u>	<u>32,304,614</u>	<u>2,462,869</u>	<u>(23,145)</u>
<b>EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<u>101,770</u>	<u>(903,377)</u>	<u>28,746,848</u>	<u>2,586,971</u>	<u>712,374</u>
<b>FUND BALANCE, January 1</b>	<u>5,678,764</u>	<u>5,780,534</u>	<u>4,877,157</u>	<u>33,624,005</u>	<u>36,210,976</u>
<b>FUND BALANCE, December 31</b>	<u>\$ 5,780,534</u>	<u>\$ 4,877,157</u>	<u>\$ 33,624,005</u>	<u>\$ 36,210,976</u>	<u>\$ 36,923,350</u>

(1) GAAP basis.

(2) Includes a portion of the City Sales and Use Tax.

Source: Derived from the City's ACFRs for the years ended December 31, 2017 through 2021

Electric and Broadband Utility

Enterprise Revenue Bonds

Series 2014

Series 2017

(CUSIP #543097)



**History of Net Pledged Revenues and Pro-Forma Debt Service Coverage**

	2017	2018	2019	2020	2021	Budgeted 2022
<b>Gross Pledged Revenues</b>						
<u>Electric System</u>						
Charges for services	\$66,071,721	\$66,914,681	\$68,550,891	\$74,121,220	\$78,404,643	\$78,061,671
Electric Aid to Construction (1)	3,501,670	3,124,085	1,401,104	1,320,088	2,428,114	4,824,200
Other (2)	254,954	398,154	854,989	355,300	187,072	223,500
	<u>69,828,345</u>	<u>70,436,920</u>	<u>70,806,984</u>	<u>75,796,608</u>	<u>81,019,829</u>	<u>83,109,371</u>
<u>Broadband System</u>						
Charges for services	10,824,169	13,719,648	15,026,602	16,504,498	18,037,207	19,547,368
Broadband Aid to Construction	7,847	100,321	33,677	26,315	31,332	430,000
Other (3)	41,714	75,722	137,174	77,528	12,349	15,000
	<u>10,873,730</u>	<u>13,895,691</u>	<u>15,197,453</u>	<u>16,608,341</u>	<u>18,080,888</u>	<u>19,992,368</u>
Total Gross Pledged Revenues	<u>80,702,075</u>	<u>84,332,611</u>	<u>86,004,437</u>	<u>92,404,949</u>	<u>99,100,717</u>	<u>103,101,739</u>
<b>Operation and Maintenance Expenses (4)</b>						
Electric System	59,110,553	62,233,761	62,377,905	64,240,673	65,246,746	69,665,425
Broadband System	4,711,047	5,709,853	6,687,798	7,565,311	7,302,278	9,467,047
Total O&M Expenses	<u>63,821,600</u>	<u>67,943,615</u>	<u>69,065,703</u>	<u>71,805,984</u>	<u>72,549,024</u>	<u>79,132,472</u>
<b>Net Pledged Revenues</b>	\$16,880,475	\$16,388,996	\$16,938,734	\$20,598,965	26,551,693	23,969,267
<b>Combined Maximum Annual Principal and Interest Requirements (5)</b>	\$4,462,500	\$4,462,500	\$4,459,000	\$4,456,000	\$4,456,000	\$4,456,000
<b>Pro-Forma Coverage</b>	3.78x	3.68x	3.80x	4.62x	5.96x	5.38x

- (1) Aid to underground installation fees are capital contribution revenue in the Electric System and the Telecommunications System.
- (2) Includes investment income, miscellaneous revenue and other sales. Does not include intergovernmental and transfers in.
- (3) Includes investment income and miscellaneous revenue. Does not include Aid to underground installation.
- (4) Generally includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation or amortization. Also does not include franchise fees paid by each portion of the System. Current City financial policies require the Electric System and the Broadband System to pay the General Fund franchise fees of 8.64% and 5% respectively, of current year revenues. The obligation to pay franchise fees is subordinate to the obligation to pay debt service on the 2014 and 2017 Bonds.
- (5) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the 2014 and 2017 Bonds (\$4,456,000 in 2022) See "DEBT SERVICE REQUIREMENTS."

Source: Derived from the City's audited financial statements for 2017-2021 and the 2022 Budget.

**Electric System User Charges - 2021**

Rate Description	Charges	Rates
<b>Residential Rates</b>		
Residential Energy	Customer Charge	\$16.40
	<i>Summer: June-Sept</i>	
	0-750 kwh	\$0.0846
	751-1500 kwh	\$0.0997
	1501 kwh and above	\$0.1295
	<i>Non-Summer: Jan-May &amp; Oct-Dec</i>	
	0-750 kwh	\$0.0769
	751-1500 kwh	\$0.0906
1501 kwh and above	\$0.1177	
Residential Demand	Customer Charge	\$16.40
	<i>Summer: June-Sept</i>	
	kwh	\$0.0516
	max kw	\$8.25
	<i>Non-Summer: Jan-May &amp; Oct-Dec</i>	
	kwh	\$0.0469
max kw	\$7.50	
Residential Generation	Customer Charge	\$21.60
	<i>Summer: June-Sept</i>	
	kwh below average	\$0.0842
	kwh above average	\$0.0846
	<i>Non-Summer: Jan-May &amp; Oct-Dec</i>	
	kwh below average	\$0.0765
kwh above average	\$0.0769	
Renewable	kwh	\$ 0.0312
<b>Commercial Rates</b>		
Commercial Energy	Customer Charge	\$27.00
	<i>Summer: June-Sept</i>	
	kwh	\$0.0873
	<i>Non-Summer: Jan-May &amp; Oct-Dec</i>	
kwh	\$0.0794	
Commercial Demand	Customer Charge	\$128.00
	<i>Summer: June-Sept</i>	
	kwh	\$0.0518
	max kw	\$14.91
	<i>Non-Summer: Jan-May &amp; Oct-Dec</i>	
	kwh	\$0.0471
max kw	\$13.55	
Commercial Coincident Demand	Monthly Customer Charge	\$500.00
	<i>Summer: June-September</i>	
	kwh	\$0.0517
	max kw	\$4.40
	coincident kw	\$12.10
	<i>Non-Summer: Jan-May &amp; Oct-Dec</i>	
	kwh	\$0.0470
	max kw	\$4.00
coincident kw	\$11.00	

**Electric System User Charges - 2021**

Rate Description	Charges	Rates
Commercial Energy Generation	Customer Charge	\$39.63
	<i>Summer: June-Sept</i>	
	kwh below average	\$0.0772
	kwh above average	\$0.0873
	<i>Non-Summer: Jan-May &amp; Oct-Dec</i>	
	kwh below average	\$0.0702
Commercial Demand Generation	Customer Charge	\$128.00
	<i>Summer: June-Sept</i>	
	kwh	\$0.0518
	max kw	\$14.91
	<i>Non-Summer: Jan-May &amp; Oct-Dec</i>	
	kwh	\$0.0471
	max kw	\$13.55
<b>Unmetered Energy Rates</b>		
Unmetered 1-49 watt	Customer Charge	\$ 7.75
Unmetered 50-149 watt	Customer Charge	\$ 9.35
Unmetered 150-249 watt	Customer Charge	\$ 12.70
Unmetered 250 & over	Customer Charge	\$ 15.25
Power Supply	Customer Charge	\$ 58.10

Non-residential, metered Electric System customers that exceed 800 kW demand in any two consecutive billing periods qualify for the Commercial Coincident Demand Rate ("CCD"). Prior to 2020 the customers who qualified for this rate each had a unique individual rate, however, in 2020 a standard CCD rate was designed and applied to all CCD customers. See chart above for standard CCD rate. The CCD rate includes customer charges, energy charges and demand charges based on the customer cost of service as well as the required franchise fee paid to the City General Fund.

Other Fees and Charges: The City also imposes various fees, including annexation fees, charges for miscellaneous services and aid to construction fees.

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Source: Longmont Power and Communications, City of Longmont.

**History of Electric System Customers**

<u>Year</u>	<u>Electric Customers</u>	<u>% Change</u>
2003	33,069	n/a
2004	33,992	2.8%
2005	34,779	2.3%
2006	35,454	1.9%
2007	35,750	0.8%
2008	36,231	1.3%
2009	36,383	0.4%
2010	36,683	0.8%
2011	36,809	0.3%
2012	37,107	0.8%
2013	37,360	0.7%
2014	37,751	1.0%
2015	38,229	1.3%
2016	38,508	0.7%
2017	39,216	1.8%
2018	40,175	2.4%
2019	41,337	2.9%
2020	42,046	1.7%
2021	42,558	1.2%

Source: Longmont Power and Communications, City of Longmont.

**Electric System Customer Information by Customer Type**

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Electric Sales in MWH</b>					
Residential	303,854	316,320	318,160	340,555	342,300
Commercial	356,881	362,486	366,215	342,100	337,313
Industrial	118,393	106,378	106,664	125,477	133,880
<b>Total</b>	<b>779,128</b>	<b>785,184</b>	<b>791,039</b>	<b>808,132</b>	<b>813,493</b>
<b>Electric Revenue (in 000s)</b>					
Residential	\$ 29,367	\$ 30,690	\$ 30,970	\$ 34,926	\$ 37,000
Commercial	28,368	28,986	29,262	29,050	30,702
Industrial	8,053	7,307	7,310	8,928	9,818
<b>Total</b>	<b>\$ 65,788</b>	<b>\$ 66,983</b>	<b>\$ 67,542</b>	<b>\$ 72,904</b>	<b>\$ 77,520</b>
<b>Average Customer Accounts</b>					
Residential-inside City limits	35,564	36,499	37,639	38,361	38,864
Residential-outside City limits	828	827	824	825	824
	<b>36,392</b>	<b>37,326</b>	<b>38,463</b>	<b>39,186</b>	<b>39,688</b>
Commercial-inside City limits	2,684	2,708	2,732	2,714	2,722
Commercial-outside City limits	130	130	130	132	135
	<b>2,814</b>	<b>2,838</b>	<b>2,862</b>	<b>2,846</b>	<b>2,857</b>
Industrial-inside City limits	8	9	10	12	11
Industrial-outside City limits	1	1	1	1	1
	<b>9</b>	<b>10</b>	<b>11</b>	<b>13</b>	<b>12</b>
Contract-inside City limits	0	0	0	0	0
Contract-outside City limits	1	1	1	1	1
	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Total Average Accounts</b>	<b>39,216</b>	<b>40,175</b>	<b>41,337</b>	<b>42,046</b>	<b>42,558</b>
<b>Average Use per Customer</b>					
Residential - Annual	8,432	8,475	8,378	8,913	9,323
Residential - Monthly	703	706	698	743	777
<b>Annual Peak Demand (MW)</b>					
Summer Peak	183	186	185	186	197
Winter Peak	127	120	119	122	126

Source: Longmont Power and Communications, City of Longmont.

**Largest Electric System Customers - 2021**

<u>Customer Number (2)</u>	<u>Total kWh</u>	<u>Total kW</u>	<u>Total 2021 Revenue</u>	<u>Percent of Total 2021 Revenue(1)</u>
126902	42,091,680	71,303	\$ 2,806,510	3.58%
512177	22,632,000	35,120	1,466,099	1.87%
526328	22,248,995	44,055	1,521,029	1.94%
127015	20,684,285	91,194	1,899,151	2.42%
231353	16,518,129	31,611	1,127,870	1.44%
126234	11,496,854	24,102	731,309	0.93%
368522	9,564,000	16,031	558,398	0.71%
528820	8,925,344	18,708	563,326	0.72%
307785	8,628,480	15,632	588,808	0.75%
125672	8,515,479	14,171	562,868	0.72%
Total	171,305,246	361,927	\$ 11,825,370	15.08%

(1) Based on total Electric System charges for service of \$78,404,643 for 2021.

(2) The identities of the largest individual electric system users and the amount of revenues generated by each cannot be divulged under penalty of law.

Source: Longmont Power and Communications, City of Longmont.

**History of Broadband System Customers by Customer Class**

	<b>Customer Class:</b>					<b>Total</b>
	<b>Residential (1)</b>	<b>Commercial (1)</b>	<b>Fiber Lease</b>	<b>Colocation</b>	<b>Conduit Lease</b>	
<b>2010</b>	-	-	8	4	1	13
<b>2011</b>	-	-	8	4	1	13
<b>2012</b>	-	-	9	4	1	14
<b>2013</b>	26	26	9	5	1	67
<b>2014</b>	244	29	9	6	1	289
<b>2015</b>	2,130	94	8	5	1	2,238
<b>2016</b>	9,652	308	8	5	1	9,974
<b>2017</b>	16,277	631	8	5	1	16,922
<b>2018</b>	18,107	840	7	5	1	18,960
<b>2019</b>	19,675	962	7	5	1	20,650
<b>2020</b>	21,555	1,068	7	5	1	22,636
<b>2021</b>	23,000	1,204	6	4	1	24,215

(1) Years prior to 2013 include services provided to dark fiber and colocation contract customers, which the backbone system was designed to provide. The Broadband System began adding residential and commercial broadband customers in May 2013.

Source: Longmont Power and Communications, City of Longmont.

**History of Broadband System Revenues by Customer Class**

	Customer Class:					Total
	Residential (1)	Commercial (1)	Fiber Lease	Colocation	Conduit Lease	
2012	\$ -	\$ -	\$ 262,031	\$ 27,582	\$ 1,161	\$ 290,774
2013	1,096	19,612	261,928	30,220	1,183	314,039
2014	63,266	186,400	314,201	34,533	1,216	599,616
2015	767,790	383,341	167,137	21,682	1,249	1,341,199
2016	3,673,102	667,110	168,394	23,381	1,264	4,533,251
2017	9,419,828	1,218,295	143,812	40,933	1,302	10,824,170
2018	11,775,203	1,785,414	118,847	38,843	1,341	13,719,648
2019	12,900,874	1,963,456	121,119	39,777	1,377	15,026,603
2020	14,154,422	2,184,126	123,702	40,830	1,418	16,504,498
2021	15,333,593	2,534,156	116,101	51,910	1,447	18,037,207

(1) The Broadband System began adding residential and commercial customers in May 2013.

Source: Longmont Power and Communications, City of Longmont.



**Electric and Broadband Fund - History of Revenues, Expenses and Changes in Fund Net Position**

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Operating Revenues</b>					
Charges for services	\$ 76,895,890	\$ 80,634,329	\$ 83,577,493	\$ 90,625,718	\$ 96,441,850
<b>Operating Expenses</b>					
Administration	4,168,223	4,324,066	4,948,118	6,769,947	6,937,212
Purchased power/cost of sales/premiums	48,120,219	49,634,480	51,218,468	52,019,951	52,748,250
Transmission/distribution	9,720,815	12,092,357	10,602,099	10,746,099	10,586,303
Depreciation	3,919,443	4,005,405	5,040,137	4,462,953	4,947,469
Administrative fees (1)	1,812,344	1,892,712	2,297,018	2,269,987	2,277,259
Franchise fee (2)	5,228,811	5,312,894	5,256,218	5,877,262	6,143,046
Total operating expenses	<u>72,969,855</u>	<u>77,261,914</u>	<u>79,362,058</u>	<u>82,146,199</u>	<u>83,639,539</u>
<b>Operating Income (Loss)</b>	3,926,035	3,372,415	4,215,435	8,479,519	12,802,311
<b>Non-Operating Revenues (Expenses)</b>					
Investment income (loss)	81,719	242,457	852,907	218,051	47,738
Miscellaneous	124,219	183,093	157,966	145,552	102,033
Intergovernmental	101,200	750	24,990	6,891	314,675
Other Sales	90,730	72,173	78,475	79,112	70,059
Gain (Loss) on disposal of assets	-	(23,846)	(97,184)	(9,887)	(20,410)
Interest Expense	(132)	(1,388,525)	(1,719,628)	(1,119,980)	(1,097,694)
Total non-operating revenues	<u>397,736</u>	<u>(913,898)</u>	<u>(702,474)</u>	<u>(680,261)</u>	<u>(583,599)</u>
<b>Change in net position before transfers and capital contributions</b>	4,323,771	2,458,517	3,512,961	7,799,258	12,218,712
Capital Contributions (3)	3,851,052	3,653,546	2,385,127	1,346,403	2,459,446
Transfers					
Transfers in	19,835	29,710	1,239,525	1,179,938	649,521
Transfers out	<u>(517,167)</u>	<u>(59,355)</u>	<u>(1,110,479)</u>	<u>(2,614,532)</u>	<u>(722,018)</u>
<b>Change in net position</b>	7,677,491	6,082,418	6,027,134	7,711,067	14,605,661
<b>Total Net Position - January 1 (4)</b>	66,338,979	74,016,470	79,142,280	85,169,414	92,880,481
Cumulative effect of correction to prior period (5)		(956,605)			
Restated Total Net Position - January 1		<u>73,059,865</u>	<u>79,142,280</u>	<u>85,169,414</u>	<u>92,880,481</u>
<b>Total Net Position - December 31 (4)</b>	<u>\$ 74,016,470</u>	<u>\$ 79,142,280</u>	<u>\$ 85,169,414</u>	<u>\$ 92,880,481</u>	<u>\$ 107,486,142</u>

(1) Represents a payment to the General Fund to cover the cost of general services (administrative, financial and legal services, office space, etc.) provided to the Electric and Broadband Funds.

(2) For the years shown, the Electric and Broadband franchise fees were 8.64% and 5.0%, respectively. See "SYSTEM FINANCIAL INFORMATION-- Budget Summary and Comparison - Electric and Broadband Utility Enterprise Fund Franchise Fee Policies."

(3) A portion of this amount is "aid to underground installation revenue." See "REVENUES AVAILABLE FOR DEBT SERVICE."

A portion of this amount is proceeds of the Electric Community Investment Fee, which is initially recorded in the ECIF Fund but transferred to the Electric Fund as capital contributions upon expenditure.

(4) Net Position includes the value of all assets attributable to the Electric and Broadband Funds, not just those acquired during the year presented.

(5) Prior period correction due to fixed assets adjustments and implementation of GASB 68, 71 and 75 related to Pension and OPEB.

Source: Derived from the City's ACFRs for the years ended December 31, 2017 through 2021

Wastewater

Enterprise Revenue Bonds

Series 2013

Series 2015

Series 2020

(CUSIP #543098)

**History of Net Pledged Revenues and Pro-Forma Debt Service Coverage (1)**

<b><u>Fiscal Year</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>
<b>Gross Pledged Revenues</b>					
Charges for services	\$ 14,486,062	\$ 14,668,488	\$ 14,942,625	\$ 15,504,785	\$ 15,677,330
System development fees	2,234,310	3,090,230	2,279,955	2,058,672	1,256,644
Developer participation	14,690	27,692	-	-	147,724
Other income	63,214	111,267	58,359	2,707	58,473
Interest earnings	254,279	537,881	787,699	388,735	(83,431)
BAB Credit on 2010B Bonds (2)	156,528	165,701	143,219	67,680	1,027
Total	<u>17,209,083</u>	<u>18,601,259</u>	<u>18,211,857</u>	<u>18,022,579</u>	<u>17,057,767</u>
<b>Operation and Maintenance Expenses (3)</b>	<u>7,725,060</u>	<u>8,660,481</u>	<u>9,184,344</u>	<u>9,109,191</u>	<u>8,900,561</u>
<b>Net Pledged Revenues</b>	\$ 9,484,023	\$ 9,940,778	\$ 9,027,513	\$ 8,913,388	\$ 8,157,206
<b>Actual Debt Service Paid (4)</b>	\$ 3,625,293	\$ 3,607,520	\$ 3,593,070	\$ 3,353,070	\$ 3,309,825
<b>Coverage</b>	2.62x	2.76x	2.51x	2.66x	2.46x
<b>Combined Maximum Annual Principal and Interest Requirements (5)</b>	3,648,375	3,648,375	3,648,375	3,648,375	3,648,375
<b>Pro-Forma Coverage</b>	2.60x	2.72x	2.47x	2.44x	2.24x

(1) Derived from the City's audited financial statements for 2017 through 2021.

(2) The BAB Credit is also included in Gross Pledged Revenues.

(3) Includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation, amortization or interest paid on outstanding bonds.

(4) Includes debt service on the 2010 Bonds, debt service on the 2013 Bonds, debt service on the 2015 Bonds and debt service on the 2020 Bonds, beginning in 2020.

(5) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the the 2013 Bonds, the 2015 Bonds and the 2020 Bonds (\$3,648,375 in 2035).

## Comparative Disclosure Adjustments and Analysis

Related to Table 6.1

### Pro-Forma Debt Service Coverage

	Actual Debt Service Paid Reported 2011 - 2021		Actual Debt Service Paid Reported 2011 - 2021		
Year	Actual Debt Service Paid	Adjustments	Actual Debt Service Paid	Year	Actual Debt Service Paid
2011	\$ 1,041,896	-	\$ 1,041,896	2011	\$ 1,041,896
2012	1,063,995	-	1,063,995	2012	1,063,995
2013	1,190,917	-	1,190,917	2013	1,190,917
2014	1,648,608	-	1,648,608	2014	1,648,608
2015	2,716,208	(1,070,000) (1)	1,646,208	2015	1,646,208 (2)
2016	3,628,517	-	3,628,517	2016	3,628,517
2017	3,625,293	-	3,625,293	2017	3,625,293
2018	3,607,520	-	3,607,520	2018	3,607,520
2019	3,593,070	-	3,593,070	2019	3,593,070
2020	3,353,070	-	3,353,070	2020	3,353,070
2020	3,309,825	-	3,309,825	2020	3,309,825

(1) The 2015 ACFR Sewer Enterprise Fund Schedule of Revenues and Expenses (Schedule D-9) previously reported the Principal retired for 2015 as \$1,955,000. The Principal retired of \$885,000 is the correct amount paid.

(2) The 2015 ACFR statistical debt Schedule 16, Pledged Revenue Bond/Loan Coverage, previously reported the total principal and interest paid for 2015 as \$2,716,208. The principal and interest of \$1,646,208 is the correct amount paid. Schedule 16 was corrected in the 2016 ACFR.

**History of Wastewater System Development Fees**

<b><u>Year</u></b>	<b><u>Total Number of Connections</u></b>	<b><u>Total System Development Fees</u></b>
2005	25,190	\$1,550,118
2006	25,691	\$889,964
2007	25,887	\$851,565
2008	26,044	\$288,158
2009	26,147	\$96,975
2010	26,013	\$277,085
2011	25,875	\$380,154
2012	25,965	\$783,174
2013	26,091	\$765,285
2014	26,276	\$1,077,096
2015	26,477	\$1,504,040
2016	26,919	\$2,459,528
2017	27,284	\$2,234,310
2018	27,703	\$3,090,230
2019	28,195	\$2,279,955
2020	28,536	\$2,058,672
2021	28,742	\$1,256,644

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**History of User Connections by Customer Type**

<b><u>Year</u></b>	<b><u>Residential Connections</u></b>	<b><u>Commercial/ Industrial Connections</u></b>	<b><u>Contract Connection</u></b>	<b><u>Other/Out of City Users</u></b>	<b><u>Total Connections</u></b>	<b><u>% Change in Connections</u></b>
2005	23,775	1,369	1	45	25,190	--
2006	24,161	1,463	1	66	25,691	2.0%
2007	24,323	1,485	1	78	25,887	0.8%
2008	24,435	1,521	1	87	26,044	0.6%
2009	24,507	1,547	1	92	26,147	0.4%
2010	24,537	1,410	1	66	26,014	-0.5%
2011	24,515	1,311	1	48	25,875	-0.5%
2012	24,562	1,309	0	94	25,965	0.3%
2013	24,679	1,330	0	82	26,091	0.5%
2014	24,825	1,367	0	84	26,276	0.7%
2015	25,011	1,376	0	90	26,477	0.8%
2016	25,318	1,488	0	113	26,919	1.7%
2017	25,620	1,543	0	121	27,284	1.4%
2018	26,028	1,547	0	128	27,703	1.5%
2019	26,481	1,583	0	131	28,195	1.8%
2020	26,886	1,520	0	130	28,536	1.2%
2021	27,101	1,508	0	133	28,742	0.7%

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**History of Charges for Service by Category**

<b><u>Year</u></b>	<b><u>Residential Service Charges</u></b>	<b><u>Commercial/ Industrial Service Charges</u></b>	<b><u>Other Industrial Charges (1)</u></b>	<b><u>Special Tap/ Contract Revenues</u></b>	<b><u>Miscellaneous Revenues (2)</u></b>	<b><u>Total Revenues</u></b>	<b><u>Percent Change in Revenues</u></b>
2005	\$ 5,356,563	\$ 1,144,869	\$ 273,843	\$ 407,406	\$ 10,920	\$7,193,601	--
2006	5,621,533	1,181,641	223,662	390,832	9,201	7,426,869	3.2%
2007	5,402,944	1,146,694	228,839	409,684	(19,603)	7,168,558	-3.5%
2008	5,436,825	1,113,443	246,565	329,322	(8,166)	7,117,989	-0.7%
2009	5,844,437	1,206,730	285,927	19,068	59,877	7,416,039	4.2%
2010	6,216,671	1,275,971	244,465	68,749	30,617	7,836,473	5.7%
2011	6,459,187	1,384,300	260,554	62,618	74,330	8,240,989	5.2%
2012 (3)	6,846,158	1,490,467	286,632	10,609	766	8,634,632	4.8%
2013	7,935,973	1,697,791	19,269	3,121	83,951	9,740,105	12.8%
2014	9,374,332	2,073,369	31,567	2,907	204,811	11,686,986	20.0%
2015	10,615,333	2,343,578	116,557	4,096	5,569	13,085,133	12.0%
2016	10,752,333	2,419,355	173,170	3,265	84,496	13,432,619	2.7%
2017	11,512,472	2,791,456	139,688	3,684	38,762	14,486,062	7.8%
2018	11,779,956	2,799,116	108,871	4,331	(23,786)	14,668,488	1.3%
2019	11,913,104	2,827,717	139,886	4,968	56,950	14,942,625	1.9%
2020	12,464,481	2,658,575	202,228	5,169	174,332	15,504,785	3.8%
2021	12,618,323	2,633,984	111,593	4,909	308,521	15,677,330	1.1%

(1) Includes industrial sewer surcharge and industrial pre-treatment charges.

(2) Includes miscellaneous revenues, RIN credits, mixed use rates and charges and accruals for unbilled revenue, which represents service provided as of the end of each year that will not be billed until the first billing date in January. Unbilled revenue was negative in 2008, 2012, 2015 and 2018.

(3) Reduced Miscellaneous Revenue from original bond table by negative unbilled revenue at year end.

**Sewer Fund - History of Revenues, Expenses and Changes in Fund Net Position**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Operating Revenues</b>					
Charges for services	\$ 14,486,062	\$ 14,668,488	\$ 14,942,625	\$ 15,504,785	\$ 15,677,330
<b>Operating Expenses</b>					
Administration	1,205,666	1,676,611	1,941,273	1,853,141	1,627,729
Transmission/distribution	1,170,209	1,545,715	1,569,515	1,462,933	1,331,349
Treatment/disposal	3,899,651	3,945,472	4,058,815	4,161,586	4,324,953
Depreciation	3,136,126	4,146,464	5,058,506	5,091,766	5,165,112
Administrative fees (1)	879,370	909,683	972,505	1,002,475	988,342
Franchise fee (2)	570,164	583,000	642,236	629,056	628,188
Total operating expenses	<u>10,861,186</u>	<u>12,806,945</u>	<u>14,242,850</u>	<u>14,200,957</u>	<u>14,065,673</u>
<b>Operating Income (Loss)</b>	3,624,876	1,861,543	699,775	1,303,828	1,611,657
<b>Non-Operating Revenues (Expenses)</b>					
Investment income (loss)	218,714	408,539	529,740	229,907	(48,852)
Miscellaneous	63,214	111,267	58,359	2,707	60,355
Intergovernmental	662,443	305,409	265,901	110,908	171,266
Interest expense	(156,178)	(1,682,725)	(1,606,999)	(1,447,661)	(1,224,742)
Gain (Loss) on disposal of assets	-	-	-	-	(1,882)
Total non-operating revenues	<u>788,193</u>	<u>(857,510)</u>	<u>(752,999)</u>	<u>(1,104,139)</u>	<u>(1,043,855)</u>
<b>Change in net assets before transfers and capital contributions</b>	4,413,069	1,004,033	(53,224)	199,689	567,802
Capital Contributions	3,536,162	3,714,553	728,123	229,898	245,925
Transfers					
Transfers in	527,276	524,922	523,132	656,916	815,474
Transfers out	(115,022)	(45,646)	(664,603)	(1,149,772)	(284,777)
<b>Change in net position</b>	8,361,485	5,197,862	533,428	(63,269)	1,344,424
<b>Total Net Position - January 1 (3)</b>	<u>103,478,191</u>	<u>111,839,676</u>	<u>116,210,064</u>	<u>116,743,492</u>	<u>116,680,223</u>
Cumulative effect of correction to prior period (4)	-	(827,477)	-	-	-
Restated Total Net Position - January		111,012,199	116,210,064	116,743,492	116,680,223
<b>Total Net Position - December 31 (3)</b>	<u>\$111,839,676</u>	<u>\$116,210,064</u>	<u>\$116,743,492</u>	<u>\$116,680,223</u>	<u>\$118,024,647</u>

(1) Represents a payment to the General Fund to cover the cost of general services provided to the Sewer Fund.

(2) Current City financial policies require the Sewer Fund to pay the General Fund a 4.16% franchise fee.

(3) "Net Position" includes the value of all assets attributable to the Sewer Fund, not just those acquired during the year presented.

(4) Prior period correction due to fixed assets adjustments and implementation of GASB 68, 71 and 75 related to Pension and OPEB.



**Sewer Construction Fund - History of Revenues, Expenditures and Changes in Fund Balances**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Revenues</b>					
Licenses and permits (1)	\$ 2,234,310	\$ 3,090,230	\$ 2,279,955	\$ 2,058,672	\$ 1,256,644
Developer/owner participation	14,690	27,692	-	-	-
Investment income (loss)	35,565	129,342	257,961	158,828	(34,579)
Miscellaneous	-	-	-	-	-
Total revenues	<u>2,284,565</u>	<u>3,247,264</u>	<u>2,537,916</u>	<u>2,217,500</u>	<u>1,222,065</u>
<b>Expenditures</b>					
Current:					
Municipal utility system	1,454	8,399	85,621	97,866	104,434
Capital Outlay	2,359,368	-	-	-	-
Total expenditures	<u>2,360,822</u>	<u>8,399</u>	<u>85,621</u>	<u>97,866</u>	<u>104,434</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>(76,257)</u>	<u>3,238,865</u>	<u>2,452,295</u>	<u>2,119,634</u>	<u>1,117,631</u>
<b>Other Financing Sources (Uses)</b>					
Transfers out (2)	<u>(546,279)</u>	<u>(538,207)</u>	<u>(523,132)</u>	<u>(525,074)</u>	<u>(815,755)</u>
<b>Net change in fund balance</b>	<u>(622,536)</u>	<u>2,700,658</u>	<u>1,929,163</u>	<u>1,594,560</u>	<u>301,876</u>
<b>Fund Balance - January 1</b>	<u>6,142,809</u>	<u>5,520,273</u>	<u>8,220,931</u>	<u>10,150,094</u>	<u>11,744,654</u>
<b>Fund Balance - December 31</b>	<u>\$ 5,520,273</u>	<u>\$ 8,220,931</u>	<u>\$ 10,150,094</u>	<u>\$ 11,744,654</u>	<u>\$ 12,046,530</u>

(1) Consists primarily of System Development Fees.

(2) Consists primarily of transfers to the Sewer Fund and also includes transfers to the Art in Public Places Fund.

Storm Drainage

Revenue Bonds

Series 2014

Series 2016

(CUSIP #54310P)

**History of Pledged Revenues and Pro-Forma Debt Service Coverage (1)**

<u>Fiscal Year</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Pledged Revenues</b>					
User charges	\$ 6,858,415	\$ 7,055,596	\$ 7,262,803	\$ 7,492,463	\$ 7,529,406
Plant investment fees	568,223	686,588	505,230	460,587	217,708
Total	<u>\$ 7,426,638</u>	<u>\$ 7,742,184</u>	<u>\$ 7,768,033</u> (3)	<u>\$ 7,953,050</u>	<u>\$ 7,747,114</u>
<b>Actual Debt Service Paid on 2008/2014/2016</b>	\$ 2,441,688	\$ 2,437,988	\$ 2,442,688	\$ 2,440,438	\$ 2,440,038
<b>Coverage</b>	3.04x	3.18x	3.18x	3.26x	3.17x
<b>Combined Maximum</b>					
<b>Annual Debt Service</b> (2)	\$ 2,465,238	\$ 2,465,238	\$ 2,465,238	\$ 2,465,238	\$ 2,465,238
<b>Pro-Forma Coverage</b>	3.01x	3.14x	3.15x	3.23x	3.14x

(1) Includes only storm drainage user charge revenues and storm drainage plant investment fees, and does not include investment income or miscellaneous income, which are also included in Pledged Revenues. See "Pledged Revenues" above and "FINANCIAL INFORMATION CONCERNING THE STORM DRAINAGE SYSTEM - Storm Drainage Fees." Storm Drainage Plant Investment Fees are recorded as capital contributions in the Storm Drainage Fund.

(2) Represents the Combined Maximum Annual Debt Service on the 2014 Bonds and the 2016 Bonds (\$2,465,238 occurring in 2028) See "DEBT SERVICE REQUIREMENTS."

(3) An error was discovered in statistical table 16 in the 2019 ACFR. The gross resources total number did not include Plant investment fees. This has been corrected for the 2020 ACFR.

Source: Derived from the City's Comprehensive Annual Financial Reports for 2017-2021; and the debt service schedules (as to the combined maximum annual debt service).

**Comparative Disclosure Adjustments and Analysis**  
 Related to Table 6.1  
**Pro-Forma Debt Service Coverage**

	Actual Debt Service Paid Reported <u>2014-2021</u>		Actual Debt Service Paid Reported <u>2014-2021</u>
Year	Reported Debt Service Paid	Adjustments	Actual Debt Service Paid
2014	2,383,756	(1,300,000) (1)	1,083,756
2015	2,534,803	-	2,534,803
2016	2,419,351	-	2,419,351
2017	2,441,688	-	2,441,688
2018	2,437,988	-	2,437,988
2019	2,442,688	-	2,442,688
2020	2,440,438	-	2,440,438
2021	2,440,038	-	2,440,038

(1) An interfund loan was included in error in the figure for debt service paid in 2014.

**History of Storm Drainage Revenues**

<u>Year</u>	<u>User Charge Revenues</u>	<u>Percentage Change</u>	<u>Plant Investment Fees</u>	<u>Percentage Change</u>	<u>Total</u>	<u>Percentage Change</u>
2009	\$ 3,428,994	-	\$ 30,774	-	\$ 3,459,768	-
2010	3,420,656	(0.24) %	120,618	291.95 %	3,541,274	2.36 %
2011	3,395,622	(0.73) %	93,331	(22.62) %	3,488,953	(1.48) %
2012	3,835,699	12.96 %	163,868	75.58 %	3,999,567	14.64 %
2013	4,027,152	4.99 %	146,340	(10.70) %	4,173,492	4.35 %
2014	6,579,550 (1)	63.38 %	235,532	60.95 %	6,815,082	63.29 %
2015	6,644,935	0.99 %	302,142	28.28 %	6,947,077	1.94 %
2016	6,730,428	1.29 %	527,748	74.67 %	7,258,176	4.48 %
2017	6,858,415	1.90 %	568,223	7.67 %	7,426,638	2.32 %
2018	7,055,596	2.88 %	686,588	20.83 %	7,742,184	4.25 %
2019	7,262,803	2.94 %	505,230	(26.41) %	7,768,033	0.33 %
2020	7,492,463	3.16 %	460,587	(8.84) %	7,953,050	2.38 %
2021	7,529,406	0.49 %	217,708	(52.73) %	7,747,114	(2.59) %

(1) Revenues increased in "User Charges" category due in part to a rate increase as described in "FINANCIAL INFORMATION CONCERNING THE STORM DRAINAGE SYSTEM - Storm Drainage Fees."

Source: Derived from the City's Comprehensive Annual Financial Reports for the years ended 2009-2021

**Storm Drainage Enterprise Fund****Comparative Statement of Revenues, Expenditures and Changes in Net Fund Position**

	<b>Fiscal Year Ended December 31</b>				
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Operating Revenues</b>					
Charges for services	<u>\$ 6,858,415</u>	<u>\$ 7,055,596</u>	<u>\$ 7,262,803</u>	<u>\$ 7,492,463</u>	<u>\$ 7,529,406</u>
<b>Operating Expenses</b>					
Administration	2,471,680	1,587,078	1,445,334	1,269,666	1,168,693
Maintenance/Development	810,584	2,936,798	2,797,705	2,228,488	2,064,661
Depreciation	1,677,140	1,834,208	2,023,340	1,949,198	1,952,614
Administrative fees (1)	455,968	538,495	621,074	766,829	667,273
Total operating expenses	<u>5,415,372</u>	<u>6,896,579</u>	<u>6,887,453</u>	<u>6,214,181</u>	<u>5,853,241</u>
<b>Operating Income (Loss)</b>	<u>1,443,043</u>	<u>159,017</u>	<u>375,350</u>	<u>1,278,282</u>	<u>1,676,165</u>
<b>Non-Operating Revenues (Expenses)</b>					
Investment income	125,541	221,828	319,090	164,609	(20,709)
Miscellaneous	247,875	218,225	131,943	14,420	162,993
Intergovernmental	5,730,043	2,020,525	6,002,696	468,088	3,437,281
Interest	(111,684)	(883,362)	(846,514)	(827,857)	(744,194)
Total non-operating revenues	<u>5,991,775</u>	<u>1,577,216</u>	<u>5,607,215</u>	<u>(180,740)</u>	<u>2,835,371</u>
<b>Change in net position before transfers and capital contributions</b>	<u>7,434,818</u>	<u>1,736,233</u>	<u>5,982,565</u>	<u>1,097,542</u>	<u>4,511,536</u>
<b>Capital Contributions</b>	1,736,553	4,385,069	872,473	501,049	375,365
<b>Transfers</b>					
Transfers in	-	-	-	65,751	-
Transfers out	(23,922)	(7,740)	(252,008)	(564,999)	(272,830)
<b>Change in Net Position</b>	9,147,449	6,113,562	6,603,030	1,099,343	4,614,071
<b>Total Net Position - January 1 (2)</b>	<u>\$65,232,565</u>	<u>\$74,380,014</u>	<u>\$80,188,871</u>	<u>\$86,791,901</u>	<u>\$87,891,244</u>
Cumulative effect of correction to prior period	-	(304,705)	-	-	-
Restated Net Position (3)	<u>74,075,309</u>	<u>80,188,871</u>	<u>86,791,901</u>	<u>87,891,244</u>	<u>92,505,315</u>
<b>Total Net Position - December 31 (2)</b>	<u>\$74,380,014</u>	<u>\$80,188,871</u>	<u>\$86,791,901</u>	<u>\$87,891,244</u>	<u>\$92,505,315</u>

(1) Represents a payment to the General Fund to cover the cost of general services (administrative, financial and legal services, office space etc.) provided to the Storm Drainage Fund.

(2) Net Position includes the value of all assets attributable to the fund, not just those acquired during the year presented.

(3) In 2018, the City reclassified certain fixed assets from land to improvements, thus creating a prior period adjustment in depreciation expense of \$122,123. An adjustment was also made for pension accounting in accordance with GASB 75 in the amount of \$182,582.

Source: Derived from the City's ACFRs for the years ended December 31, 2017 through 2021

Water

Revenue Bonds

Series 2021

Series 2021A

(CUSIP #543099)

**History of Net Pledged Revenues and Pro-Forma Debt Service Coverage (1)**

<b><u>Fiscal Year</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>
<b>Gross Pledged Revenues (1)</b>					
Charges for services	\$ 17,671,740	\$ 19,423,493	\$ 19,568,469	\$ 24,304,337	\$ 25,043,109
Capital contributions	1,471,736	1,022,605	732,748	721,493	484,255
System development fees	4,006,767	5,696,517	3,975,235	3,737,272	2,531,465
Payments in lieu of water rights	580,091	533,000	73,908	1,006,775	2,443,551
Developer participation (4)	-	18,949	-	-	359,183
Other income	1,113,711	1,353,757	338,568	773,372	919,145
Interest earnings	294,921	1,163,007	1,987,158	1,132,812	(690,792)
Total	<u>25,138,966</u>	<u>29,211,328</u>	<u>26,676,086</u>	<u>31,676,061</u>	<u>31,089,916</u> (5)
<b>Operation and Maintenance Expenses (1)(2)</b>	<u>11,700,366</u>	<u>12,707,857</u>	<u>13,976,845</u>	<u>14,345,317</u>	<u>16,634,834</u>
<b>Net Pledged Revenues</b>	\$ 13,438,600	\$ 16,503,471	\$ 12,699,241	\$ 17,330,744	\$ 14,455,082
<b>Combined Maximum Annual Principal and Interest Requirements (3)</b>	6,576,027	6,576,027	6,576,027	6,576,027	6,576,027
<b>Pro-Forma Coverage</b>	2.04x	2.51x	1.93x	2.64x	2.20x

- (1) Includes revenues and expenses from the Water Fund, the Water System Construction Reserve Fund and the Water Acquisition Fund.
- (2) Includes all expenses properly allocable to the System pursuant to GAAP. These expenses are recorded in the Water Fund, the Water System Construction Reserve Fund and the Water Acquisition Fund. Does not include depreciation, amortization or interest paid on outstanding bonds.
- (3) Represents the estimated Combined Maximum Annual Principal and Interest Requirements payable on the 2003 Note, the 2021 Bonds and the 2021A bonds (\$6,576,027 in 2022).
- (4) Starting in 2021, developer participation was broken out from charges for services in the ACFR, and is reflected in this table as well.
- (5) There was an error found in the 2021 ACFR Schedule 16 in interest earnings. The correct number was used above and will be corrected in the 2022 ACFR.



**History of Water System Development Fees**

Year	Total Number of Connections	Total System Development Fees (1)
2016	27,410	\$ 4,882,751
2017	27,777	4,006,767
2018	28,179	5,696,517
2019	28,989	3,975,235
2020	29,433	3,737,272
2021	29,644	2,531,465

(1) Includes the base portion of the SDF which is deposited into the Water System Construction Reserve Fund. The surcharge portion of the SDF is deposited into the Water Fund, where it is recorded as a capital contributions.

Source: The City.

**History of User connections by Customer type**

<u>Year</u>	<u>Residential Connections</u>	<u>Commercial/ Industrial Connections</u>	<u>Other/Out of City Users</u>	<u>Total Number of Connections</u>	<u>% Change in Connections</u>
2016	25,216	1,561	633	27,410	--
2017	25,515	1,631	631	27,777	1.3%
2018	25,879	1,664	636	28,179	1.4%
2019	26,535	1,804	650	28,989	2.9%
2020	26,903	1,809	721	29,433	1.5%
2021	27,127	1,837	680	29,644	0.7%

Source: The City.

**History of Charges for Service by Category**

Year	Residential Service Charges	Commercial Service Charges	Wholesale Service Charges	Irrigation Charges	Raw Water/ Construction Water	Meters/ Backflow Devices	Miscellaneous Revenues (1)	Total Revenues	% Change in Connections
2016	\$10,589,014	\$ 2,778,755	\$ 149,239	\$ 1,493,885	\$ 972,549	\$ 170,423	\$ 117,386	\$ 16,271,251	--
2017	11,371,826	3,127,361	214,708	1,629,953	1,119,582	179,045	29,265	17,671,740	7.9%
2018	12,227,038	3,391,122	177,397	1,793,930	1,121,237	226,781	485,988	19,423,493	9.0%
2019	12,627,488	3,263,509	192,648	1,797,410	1,103,143	163,427	420,845	19,568,470	0.7%
2020	15,880,312	3,966,737	237,648	2,471,194	1,098,255	189,711	460,479	24,304,337	19.5%
2021	16,348,571	4,673,952	244,118	2,450,878	1,017,544	132,184	175,863	25,043,109	3.0%

(1) Includes charges and accruals for unbilled revenue, which represents service provided as of the end of each year that will not be billed until the first billing date in January and other small fees including lab testing, reservoir use and materials fees.

Source: The City.

**Water Fund - History of Revenues, Expenses and Changes in Net Position**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Operating Revenues</b>					
Charges for services	\$ 17,671,740	\$ 19,423,493	\$ 19,568,469	\$ 24,304,337	\$ 25,043,109
<b>Operating Expenses</b>					
Administration	4,592,645	4,451,493	6,010,227	5,669,125	6,322,787
Transmission/distribution	2,376,744	3,079,178	2,653,475	2,543,774	4,257,631
Treatment/disposal	2,837,839	3,171,472	3,233,228	3,379,134	3,460,265
Depreciation	4,040,484	4,489,168	4,944,213	4,602,503	4,661,924
Administrative fees (1)	1,536,776	1,482,097	1,634,185	1,625,783	1,652,262
Franchise fee (2)	323,806	366,148	416,940	458,753	488,594
Total operating expenses	15,708,294	17,039,556	18,892,268	18,279,072	20,843,463
<b>Operating Income (Loss)</b>	1,963,446	2,383,937	676,201	6,025,265	4,199,646
<b>Non-Operating Revenues (Expenses)</b>					
Investment income (loss)	121,779	538,917	939,353	556,522	(666,396)
Miscellaneous	1,113,711	1,353,757	338,568	761,183	919,146
Intergovernmental	2,281,282	193,495	2,112,846	387,143	504,503
Gain (Loss) on disposal of assets	(1,459,891)	(3,749)	(29,043)	(121,221)	(3,238)
Interest expense	(272,686)	(233,953)	(194,420)	(135,607)	(1,446,478)
Total non-operating revenues	1,784,195	1,848,467	3,167,304	1,448,020	(692,463)
<b>Change in net assets before transfers and capital contributions</b>	3,747,641	4,232,404	3,843,505	7,473,285	3,507,183
Capital Contributions	4,619,766	14,261,169	2,958,890	2,221,951	1,919,761
Transfers					
Transfers in	626,696	626,696	3,640,925	2,697,454	20,323,211
Transfers out	(78,223)	(54,791)	(873,574)	(1,223,723)	(500,949)
<b>Change in net position</b>	8,915,880	19,065,478	9,569,746	11,168,967	25,249,206
<b>Total Net Position - January 1 (3) (4)</b>	380,566,022	389,481,902	407,031,645	416,601,391	427,770,358
Cumulative effect of correction to prior period (3)	-	(1,515,735)	-	-	-
Restated Total Net Position - January	-	387,966,167	-	-	-
<b>Total Net Position - December 31 (4)</b>	<u>\$389,481,902</u>	<u>\$407,031,645</u>	<u>\$416,601,391</u>	<u>\$427,770,358</u>	<u>\$453,019,564</u>

- (1) Represents a payment to the General Fund to cover the cost of general services (administrative, financial and legal services, office space, etc.) provided to the Water Fund.
- (2) Current City financial policies require the Water Fund to pay the General Fund a 2.04% franchise fee. The franchise fee is calculated at 2.04% of the budget year's projected gross revenues, excluding: contributions from the Water Fund fund balance, loans and grants from other governmental agencies, interest earnings and transfers.
- (3) In 2018, the Net Position was restated due to implementation of Governmental Accounting Standards Board ("GASB") Statement No. 75.
- (4) "Net Position" includes the value of all assets attributable to the Water Fund, not just those acquired during the year presented

Source: Derived from the City's ACFR for the years ended December 31, 2017 through 2021.

**Water System Construction Reserve Fund - History of Revenues, Expenses and Changes in Fund Balance**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Revenues</b>					
Licenses and permits (1)	\$ 4,006,767	\$ 5,696,517	\$ 3,975,235	\$ 3,737,272	\$ 2,531,465
Developer/owner participation	-	18,949	-	-	-
Investment income	139,114	511,439	891,926	500,866	(29,782)
Total revenues	<u>4,145,881</u>	<u>6,226,905</u>	<u>4,867,161</u>	<u>4,238,138</u>	<u>2,501,683</u>
<b>Expenditures</b>					
Municipal utility system	3,329	147,243	15,296	620,520	449,195
Capital outlay	479,565	792,212	-	-	-
Total expenditures	<u>482,894</u>	<u>939,455</u>	<u>15,296</u>	<u>620,520</u>	<u>449,195</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	3,662,987	5,287,450	4,851,865	3,617,618	2,052,488
<b>Other Financing Sources (Uses)</b>					
Transfers out	<u>(627,039)</u>	<u>(633,214)</u>	<u>(2,759,542)</u>	<u>(1,434,233)</u>	<u>(14,333,994)</u>
<b>Net change in fund balance</b>	3,035,948	4,654,236	2,092,323	2,183,385	(12,281,506)
<b>Fund Balance - January 1</b>	24,216,356	27,252,304	31,906,540	33,998,863	36,182,248
<b>Fund Balance - December 31</b>	<u>\$ 27,252,304</u>	<u>\$ 31,906,540</u>	<u>\$ 33,998,863</u>	<u>\$ 36,182,248</u>	<u>\$ 23,900,742</u>

(1) Consists primarily of System Development Fees; also includes material fees.

(2) Consists primarily of transfers to the Water Fund and also includes transfers to the Art in Public Places Fund required by City ordinance.

Source: Derived from the City's ACFRs for the years ended December 31, 2017 through 2021.

**Water Acquisition Fund - History of Revenues, Expenses and Changes in Fund Balance**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Revenues</b>					
Charges for services (1)	\$ 580,091	\$ 533,000	\$ 73,908	\$ 1,006,775	\$ 2,443,552
Investment income	34,028	112,651	155,879	75,424	5,384
Miscellaneous income	-	-	-	12,190	-
Total revenues	<u>614,119</u>	<u>645,651</u>	<u>229,787</u>	<u>1,094,389</u>	<u>2,448,936</u>
<b>Expenditures</b>					
Municipal utility system	29,227	10,226	13,494	48,228	4,100
Capital outlay	-	800,000	-	-	-
Total expenditures	<u>29,227</u>	<u>810,226</u>	<u>13,494</u>	<u>48,228</u>	<u>4,100</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	584,892	(164,575)	216,293	1,046,161	2,444,836
<b>Other Financing Sources (Uses)</b>					
Transfers out	-	-	(888,889)	(1,066,667)	(5,576,813)
<b>Net change in fund balance</b>	584,892	(164,575)	(672,596)	(20,506)	(3,131,977)
<b>Fund Balance - January 1</b>	6,219,730	6,804,622	6,640,047	5,967,451	5,946,945
<b>Fund Balance - December 31</b>	<u>\$ 6,804,622</u>	<u>\$ 6,640,047</u>	<u>\$ 5,967,451</u>	<u>\$ 5,946,945</u>	<u>\$ 2,814,968</u>

(1) Consists of cash paid in lieu of required water dedications.

(2) Consists of water rights expenses transferred to the Water Fund. Prior to 2019, these expenses were capitalized and were no reflected as transfers out.

Source: Derived from the City's ACFRs for the years ended December 31, 2017 through 2021.