

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the City of Commerce City's Annual Comprehensive Financial Report (ACFR), City management is pleased to provide this narrative discussion and analysis of the City's financial activities for the calendar year ended December 31, 2024. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

2024 FINANCIAL HIGHLIGHTS

The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$540,007,961 (total net position) for the calendar year reported.

- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$243,944,566 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net position of \$52,416,263 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position of \$243,647,132 represents the portion available to maintain the City's continuing obligations to citizens and creditors.
- The City's governmental funds reported total ending fund balance of \$326,734,511. This compares to the prior year ending fund balance of \$301,574,870 showing an increase of \$25,159,641.
- At year end, the General Fund's unassigned fund balance was \$56,192,208 which represents 51% of total General Fund expenditures and is \$3,236,906 higher than the prior year ending fund balance.
- Overall, the City continues to maintain a strong financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The City also includes in this report additional information to supplement the basic financial statements.

The City's component units are presented either as "blended" or "discretely presented." Blended component units are reported as if they were a City fund throughout the year. Blended component units are included at both the government-wide and fund financial reporting levels. The City has the following four blended component units:

- Commerce City Northern Infrastructure General Improvement District (NIGID)
- Commerce City E-470 Commercial Area General Improvement District (ECAGID)
- Commerce City E-470 Residential Area General Improvement District (ERAGID)
- Urban Renewal Authority (URA)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The City's ACFR includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the City's total assets and deferred outflows and total liabilities and deferred inflows, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving, maintaining, or declining. Evaluation of the overall health of the City would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of City infrastructure, in addition to the financial information provided in this statement and report.

The second government-wide statement is the *Statement of Activities*, which reports how the City's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish governmental activities of the City principally supported by taxes from business-type activities intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, human resources, community development, public safety, public works, and parks and recreation. Business-type activities include the solid waste management fund. The government-wide financial statements are presented on pages 31 to 33 of this report.

FUND FINANCIAL STATEMENTS

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The City has three kinds of funds:

1. *Governmental funds* are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives. The basic governmental fund financial statements are presented on pages 34 to 40 of this report. Individual fund information for nonmajor governmental funds is found in combining statements in a later section of this report.

2. *Proprietary funds* are reported in the fund financial statements and generally report services for which the City charges customers a fee. The City's proprietary funds are classified as enterprise funds and internal service funds. The enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. The internal service funds are reported as part of the governmental activities at the government-wide financial reporting level. The basic proprietary fund financial statements are presented on pages 41 to 44 of this report.
3. *Fiduciary funds* include employee pension and retirement funds held in trust and a custodial fund used to hold resources of school impact fees from developers that school districts will use. These statements are found on pages 45 and 46.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 51 of this report.

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budget presentations. Budgetary comparison schedules are included as "required supplementary information" for the general fund. Budgetary comparison schedules for all other governmental funds can be found in the supplementary information section of this report. These schedules demonstrate compliance with the City's adopted and final revised budget. Required supplementary information can be found on pages 87 to 88 of this report.

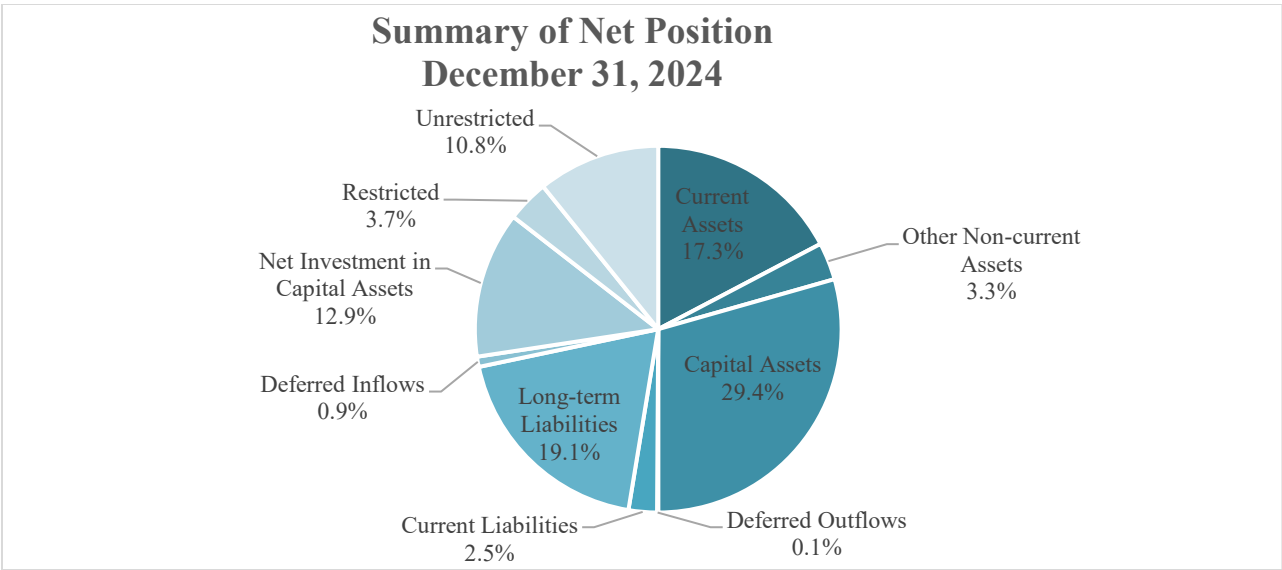
SUPPLEMENTARY INFORMATION

As discussed, the City reports major funds in the basic financial statements. Comparative information for major funds and combining and individual statements and schedules for nonmajor funds are presented in the supplementary information section of this report beginning on page 90.

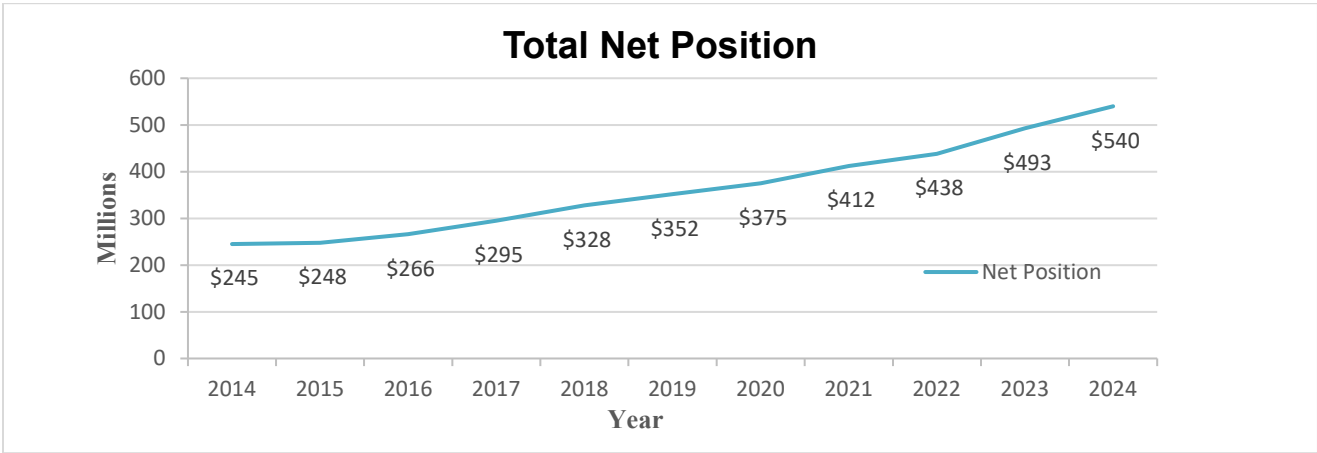
FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The City's net position at year-end is \$540,007,961. The table below provides a summary of the City's net position.

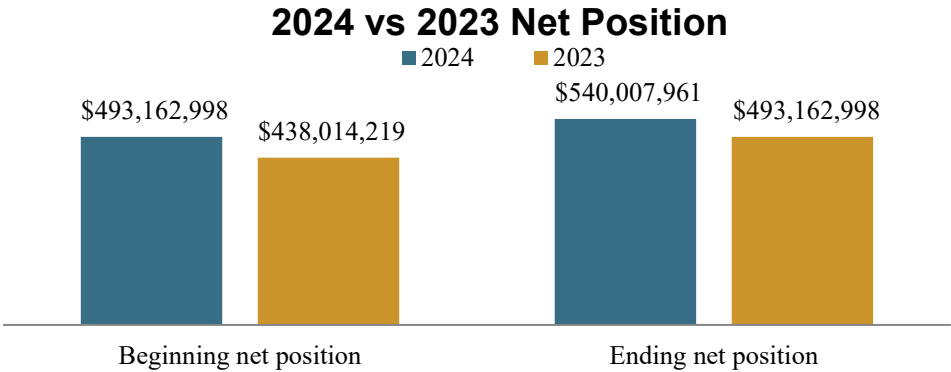
Summary of Net Position	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current Assets	\$ 352,156,122	\$ 306,348,002	\$ 1,145,590	\$ 769,529	\$ 353,301,712	\$ 307,117,531
Other Non-current Assets	42,051,910	52,743,958	-	-	42,051,910	52,743,958
Capital Assets	485,729,429	469,073,679	-	-	485,729,429	469,073,679
Total Assets	879,937,461	828,165,639	1,145,590	769,529	881,083,051	828,935,168
Deferred Outflows of Resources	1,186,565	219,256	-	-	1,186,565	219,256
Total Assets and Deferred Outflows of Resources	881,124,026	828,384,895	1,145,590	769,529	882,269,616	829,154,424
Liabilities						
Current Liabilities	53,627,444	37,811,781	-	-	53,627,444	37,811,781
Non-current Liabilities	270,518,677	284,496,645	-	-	270,518,677	284,496,645
Total Liabilities	324,146,121	322,308,426	-	-	324,146,121	322,308,426
Deferred Inflows of Resources	18,115,534	13,683,000	-	-	18,115,534	13,683,000
Total Liabilities and Deferred Inflows	342,261,655	335,991,426	-	-	342,261,655	335,991,426
Net Position						
Net Investment in Capital Assets	243,944,566	227,222,100	-	-	243,944,566	227,222,100
Restricted	52,416,263	55,500,602	-	-	52,416,263	55,500,602
Unrestricted	242,501,542	209,670,767	1,145,590	769,529	243,647,132	210,440,296
Total Net Position	\$ 538,862,371	\$ 492,393,469	\$ 1,145,590	\$ 769,529	\$ 540,007,961	\$ 493,162,998



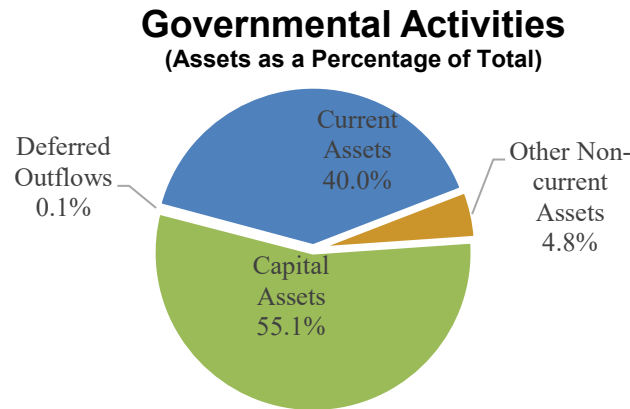
The following graph reports the total net position balances from fiscal year 2014 – 2024



The City continues to maintain a high current ratio, excluding the deferred inflows and outflows of resources. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 6.6 to 1 as compared to 8.1 to 1 at December 31, 2023. For business-type activities, the current ratio is not meaningful, since the business-type activities only have assets, with no liabilities. The City reported positive balances in net position for governmental activities and business-type activities. During fiscal year 2024, net position increased \$46,468,902 for governmental activities. For business-type activities, net position increased \$376,061. The City's overall financial position increased during the year 2024 by \$46,844,963.



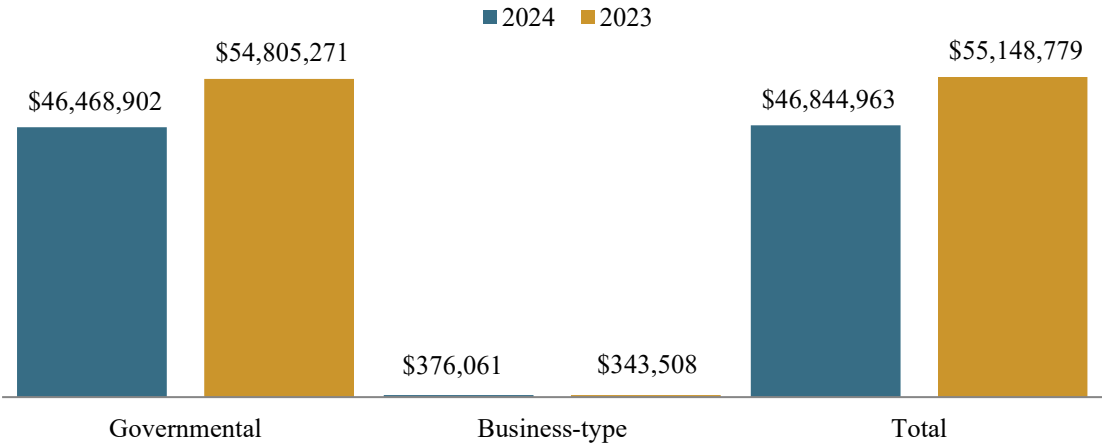
Note that 55.1% of the governmental activities' total assets are comprised of capital assets (with 97.7% of the capital assets cost being depreciable). The City uses these capital assets to provide services to its citizens. Combining governmental activities with business type activities, the City has invested 55.1% of its total assets in capital assets, as presented in the Statement of Net Position.



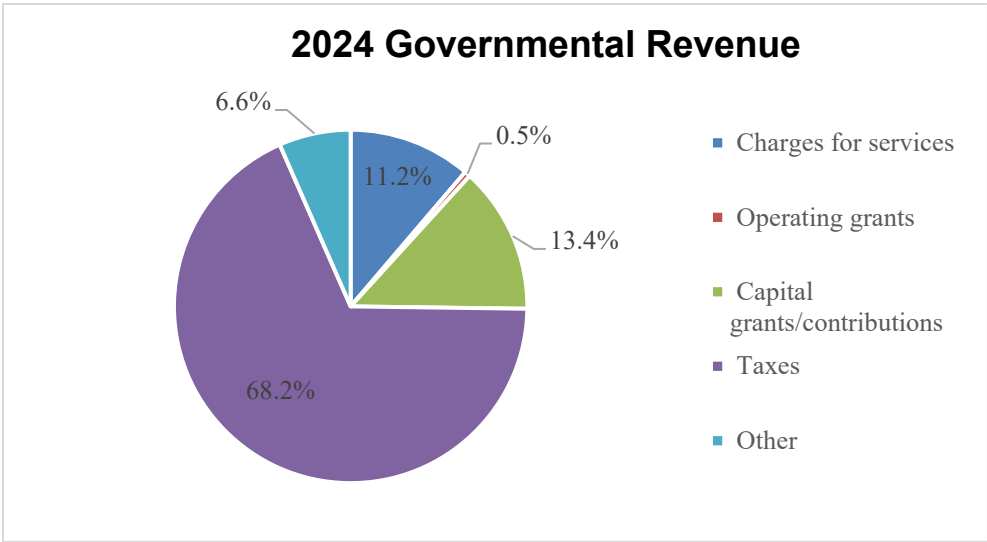
The following table provides a summary of the City's changes in net position:

Summary of Changes in Net Position	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Program Revenues						
Charges for Services	\$ 21,163,929	\$ 27,233,773	\$ 1,485,620	\$ 1,424,767	\$ 22,649,549	\$ 28,658,540
Operating Grants	994,852	1,514,667	-	-	994,852	1,514,667
Capital Grants and Contributions	25,315,654	17,298,551	-	-	25,315,654	17,298,551
General:						
Taxes	128,448,776	125,632,075	-	-	128,448,776	125,632,075
Others	13,205,024	18,650,637	40,441	21,241	13,245,465	18,671,878
Total Revenues	189,128,235	190,329,703	1,526,061	1,446,008	190,654,296	191,775,711
Program Expenses						
General Government	16,118,609	13,911,182	-	-	16,118,609	13,911,182
Human Resources	2,639,640	2,154,762	-	-	2,639,640	2,154,762
Finance	7,868,752	6,716,608	-	-	7,868,752	6,716,608
Community Development	9,000,282	9,578,375	-	-	9,000,282	9,578,375
Public Safety	32,307,910	29,434,807	-	-	32,307,910	29,434,807
Public Works	43,527,987	41,912,708	-	-	43,527,987	41,912,708
Parks, Recreation and Golf	22,827,340	22,195,739	-	-	22,827,340	22,195,739
Interest	9,518,813	10,722,751	-	-	9,518,813	10,722,751
Total Expenses	143,809,333	136,626,932	-	-	143,809,333	136,626,932
Revenues Over Expenses	45,318,902	53,702,771	1,526,061	1,446,008	46,844,963	55,148,779
Transfers	1,150,000	1,102,500	(1,150,000)	(1,102,500)	-	-
Net Position, Beginning	492,393,469	437,588,198	769,529	426,021	493,162,998	438,014,219
Net Position, Ending	\$ 538,862,371	\$ 492,393,469	\$ 1,145,590	\$ 769,529	\$ 540,007,961	\$ 493,162,998

Change in Net Position



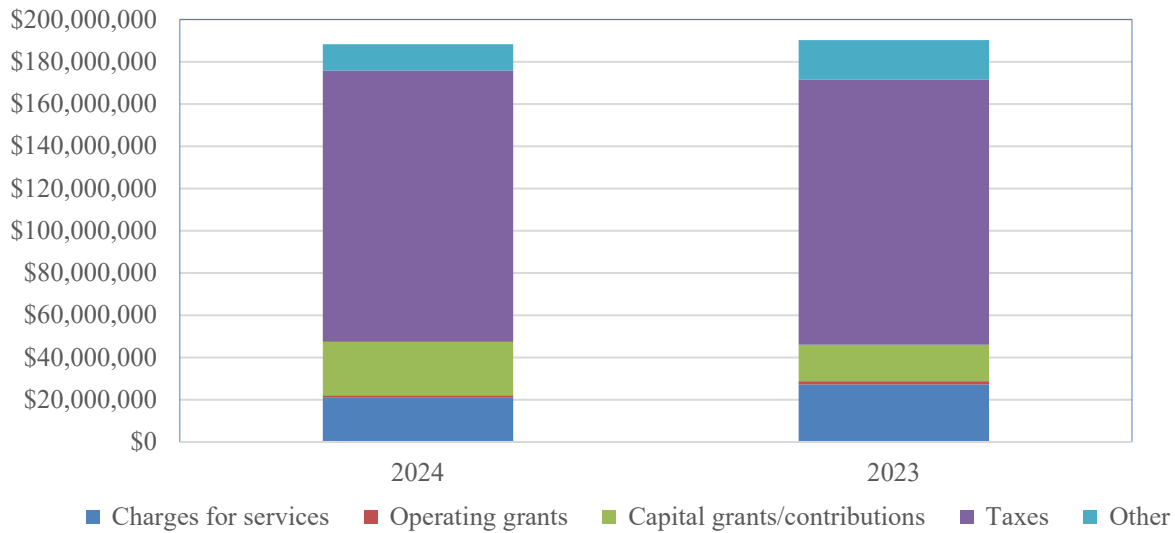
GOVERNMENTAL ACTIVITY REVENUES



The City is heavily reliant on sales and use taxes to support governmental operations. City taxes provide 68.2% of total revenue, with sales and use taxes comprising 82.2% of the City’s total taxes revenues as compared to 82.1% in calendar year 2023. Note that program revenues covered 33.2% of governmental operating expenses as compared to 33.7% in calendar year 2023.

Capital Grants and Contributions increased \$8 million over 2023 due primarily to \$13 million in developer contributions. This was offset by a decrease in charges for services of \$6 million. Primarily as a result of decreased impact fees. This means that the government’s taxpayers and the City’s other general revenues fund 66.8% of the governmental activities, primarily from sales and use taxes. As a result, the general economy and the success of local businesses have a major impact on the City’s revenue streams.

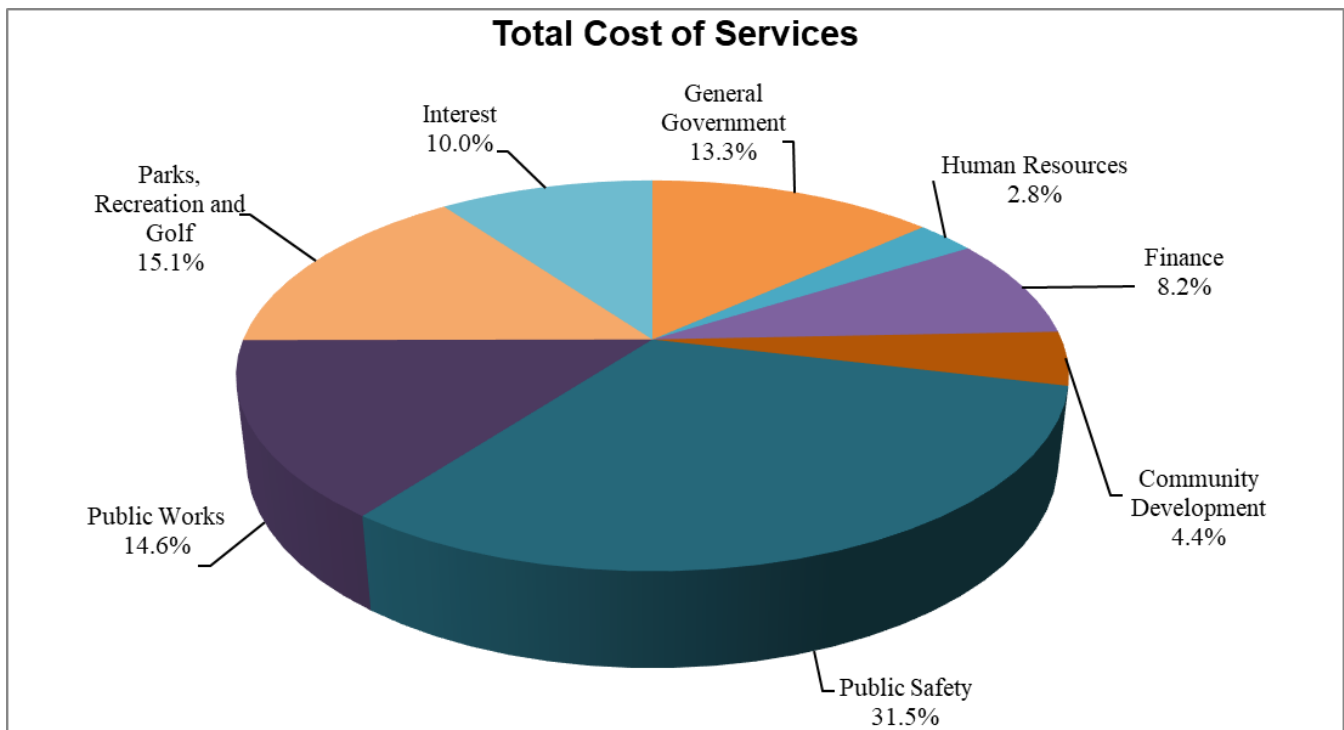
2024 vs. 2023 Governmental Activities Revenue



GOVERNMENTAL ACTIVITY EXPENSES

The following table presents the cost of each of the City's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the City's taxpayers by each of these functions.

Governmental Activities	Total Cost of Services	Percentage of Total	Net Cost of Services	Percentage of Total
General Government	\$ 16,118,609	11.3%	\$ (12,734,420)	13.3%
Human Resources	2,639,640	1.8%	(2,639,640)	2.8%
Finance	7,868,752	5.5%	(7,868,752)	8.2%
Community Development	9,000,282	6.3%	(4,245,018)	4.4%
Public Safety	32,307,910	22.6%	(30,116,141)	31.5%
Public Works	43,527,987	30.2%	(13,975,926)	14.6%
Parks, Recreation & Golf	22,827,340	16.0%	(14,409,009)	15.1%
Interest	9,518,813	6.7%	(9,518,813)	10.0%
Total	\$ 143,809,333	100.0%	\$ (95,507,719)	100.0%



The Public Works function is the highest cost function, primarily because of the City's growth in its infrastructure (e.g., roads and storm sewers), resulting in \$43.5 million of expenses including annual depreciation expense. The City spent approximately \$32.3 million on Public Safety, \$22.8 million on Parks, Recreation and Golf, \$9.0 million on Community Development, and \$16.1 million on General Government services. The City also spent approximately \$7.9 million on Finance, which includes centralized costs for employee benefits and insurances.

BUSINESS-TYPE ACTIVITIES

Solid Waste Management Fund – The business-type activity is the solid waste management fund. Tipping fees charged at the Republic Services landfill operation provide the revenues for this fund. The City receives 5% of the total amount of fees collected or assessed and has no “out-of-pocket” costs. These revenues are used only for transportation improvements and maintenance on streets and bridges around the landfill. The 2024 fee revenues of \$1,485,620 increased by \$60,853 or 4.27% from the 2023 revenues.

FUND ANALYSIS

GOVERNMENTAL FUNDS

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$326,734,511 compared to the balance of \$301,574,870 at December 31, 2023. Of this year-end total, \$56,192,208 is unassigned indicating the availability for continuing City service delivery requirements.

Legally restricted fund balances are \$91,348,146. Included in this amount are \$63,765,120 for capital projects, \$9,851,230 for capital outlay and operations, and \$5,228,011 for the money set aside to meet the Tax Payer Bill of Rights (TABOR) emergency reserve requirements.

Committed fund balance totals \$24,385,677. Included in this amount is \$19,806,480 for capital construction and \$4,579,197 for water rights.

The total ending fund balances of governmental funds show an increase of \$25,159,641 or 8.3% from the beginning fund balance, largely due to actual revenue and expenditure activity compared to conservative budget practices and lower than budgeted spending for capital construction projects in the Capital Expenditures Fund.

MAJOR GOVERNMENTAL FUNDS

General Fund

- The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$4,189,454 or 4.0% as compared to a 20.3% increase in calendar year 2023. The ending unassigned fund balance represents the equivalent of 50.6% of annual expenditures compared to 53.8% at December 31, 2023. The City has updated its assigned fund balance to include: Operating reserves of \$11,845,279 and Safeguards of \$18,754,242. The increases are explained below.
- The General Fund recognized 104.6% of the final revenue budget and under spent the final expenditure budget for the general fund by \$10,498,418. Overall, 2024 revenues were \$4,005,704 or 2.9% higher and expenditures were \$12,577,284 or 12.8% higher than 2023 actuals.
- Total tax revenues exceeded the final budget by \$5,105,845 and increased \$2,608,809 over 2023 actuals. The vast majority of this increase is found in sales and use taxes. The increase in sales and use tax revenue between 2023 and 2024 is attributed primarily to the increase in licensed businesses remitting sales tax to the City. During 2024, the City experienced a large increase in the number of registered businesses remitting tax. The net increase during the year was 850 businesses. Most of these businesses are remote internet retailers or .COM businesses. Following the US Supreme Court's ruling in South Dakota v Wayfair, Inc. internet sales by remote sellers became taxable. In 2023 the City passed a remote seller ordinance which made these transactions subject to the City sales tax as well.
 - Sales and use taxes exceeded budget expectations by \$5,188,957.
 - Property taxes exceeded budget by \$40,589.
 - Franchise Fees were below budget by \$28,837.
 - Other Taxes fell short of budget expectations by \$146,792.
- Total licenses and permits revenue exceeded the final budget by \$994,757 and increased \$439,346 over 2023 actuals. This increase is largely driven by higher building permits and contractor's licenses.
 - Building permits revenue exceeded budget expectations by \$456,019, due to higher than anticipated building and contractor license issuances.
- Intergovernmental revenues increased by \$724,338 from 2023 actuals due to revenue related to the City's ARPA allocation.
- Total charges for services revenues were higher than budget by \$2,689,728 and increased \$1,060,781 over 2023 actuals. The increase over prior year is due to an increase in recreation and golf revenue as well as other charges for services.
- Fines and forfeitures revenues were 13.1% lower than the prior year's revenues, decreasing \$177,668 from 2023 actuals. The decrease came in the Photo Red Light Enforcement category.
- Total miscellaneous revenue category was \$7,944,119 higher than the final budget and decreased \$649,902 from 2023 actuals. This increase over budget is primarily related the increase in earnings on investments. Short-term earnings on investments resulting from high interest rates by the Federal Reserve, while the majority of the increase is a result of an accounting entry to mark to market the City's outstanding investments. The City recognizes earnings when an outstanding investment matures.
- Total General Government expenditures increased by \$1,378,525 or 14.8% from the 2023 amount. Within the general government function, City Manager increased by \$462,846 or 16.4%, Community Relations increased by \$291,796 or 22.1%, and Municipal Court increased by \$191,912 or 25.5%. The Equity, Energy and Environment (E3) division was added to the to the City Manager's department, \$253,521. These increases were due to increased salary and benefits costs including new positions and/or position reclasses

for each of those divisions. All other areas within General Government were fairly consistent with the prior year's expenditures.

- Human Resources expenditures increased \$484,878 or 22.5% from 2023. This increase was due to increased salary and benefits costs including new positions added/reclassified and outside services increase.
- Finance expenditures increased \$1,152,144 or 17.2% from 2023 due to increased insurance costs and property casualty premiums along with increased salary and benefits costs related to a new Procurement Officer added to the department.
- Community Development expenditures increased by \$904,590 or 12.3% from 2023. This increase was due to increased salary and benefits costs including positions added in 2024, the transfer of Development Engineers to the department, as well as large expenditures related to the City's ARPA allocation.
- Public Safety expenditures increased \$2,245,569 or 7.4% from the 2023 amount. This increase was due to increased salary and benefits costs including positions added in 2024, contractual services, outside services and operating supply spending.
- Public Works expenditures increased by \$1,215,171 or 5.6% from 2023. This increase was due to increased salary and benefits costs including positions added in 2024, contractual increases and enhancement increases to materials, supplies, and variable hour employees.
- Parks, Recreation and Golf expenditures increased \$1,595,243 or 8.6%. This increase was due to increased salary and benefits costs including new positions added/reclassified, increased variable hour employee costs, increased outside services, operating supplies, and capital outlay costs.
- Debt Services expenditures were consistent with the prior year's expenditures.

Capital Expenditures Fund

- This fund is used to account for major capital projects. The county open space tax, county transportation tax, state highway users tax, and intergovernmental revenue provided the majority of this fund's revenue. This fund also recognized \$23,355,262 in transfers from other funds, including \$17,821,262 from the General Fund, \$1,100,000 from the Impact Fees Fund, \$786,000 from the Conservation Trust Fund, \$2,498,000 from the Technology Services Fund, and \$1,150,500 from the Solid Waste Management Fund.
- During the year, this fund incurred \$23,750,533 million in capital costs that included, but was not limited to, the following major projects:
 - Paradise Island repairs and sprayground – \$2,995,357
 - Pavement Management – \$3,116,167
 - Monaco Park Renovation – \$2,949,651
 - Colorado Boulevard – \$2,607,879
- This fund reports an ending fund balance of \$153,905,285 at December 31, 2024.

Northern Infrastructure General Improvement District (NIGID) Fund

- This fund is used to account for the construction of infrastructure improvements within the district, including debt service on those improvements. This fund recognized \$5,215,918 in property and \$256,346 in specific ownership taxes.
- This fund also incurred debt service costs (principal and interest) of approximately \$5.7 million. At December 31, 2024, the fund reports fund balance of \$7,313,571, an increase of \$1,214,998 from December 31, 2023. This increase in debt service costs and decrease in fund balance was planned and related directly to additional principal payment of the 2013 NIGID General Obligation Bonds.

Impact Fees Fund

- This fund accounts for impact fees received by the City. These include impact fees for Road, Park Facilities, General Government Facilities, Public Works Facilities, and Police Facilities. Impact fees are one-time

payments imposed on property developers to raise funds for new infrastructure costs. Funds are transferred to the Capital Expenditures Fund for use on capital projects.

PROPRIETARY FUNDS

Proprietary fund statements share the same economic resources measurement focus as the government-wide statements, reporting both short-term and long-term information about financial status. The business-type activities analysis above discusses the City's enterprise fund. The City also has four internal service funds, the Fleet Management, Information Technology, Facility Services, and Benefits funds. These three funds account for services provided to City departments on a cost reimbursement basis and are fed internal transfers from the General Fund.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

The City's capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2024, were \$485,729,429. The change in capital assets book value (net investment) increased by 3.6% for governmental activities (including the internal service funds). The City does not own any assets related to business-type activities. See Note 3-C for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. This data now includes information pertaining to Subscription-Based IT Arrangements (SBITAs) as a result of the implementation of GASB Statement No. 96 for the 2023 financial statements.

The following table provides a summary of capital asset activity:

Capital Assets Governmental Activities	2024	2023
Non-depreciable Assets		
Land	\$ 56,867,705	\$ 56,846,909
Water Rights	15,637,582	15,637,582
Construction in Progress	30,077,938	18,794,264
Total Non-depreciable Assets	102,583,225	91,278,755
Depreciable/Amortizable Assets		
Buildings	122,767,569	121,279,448
Infrastructure	698,684,005	676,565,507
Other Assets	36,144,549	29,062,663
Total Depreciable/Amortizable Assets	857,596,123	826,907,618
Less Accumulated Depreciation	471,988,039	446,670,650
Less Accumulated Amortization	2,461,880	2,442,045
Book Value - Depreciable/Amortizable Assets	383,146,204	377,794,923
Percentage Depreciated/Amortized	55%	54%
Total Book Value	\$ 485,729,429	\$ 469,073,678

The Capital Expenditures Fund recognized a total of \$33,235,348 in various capitalized additions to governmental activities infrastructure capital assets which include:

- Storm Sewers – \$4,955,016
- Parks (excluding land) – \$4,372,203
- Roads – \$10,596,770
- Street Lights – \$925,700
- Traffic Signals – \$1,262,362
- Signage – \$6,447
- Buildings – \$1,026,716
- Machinery & Equipment – \$868,503

- Right to Use Assets (leases) – \$1,595,682
- Right to Use Assets (SBITAs) – \$5,117,531
- Intangible - \$19,267

The December 31, 2024 balances in governmental activities construction in progress relates to various road and facilities projects.

LONG-TERM DEBT

The City established the Commerce City Northern Infrastructure General Improvement District (NIGID) and the E-470 Commercial Area General Improvement District (ECAGID) as separate legally entities. Since the City Council serves as the Board of Directors, they are reported as blended component units. Therefore, the total of \$53,820,000 of general obligation debt related to the NIGID and ECAGID is reported here as if it is the City's debt. In reality, the debt is not an obligation of the City and no City funds are used to retire the debt. Both the NIGID and ECAGID have their own property tax levy to generate the revenues necessary to retire its debt. The following table reports debt balances at December 31, 2024 and 2023, exclusive of deferred debt related items.

Long-Term Debt Governmental Activities	2024	2023
NIGID General Obligation Bonds	\$ 40,650,000	\$ 48,205,000
ECAGID General Obligation Limited Tax Tax-Free Loan	13,170,000	13,660,000
Sales and Use Tax Revenue Bonds	187,735,000	194,195,000
Certificates of Participation	21,970,000	26,861,664
Compensated Absences	4,121,752	3,403,466
Leases	2,338,322	1,510,918
Subscription-Based IT Arrangements (SBITAs)	5,124,302	992,938
Total	\$ 275,109,376	\$ 288,828,986

See Note 3-G for additional information about the City's long-term debt.

ECONOMIC CONDITIONS AFFECTING THE CITY

Highlights from the City of Commerce City Economic Activity Report dated March 2025, which largely contains 4th Quarter 2024 data, are listed below (this is the most current quarterly report available at the time of printing).

- Commerce City reported an unemployment rate of 5.4 percent in the fourth quarter of 2024, up 1.9 percentage points from the same period in 2023, and up 0.5 percentage points from the previous quarter. Unemployment rose in Commerce City, reflecting regional and national trends, but the impact was more pronounced as the local labor market continues to cool. The current unemployment rate of 5.4 percent is the highest rate reported in Commerce City since Q3 2021.
- Colorado's Mountain Region reported a 13.1 percent increase in Consumer Confidence from Q4 2023 to Q4 2024. The U.S. Index rose 7.7 percent during the same period. According to analysts at the Conference Board, the overall index improved in the fourth quarter of 2024 and reached the top end of the range that prevailed over the past two years. The fourth quarter increase was mainly driven by more positive consumer assessments of the present situation, particularly regarding the labor market. Consumers were slightly less positive about future income in Q4.
- Single-family detached home sales in Commerce City increased by 55 homes between the fourth quarters of 2023 and 2024 to 280 homes sold. Single-family detached home prices in Commerce City fell 2.7 percent to \$522,730, a decrease of \$14,347 between the fourth quarters of 2023 and 2024.
- Single-family attached home sales in Commerce City rose 10.5 percent between the fourth quarters of 2023 and 2024 to 21 homes sold, representing 2 more sales over-the-year. The average price for a single-family attached home in Commerce City fell 3.6 percent over-the-year to \$385,191, a drop of \$14,429 between the fourth quarters of 2023 and 2024.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City of Commerce City's finances for all those interested in the City's finances and demonstrate the City's commitment to public accountability. If you have questions about this report or need additional information, please contact the City's Finance Department via email at finance@c3gov.com or call 303-289-3602.