

**CITY OF BURLINGTON  
BURLINGTON, COLORADO**

**FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2022**

## TABLE OF CONTENTS

	Page
<b>Introduction Section</b>	
Title Page	
Table of Contents	
<b>Financial Section</b>	
Managements' Discussion and Analysis (Unaudited)	M1 – M10
Independent Auditors' Report	1 - 3
Basic Financial Statements:	
Statement of Net Position	4
Statement of Activities	5
Balance Sheet – Governmental Funds	6
Reconciliation of Governmental Funds Balance to Governmental Activities Net Position	7
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	8
Reconciliation of Governmental Funds Change in Fund Balance to Governmental Activities Change in Net Position	9
Statement of Net Position – Proprietary Fund	10
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	11
Statement of Cash Flows – Proprietary Funds	12
Notes to the Financial Statements	13 – 30
<b>Required Supplementary Information</b>	
Budgetary Comparison Schedule for the General Fund	31 – 33
Budgetary Comparison Schedule for the Tourism Promotion Fund	34

TABLE OF CONTENTS  
(Continued)

	Page
<b>Other Supplementary Information</b>	
<b>Nonmajor Governmental Funds</b>	
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance- Nonmajor Conservation Trust Fund	35
<b>Enterprise Funds</b>	
Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual – Electric Fund	36
Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual – Water and Sewer Fund	37
Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual – Solid Waste Fund	38
Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual – Airport Fund	39
<b>State Compliance</b>	
Local Highway Finance Report	40 - 41

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## **FINANCIAL SECTION**

## CITY OF BURLINGTON, COLORADO

### Management Discussion and Analysis For the Year Ended December 31, 2022

This discussion and analysis of the financial performance of the City of Burlington, Colorado (City) provides an overview of the City's financial activities for the fiscal year ended December 31, 2022. Please read it in conjunction with the financial statements.

#### **Financial Highlights**

- The City's Net Position increased by \$2,092,895 (7.3%) during 2022.
- The City's assets exceeded its liabilities and deferred inflows of financial resources at December 31, 2022 by \$30,882,588 (Net Position).
- At December 31, 2022, the City's governmental funds reported combined ending fund balances of \$2,658,377. This marked an increase of \$963,798 (56.9%) over the prior year.
- The aggregate Net Position of the City's business-type funds increased by \$1,069,921 (4.8%) during 2022.
- The City spent \$734,259 on capital asset equipment and improvements to facilities and infrastructure during 2022.

#### **Using This Annual Report**

This Discussion and Analysis report is intended to serve as an introduction to the City's basic financial statements. The basic financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

#### **Government-wide financial statements**

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all the City's assets and liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as useful indicators of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused employee leave).

Both government-wide financial statements distinguish functions of the City of Burlington that are principally supported by taxes and intergovernmental revenues (governmental activities) from other

functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include police, public works, library, economic development, parks, administration, activities and recreation. Sales and property taxes finance the majority of these services. The business-type activities of the City include electric, water and sewer, solid waste, and airport operations.

### Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City of Burlington, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the City can be divided into two categories: Governmental Funds and Proprietary Funds.

*Governmental Funds* -- Most of the City's basic services are reported in governmental funds that focus on how money flows into and out of those funds. The unrestricted balances left at year-end are available for spending in future years. These funds are reported using the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide detailed short-term views of cash, operations, and basic services provided. Governmental fund statements show the reader whether there are more or fewer financial resources available at the end of a fiscal year that can be spent in the near future to finance government programs and objectives.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund *Balance Sheet* and the *Statement of Revenues, Expenditures and Changes in Fund Balance--Governmental Funds* are followed by reconciliations to facilitate this comparison between governmental funds and governmental activities.

The City maintains three individual governmental funds. Information for these funds is presented by fund name in the governmental funds' *Balance Sheet* and *Statement of Revenues, Expenditures, and Changes in Fund Balance*.

*Proprietary Funds* -- The City's utility services and airport are reported in proprietary funds; they focus on overall economic position rather than year-end fund balances. Enterprise funds are the type of proprietary funds used to account for the City's Electric Fund, Water & Sewer Fund, Solid Waste Fund, and Airport Fund. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements, only in a bit more detail.

### Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### Other Information

Budgetary comparison statements or schedules for all funds with budgeted expenditures/expenses are included following the "Notes to Financial Statements" to demonstrate each fund's compliance with adopted budgets and appropriations.

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Burlington, assets exceeded liabilities by \$30,882,588 at the close of 2022.

### CONDENSED STATEMENT OF NET POSITION

	Governmental Activities		Business-type Activities		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current and other assets	\$ 3,371,337	\$ 2,345,135	\$ 11,445,862	\$ 9,576,409	\$ 14,817,199	\$ 11,921,544
Capital assets, net	4,816,982	4,758,501	17,950,457	18,388,665	22,767,439	23,147,166
Total assets	<u>\$ 8,188,319</u>	<u>\$ 7,103,636</u>	<u>\$ 29,396,319</u>	<u>\$ 27,965,074</u>	<u>\$ 37,584,638</u>	<u>\$ 35,068,710</u>
Deferred outflow s of resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current liabilities	\$ 299,794	\$ 232,814	\$ 1,093,420	\$ 442,487	\$ 1,393,214	\$ 675,301
Noncurrent Liabilities	145,827	146,522	4,749,843	5,039,452	4,895,670	5,185,974
Total liabilities	<u>\$ 445,621</u>	<u>\$ 379,336</u>	<u>\$ 5,843,263</u>	<u>\$ 5,481,939</u>	<u>\$ 6,288,884</u>	<u>\$ 5,861,275</u>
Deferred inflow s of resources	\$ 413,166	\$ 417,742	\$ -	\$ -	\$ 413,166	\$ 417,742
Net position:						
Net investment in capital assets	\$ 4,753,493	\$ 4,611,979	\$ 13,230,718	\$ 13,378,164	\$ 17,984,211	\$ 17,990,143
Restricted	376,083	409,552	952,384	797,023	1,328,467	1,206,575
Unrestricted	2,199,956	1,285,027	9,369,954	8,307,948	11,569,910	9,592,975
Total net position	<u>\$ 7,329,532</u>	<u>\$ 6,306,558</u>	<u>\$ 23,553,056</u>	<u>\$ 22,483,135</u>	<u>\$ 30,882,588</u>	<u>\$ 28,789,693</u>

The City's investment in capital assets (e.g. land, buildings and improvements, infrastructure, and vehicles & equipment) represent 58.2% of the City's total net position at December 31, 2022. The city uses these capital assets to provide services; consequently, these assets are not available for future spending.

Approximately 4.3% (\$1,328,467) of the City's total net position at the end of 2022 represented resources that are subject to external restrictions on how they may be used. They are primarily fund balance reserves for future parks, recreation, streets, and library purposes, for water bond debt service reserves, and for emergencies. The remaining \$11,569,910 of the City's total net position at the end of 2022 represents 37.5% of total net position and may be used to meet the City's other ongoing obligations to residents, businesses, and creditors.

The following chart displays the changes in net position experienced by the City over the last two fiscal years. An analysis of these changes follows for both its Governmental and Business-type Activities.

## CONDENSED STATEMENT OF ACTIVITIES

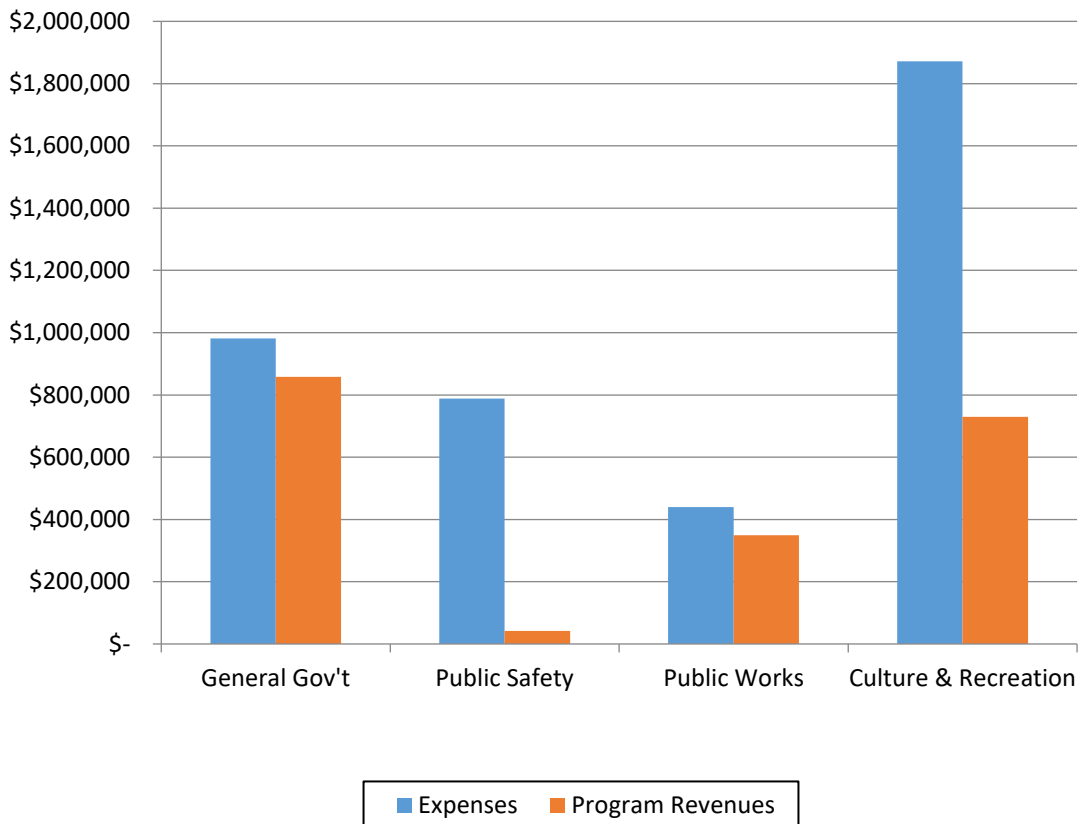
	Governmental Activities		Business-type Activities		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Program revenues:						
Charges for services	\$ 1,291,605	\$ 1,262,829	\$ 7,449,958	\$ 7,565,261	\$ 8,741,563	\$ 8,828,090
Operating grants & contributions	687,607	752,426	100,000	89,451	787,607	841,877
Capital grants & contributions	-	85,766	36,874	235,363	36,874	321,129
General revenues:						
Property taxes	374,936	361,710	-	-	374,936	361,710
Sales & use taxes	2,268,187	1,629,861	-	-	2,268,187	1,629,861
Other taxes	362,245	328,828	-	-	362,245	328,828
Gain (loss) on sale of capital assets	(5,741)	-	(4,596)	-	(10,337)	-
Other general revenues	56,074	49,380	83,613	28,128	139,687	77,508
Total revenues	<u>\$ 5,034,913</u>	<u>\$ 4,470,800</u>	<u>\$ 7,665,849</u>	<u>\$ 7,918,203</u>	<u>\$12,700,762</u>	<u>\$12,389,003</u>
Program expenses:						
General government	\$ 981,626	\$ 964,088	\$ -	\$ -	\$ 981,626	\$ 964,088
Public safety	788,209	821,163	-	-	788,209	821,163
Public works	439,390	409,264	-	-	439,390	409,264
Parks and Recreation	1,872,005	1,672,596	-	-	1,872,005	1,672,596
Electric utility	-	-	3,789,605	4,345,837	3,789,605	4,345,837
Water and Sewer utility	-	-	1,288,360	1,347,040	1,288,360	1,347,040
Solid waste utility	-	-	562,567	552,817	562,567	552,817
Airport	-	-	886,105	777,179	886,105	777,179
Noncapitalized capital outlay	-	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-	-
Total expenses	<u>\$ 4,081,230</u>	<u>\$ 3,867,111</u>	<u>\$ 6,526,637</u>	<u>\$ 7,022,873</u>	<u>\$10,607,867</u>	<u>\$10,889,984</u>
Transfers In/(Out)	\$ 69,291	\$ 68,063	\$ (69,291)	\$ (68,063)	\$ -	\$ -
Increase/(decrease) in net position	\$ 1,022,974	\$ 671,752	\$ 1,069,921	\$ 827,267	\$ 2,092,895	\$ 1,499,019
Net Position, Beginning	6,306,558	5,634,806	22,483,135	21,655,868	28,789,693	27,290,674
Net Position, Ending	<u>\$ 7,329,532</u>	<u>\$ 6,306,558</u>	<u>\$23,553,056</u>	<u>\$22,483,135</u>	<u>\$30,882,588</u>	<u>\$28,789,693</u>

The Governmental Activities' revenues outpaced expenses by \$953,683 (23.4%) in 2022. This was an improvement over 2021 when revenues outpaced expenses \$603,689 (15.6%), and over 2020 when revenues outpaced expenses by \$365,047 (10.3%). The overall improvement resulted from gains in some operations and losses in others. Noteworthy comparisons between the two years include the following:

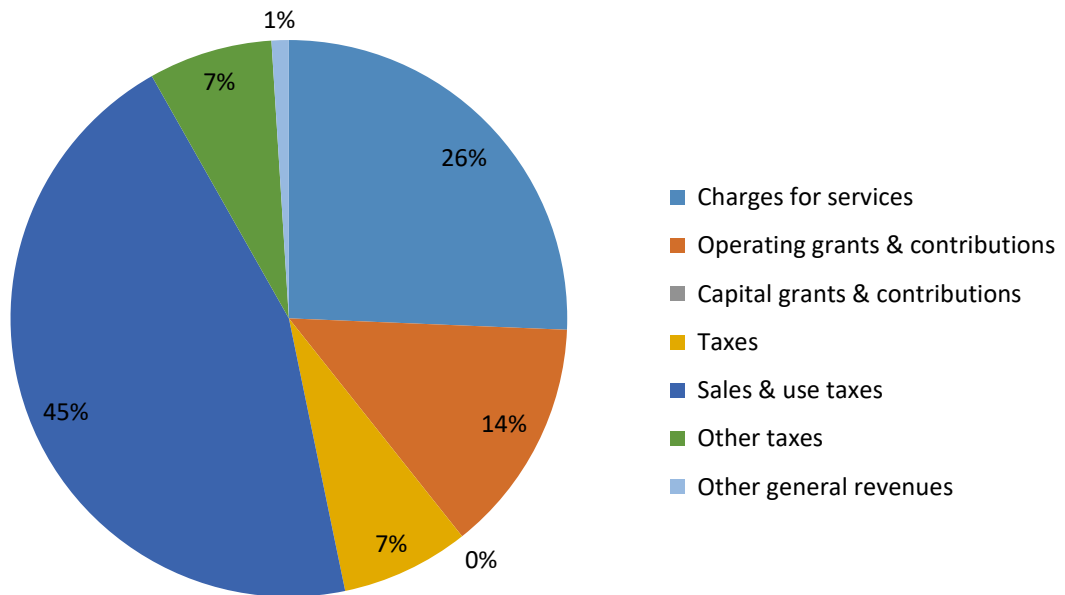
- Sales & use taxes increased by \$638,326 in 2022 due in part to residents and businesses continuing to use on-line ordering and delivery to purchase goods.
- Charges for services including those charged to the utility funds stayed relatively constant with a decrease of \$86,527 (-1.0%) in 2022.
- Total program expenses for Governmental Activities increased by \$214,119 (5.5%), while total program expenses for Business-type Activities decreased by \$496,236 (-7.1%).
- The Electric Fund, Water & Sewer Fund, and Solid Waste Fund collectively transferred \$69,291 to the Tourism Promotion Fund.

The following two charts illustrate the Governmental Activities revenues and expenses. As in most municipalities, the expenses of governmental activities are not fully supported through program revenues but are largely financed through taxes.

### Expenses and Program Revenues - Governmental Activities

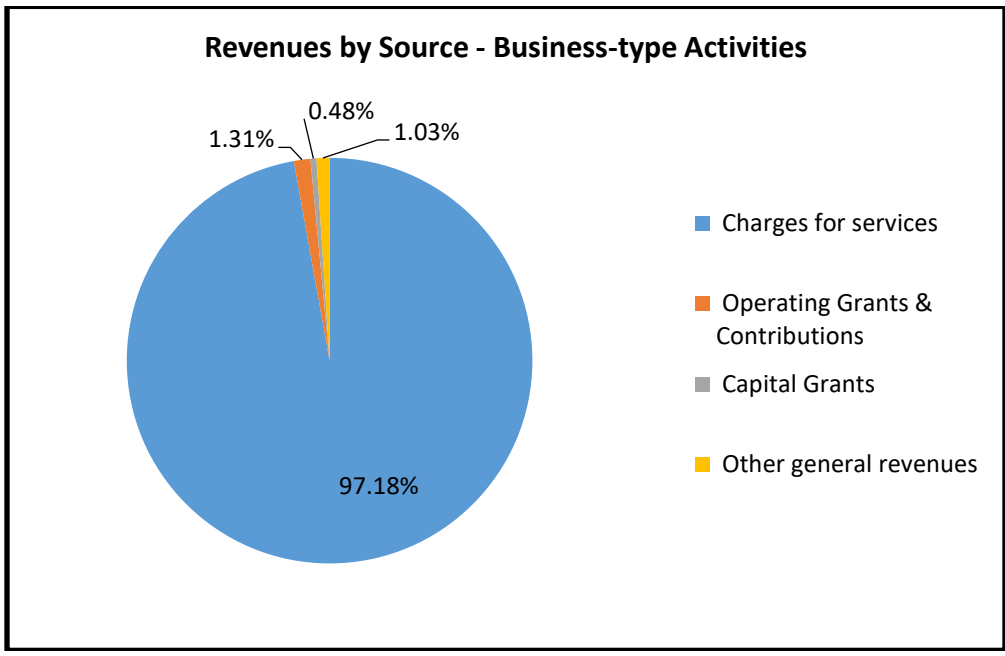
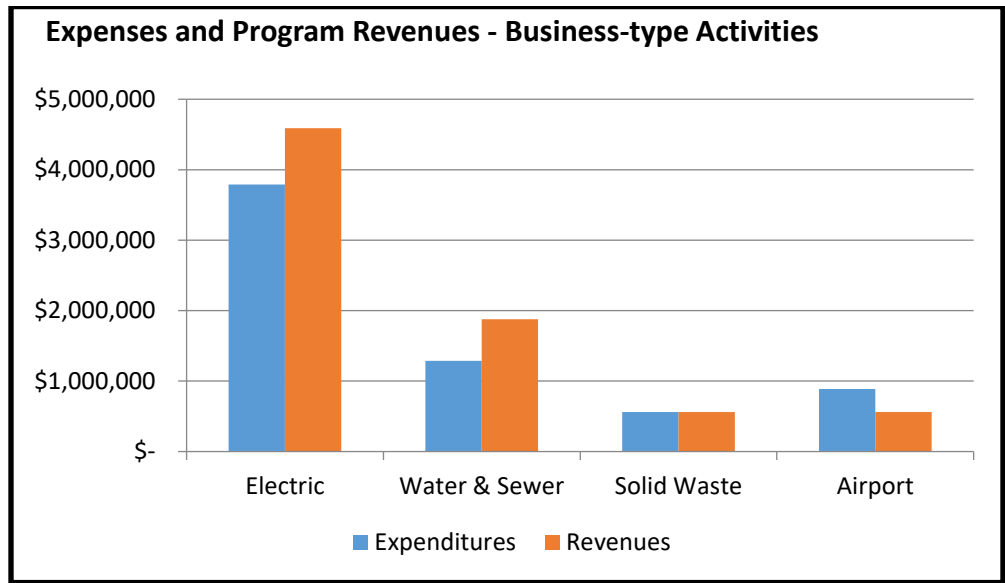


### Revenues by Source - Governmental Activities



Business-type activities increased the City’s total net position by \$1,069,921 (4.8%) during 2022. The City’s Electric utility and its Water & Sewer utility increased their net positions by \$779,194 (8.0%) and \$554,042 (6.7%) respectively, while the Solid Waste utility and Airport Fund experienced decreases in net position of \$12,211 (-20.3%) and \$251,104 (-5.7%) respectively.

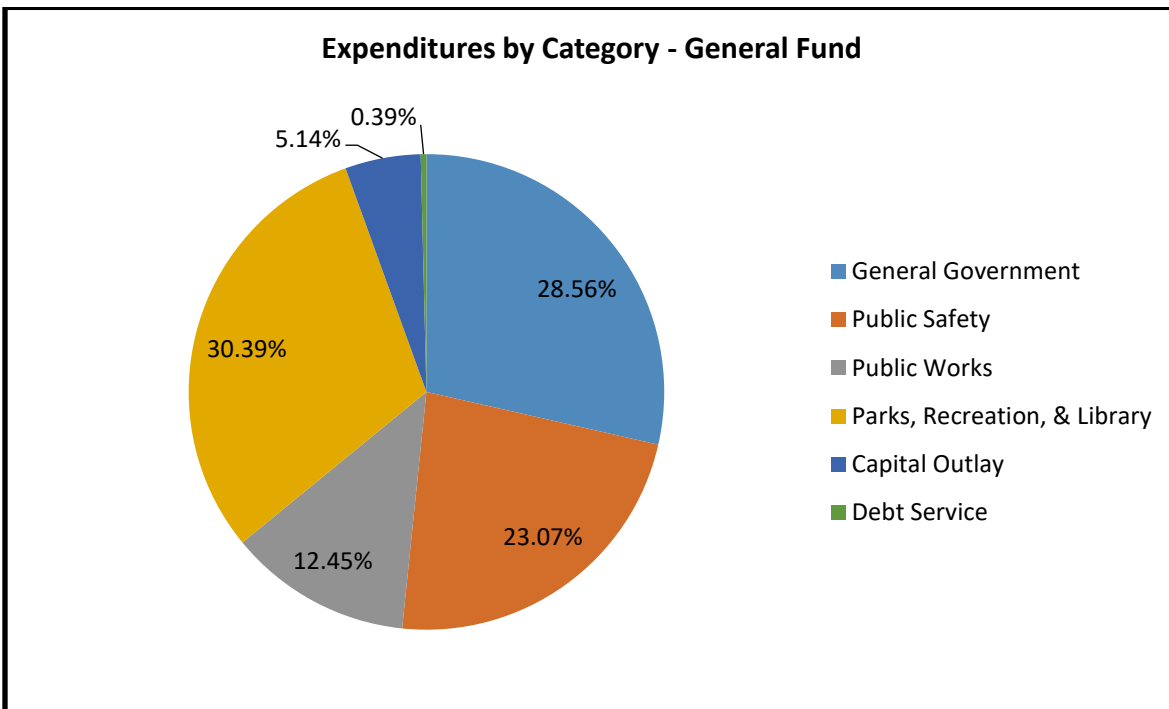
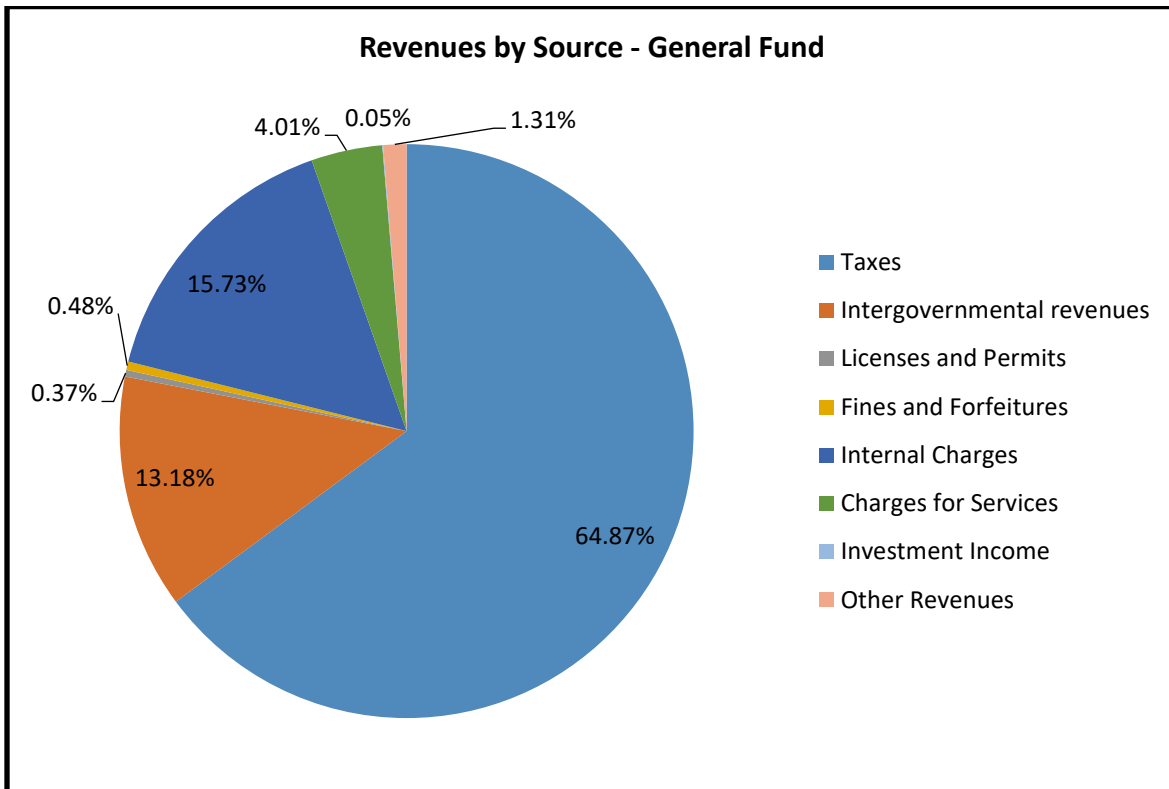
The following two charts illustrate the Business-type Activities revenues and expenses for 2022.



**Financial Analysis of the City’s Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Governmental Funds utilize the modified accrual basis of accounting, and the balances of the spendable resources (unrestricted fund balance) in each fund are shown at year end. At December 31, 2022 the City’s Governmental funds reported combined fund balances of \$2,658,377. These funds are discussed below.

*General Fund.* The General Fund is the chief operating fund of the City of Burlington. It accounts for all the general services provided by the City. At the end of 2022, the fund balance of the General Fund totaled \$2,332,399 which equates to 54.8% of fund revenues for the year. This was a \$1,051,815 (82.1%) increase over 2021, the third year in a row that the General Fund balance increased by more than half a million dollars. Management will continue to evaluate the revenues and expenditures of the General Fund during the annual budget process. The following two tables illustrate General Fund revenues and expenditures during 2022.



*Tourism Promotion Fund.* This fund is utilized to account for the costs and revenues associated with promoting tourism, advertising the community, and attracting tourist and other visitor business to the City. A lodger's tax and various user charges and fees associated with tourism are collected in this fund. The City operates various tourist attractions and events including an Old Town museum with seasonal western shows. During 2022, total fund expenditures exceeded fund revenues by \$51,918 (7.0%). Transfers of \$44,936, \$18,145, and \$6,210 from the Electric Fund, Water & Sewer Fund, and Solid Waste Fund respectively were made to help cover losses of \$305,733 in the Old Town operation. Lodging taxes stayed relatively constant at \$242,237. Management will continue to evaluate the revenues and expenditures of the Tourism Promotion Fund during the annual budget process.

#### Proprietary funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. At December 31, 2022, total net position of the proprietary funds was \$29,396,319 of which \$13,230,718 were invested in capital assets, \$952,384 were restricted, and \$9,369,954 were unrestricted. The total net position of the proprietary funds increased by \$1,069,921 (4.8%) during 2022. Other significant factors concerning the finances of the proprietary funds can be found in the discussion of the City's business-type activities above.

*Electric Fund.* At December 31, 2022 the net position of the Electric Fund was \$10,474,042. This was an increase of \$779,194 (8.0%) over 2021. Utility charges enabled the Electric Fund to record Operating Income of \$771,184 during 2022.

*Waste & Sewer Fund.* At December 31, 2022 the net position of the Water & Sewer Fund was \$8,844,812. This was an increase of \$554,042 (6.7%) over 2021. Utility charges enabled the Water & Sewer Fund to record Operating Income of \$673,042 during 2022.

*Solid Waste Fund.* At December 31, 2022 the net position of the Solid Waste Fund was \$48,008. This was a decrease of \$12,211 (20.3%) from 2021. Utility charges enabled the Solid Waste Fund to record Operating Income of \$208 during 2022. The decrease in net position was due to the transfers to the Tourism Promotion Fund and the Airport Fund totaling \$12,420.

*Airport Fund.* At December 31, 2022 the net position of the Airport Fund was \$4,186,194. All but \$77,157 of the Net Position was invested in Capital Assets. Net position decreased by \$251,104 (5.6%) in 2022 primarily due to depreciation of capital assets. The Fund had an Operating Loss of \$426,897 during 2022. Operating revenues covered 79.0% of operating expenses not including depreciation. The fund also received an operating grant of \$100,000 from the federal American Rescue Plan and transfers from the other proprietary funds totaling \$69,291.

### **Capital Asset and Debt Administration**

#### Capital Assets

As shown in Note 4 of the financial statements, at December 31, 2022 the City had invested in a range of capital assets totaling \$22,767,439 (net of accumulated depreciation) including land, buildings and improvements, vehicles, office equipment, utility systems, park equipment, and a general aviation airport. During 2022, the City made additions to its buildings, equipment, and infrastructure totaling \$734,259. Depreciation expenses of \$1,103,648 on total assets were recorded during 2022.

## Governmental Activities Capital Asset Summary

	Balance 1/1/2022	Additions	Deletions	Balance 12/31/2022
<b>Capital assets not being depreciated</b>				
Land	\$ 337,017	\$ -	\$ -	\$ 337,017
Old Town Donations	101,406	-	-	101,406
Construction in Progress	-	2,251	-	2,251
<b>Total capital assets not being depreciated</b>	<b>\$ 438,423</b>	<b>\$ 2,251</b>	<b>\$ -</b>	<b>\$ 440,674</b>
<b>Capital assets being depreciated</b>				
Infrastructure	1,314,823	-	-	1,314,823
Buildings	4,468,316	81,338	-	4,549,654
Improvements other than buildings	1,668,504	261,738	(14,010)	1,916,232
Equipment	2,194,051	18,118	(16,900)	2,195,269
Vehicles	707,582	-	(7,430)	700,152
<b>Total capital assets being depreciated</b>	<b>\$ 10,353,276</b>	<b>\$ 361,194</b>	<b>\$ (38,340)</b>	<b>\$ 10,676,130</b>
<b>Accumulated depreciation</b>				
Infrastructure	(568,562)	(34,666)	-	(603,228)
Buildings	(2,154,001)	(94,871)	-	(2,248,872)
Improvements other than buildings	(1,184,494)	(53,251)	8,269	(1,229,476)
Equipment	(1,550,834)	(70,078)	16,900	(1,604,012)
Vehicles	(575,307)	(46,357)	7,430	(614,234)
<b>Total accumulated depreciation</b>	<b>\$ (6,033,198)</b>	<b>\$ (299,223)</b>	<b>\$ 32,599</b>	<b>\$ (6,299,822)</b>
<b>Net capital assets</b>	<b>\$ 4,758,501</b>	<b>\$ 64,222</b>	<b>\$ (5,741)</b>	<b>\$ 4,816,982</b>

## Business-type Capital Asset Summary

	Balance 1/1/2022	Additions	Deletions	Balance 12/31/2022
<b>Capital assets not being depreciated</b>				
Land	\$ 609,915	\$ -	\$ -	\$ 609,915
Water rights	2,918,032	-	-	2,918,032
Construction in progress	15,419	-	-	15,419
<b>Total capital assets not being depreciated</b>	<b>\$ 3,543,366</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,543,366</b>
<b>Capital assets being depreciated</b>				
System	17,765,074	213,764	-	17,978,838
Buildings	1,079,540	-	-	1,079,540
Improvements other than buildings	6,440,000	-	-	6,440,000
Equipment	1,213,875	17,548	(79,914)	1,151,509
Vehicles	544,931	139,502	-	684,433
<b>Total capital assets being depreciated</b>	<b>\$ 27,043,420</b>	<b>\$ 370,814</b>	<b>\$ (79,914)</b>	<b>\$ 27,334,320</b>
<b>Accumulated depreciation</b>				
System	(7,022,140)	(448,934)	-	(7,471,074)
Buildings	(473,223)	(25,888)	-	(499,111)
Improvements other than buildings	(3,280,918)	(247,700)	-	(3,528,618)
Equipment	(935,150)	(62,639)	75,318	(922,471)
Vehicles	(486,691)	(19,264)	-	(505,955)
<b>Total accumulated depreciation</b>	<b>\$ (12,198,122)</b>	<b>\$ (804,425)</b>	<b>\$ 75,318</b>	<b>\$ (12,927,229)</b>
<b>Net capital assets</b>	<b>\$ 18,388,664</b>	<b>\$ (433,611)</b>	<b>\$ (4,596)</b>	<b>\$ 17,950,457</b>

## Debt Administration

The following changes in long-term debt occurred during 2022. Note 5 of the financial statements provides additional information regarding the City's long-term debt, including accrued liabilities for compensated absences.

	Balance <u>12/31/2021</u>	Advances/Refundings	Repayments	Balance <u>12/31/2022</u>	Current <u>Portion</u>
<b><u>Governmental Activities</u></b>					
2021 Capital Leases Payable	74,048	-	10,559	63,489	10,825
Total Noncurrent Liabilities	<u>\$ 74,048</u>	<u>\$ -</u>	<u>\$ 10,559</u>	<u>\$ 63,489</u>	<u>\$ 10,825</u>
 <b><u>Business-type Activities</u></b>					
2016 CWRPDA Note Payable	925,676	-	32,039	893,637	32,360
2017 CWRPDA Note Payable	219,729	-	7,605	212,124	7,681
2020 BOK Note Payable	3,717,000	-	230,000	3,487,000	237,000
2021 Capital Leases Payable	148,096	-	21,118	126,978	21,650
Total Noncurrent Liabilities	<u>\$ 5,010,501</u>	<u>\$ -</u>	<u>\$ 290,762</u>	<u>\$ 4,719,739</u>	<u>\$ 298,691</u>

## **Economic Factors and Next Year's Budget**

Management intends that its continued emphasis on improved budget development and tracking processes will continue to move the City toward improved fund balances for the governmental funds and enhanced net income for the Airport and Solid Waste funds. It is anticipated that the other enterprise funds will continue to operate profitably with adequate reserves for improvements as needed.

Federal spending, unemployment insurance policies, restrictions on domestic energy production, and considerable expansion of the monetary supply is causing significant inflation throughout all sectors of the economy. The full economic impact these state- and federal-imposed policies and restrictions on the Town's 2023 and future budgets has yet to be determined.

## **Requests for Information**

This financial report is designed to provide the City of Burlington's residents, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the funds it receives and assets it maintains. If you have questions about this report, or should you desire additional financial information, contact the City Treasurer at 415 15<sup>th</sup> St., Burlington, CO 80807 or call City Hall at (719) 346-8652.

# Mayberry & Company, LLC

## Certified Public Accountants

Member of the American Institute of Certified Public Accountants  
Governmental Audit Quality Center  
and Private Company Practice Section

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City Council  
City of Burlington  
Burlington, Colorado

### **Independent Auditors' Report**

#### ***Opinion***

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of City of Burlington, as of and for the year ended December 31, 2022, and the related notes to the financial statements which collectively comprise City of Burlington's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City of Burlington as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

***Auditors' Responsibility for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

***Report on Summarized Comparative Information***

We have previously audited the City of Burlington's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 9, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that a management's discussion and analysis, budgetary comparison information listed in the tables of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

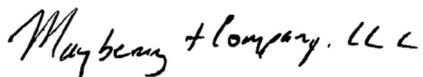
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Burlington's basic financial statements. The combining nonmajor and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

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

***Report on Other Legal and Regulatory Requirements***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Local Highway Finance Report is presented for purposes of legal compliance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

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



Englewood, Colorado  
July 12, 2023

## **BASIC FINANCIAL STATEMENTS**

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CITY OF BURLINGTON

**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2022**

	<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS TYPE ACTIVITIES</b>	<b>TOTAL</b>
<b>ASSETS AND DEFERRED OUTFLOWS</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Investments			
Cash	\$ 2,160,234	\$ 7,662,424	\$ 9,822,658
Restricted Cash and Investments	259,126	1,576,450	1,835,576
Receivables			
Property Tax Receivable	380,227	-	380,227
Intergovernmental Receivables	5,000	-	5,000
Utility Receivable	-	1,180,634	1,180,634
Cash with Fiscal Agent	36,377	-	36,377
Accounts Receivable	14,142	-	14,142
Other Receivables	471,948	-	471,948
Inventory	43,258	949,354	992,612
Prepaid Expenses	1,025	77,000	78,025
Total Current Assets	<u>3,371,337</u>	<u>11,445,862</u>	<u>14,817,199</u>
<b>Noncurrent Assets</b>			
Capital Assets not being Depreciated	440,674	3,543,366	3,984,040
Capital Assets being Depreciated	10,676,130	27,334,320	38,010,450
Accumulated Depreciation	<u>(6,299,822)</u>	<u>(12,927,229)</u>	<u>(19,227,051)</u>
Total Noncurrent Assets	<u>4,816,982</u>	<u>17,950,457</u>	<u>22,767,439</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<u>\$ 8,188,319</u>	<u>\$ 29,396,319</u>	<u>\$ 37,584,638</u>
<b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>			
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	\$ 117,532	\$ 981,301	\$ 1,098,833
Accrued Salaries and Benefits	79,237	23,844	103,081
Deposits and Escrow	4,845	73,879	78,724
Accrued Interest Payable	-	14,396	14,396
Unearned Revenue	98,180	-	98,180
Total Current Liabilities	<u>299,794</u>	<u>1,093,420</u>	<u>1,393,214</u>
<b>Noncurrent Liabilities</b>			
Due within one year	19,059	301,702	320,761
Due in more than one year	<u>126,768</u>	<u>4,448,141</u>	<u>4,574,909</u>
Total Noncurrent Liabilities	<u>145,827</u>	<u>4,749,843</u>	<u>4,895,670</u>
<b>TOTAL LIABILITIES</b>	<u>445,621</u>	<u>5,843,263</u>	<u>6,288,884</u>
<b>DEFERRED INFLOWS OF FINANCIAL RESOURCES</b>			
Deferred Property Taxes	380,227	-	380,227
Other Deferred Inflows	<u>32,939</u>	<u>-</u>	<u>32,939</u>
<b>TOTAL DEFERRED INFLOWS</b>	<u>413,166</u>	<u>-</u>	<u>413,166</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	4,753,493	13,230,718	17,984,211
Restricted Net Position	376,083	952,384	1,328,467
Unrestricted Net Position	<u>2,199,956</u>	<u>9,369,954</u>	<u>11,569,910</u>
<b>TOTAL NET POSITION</b>	<u>7,329,532</u>	<u>23,553,056</u>	<u>30,882,588</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>	<u>\$ 8,188,319</u>	<u>\$ 29,396,319</u>	<u>\$ 37,584,638</u>

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

**CITY OF BURLINGTON**

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>PROGRAM REVENUES</b>			
	<b>EXPENSES</b>	<b>CHARGES FOR SERVICES</b>	<b>OPERATING GRANTS AND CONTRIBUTIONS</b>	<b>CAPITAL GRANTS</b>
<b>FUNCTIONS/PROGRAMS</b>				
<b>Governmental Activities</b>				
Current:				
General Government	\$ 981,626	\$ 714,164	\$ 143,501	\$ -
Public Safety	788,209	20,984	21,241	-
Public Works	439,390	12,391	337,187	-
Culture and Recreation	1,872,005	544,066	185,678	-
Interest on Debt	-	-	-	-
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>4,081,230</b>	<b>1,291,605</b>	<b>687,607</b>	<b>-</b>
<b>Business-type Activities</b>				
Current:				
Electric	3,789,605	4,559,061	-	29,349
Water & Sewer	1,288,360	1,868,914	-	7,525
Solid Waste	562,567	562,775	-	-
Airport	886,105	459,208	100,000	-
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>6,526,637</b>	<b>7,449,958</b>	<b>100,000</b>	<b>36,874</b>
<b>TOTAL GOVERNMENT</b>	<b>\$ 10,607,867</b>	<b>\$ 8,741,563</b>	<b>\$ 787,607</b>	<b>\$ 36,874</b>
<b>GENERAL REVENUES</b>				
Property Taxes				
Specific Ownership Taxes				
Sales and Use Taxes				
Franchise Taxes				
Other Taxes				
Interest Income				
Gain (Loss) on Disposal of Capital Assets				
Insurance Proceeds				
Other Revenues				
<b>TRANSFERS</b>				
TOTAL GENERAL REVENUES AND TRANSFERS				
<b>CHANGE IN NET POSITION</b>				
<b>NET POSITION - BEGINNING</b>				
<b>Prior Period Restatement</b>				
<b>NET POSITION - BEGINNING ( AS RESTATED)</b>				
<b>NET POSITION - ENDING</b>				

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

**NET (EXPENSE) REVENUE AND  
CHANGES IN NET POSITION**

<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS - TYPE ACTIVITIES</b>	<b>TOTAL</b>
\$ (123,961)	\$ -	\$ (123,961)
(745,984)	-	(745,984)
(89,812)	-	(89,812)
(1,142,261)	-	(1,142,261)
-	-	-
(2,102,018)	-	(2,102,018)
-	798,805	798,805
-	588,079	588,079
-	208	208
-	(326,897)	(326,897)
-	1,060,195	1,060,195
(2,102,018)	1,060,195	(1,041,823)
374,936	-	374,936
24,343	-	24,343
2,268,187	-	2,268,187
91,028	-	91,028
246,874	-	246,874
2,003	21,225	23,228
(5,741)	(4,596)	(10,337)
29,738	62,388	92,126
24,333	-	24,333
69,291	(69,291)	-
3,124,992	9,726	3,134,718
1,022,974	1,069,921	2,092,895
6,379,032	22,483,135	28,862,167
(72,474)	-	(72,474)
6,306,558	22,483,135	28,789,693
\$ 7,329,532	\$ 23,553,056	\$ 30,882,588

**CITY OF BURLINGTON**

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2022**

**With Comparative Totals for December 31, 2021**

	<u>SPECIAL REVENUE FUNDS</u>		
	<u>GENERAL</u>	<u>TOURISM</u>	<u>NONMAJOR</u>
	<u>FUND</u>	<u>PROMOTION</u>	<u>CONSERVATIO</u>
	<u>FUND</u>	<u>FUND</u>	<u>N TRUST</u>
	<u>FUND</u>	<u>FUND</u>	<u>FUND</u>
<b>ASSETS AND DEFERRED OUTFLOWS</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Investments			
Cash	\$ 1,958,431	\$ 201,803	\$ -
Restricted Cash and Investments	95,464	-	163,662
Receivables			
Property Tax Receivable	380,227	-	-
Intergovernmental Receivables	5,000	-	-
Cash with Fiscal Agent	36,377	-	-
Accounts Receivable	-	14,142	-
Other Receivables	471,948	-	-
Inventory	43,258	-	-
Prepaid Expenses	1,025	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 2,991,730</u>	<u>\$ 215,945</u>	<u>\$ 163,662</u>
<b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>			
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	\$ 73,234	\$ 44,298	\$ -
Accrued Salaries and Benefits	69,906	9,331	-
Deposits and Escrow	4,845	-	-
Unearned Revenue	98,180	-	-
TOTAL LIABILITIES	<u>246,165</u>	<u>53,629</u>	<u>-</u>
<b>DEFERRED INFLOWS OF FINANCIAL RESOURCES</b>			
Deferred Property Taxes	380,227	-	-
Other Deferred Inflows	32,939	-	-
TOTAL DEFERRED INFLOWS	<u>413,166</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>			
Nonspendable Fund Balance	44,283	-	-
Restricted Fund Balance	212,421	-	163,662
Committed Fund Balance	32,043	162,316	-
Unassigned Fund Balance	2,043,652	-	-
TOTAL FUND BALANCE	<u>2,332,399</u>	<u>162,316</u>	<u>163,662</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>	<u>\$ 2,991,730</u>	<u>\$ 215,945</u>	<u>\$ 163,662</u>

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

**TOTAL**

<u>2022</u>	<u>2021</u>
\$ 2,160,234	\$ 1,243,722
259,126	333,378
380,227	384,743
5,000	-
36,377	24,687
14,142	13,788
471,948	297,659
43,258	46,134
1,025	1,024
<u>\$ 3,371,337</u>	<u>\$ 2,345,135</u>

\$ 117,532	\$ 154,982
79,237	71,847
4,845	5,985
98,180	-
<u>299,794</u>	<u>232,814</u>
380,227	384,743
<u>32,939</u>	<u>32,999</u>
<u>413,166</u>	<u>417,742</u>
44,283	47,158
376,083	409,552
194,359	176,990
<u>2,043,652</u>	<u>1,060,879</u>
<u>2,658,377</u>	<u>1,694,579</u>
<u>\$ 3,371,337</u>	<u>\$ 2,345,135</u>

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**CITY OF BURLINGTON**

**RECONCILIATION OF GOVERNMENTAL FUND BALANCE  
TO GOVERNMENTAL ACTIVITIES NET POSITION  
DECEMBER 31, 2022**

<b>Fund Balance - Governmental Funds</b>			\$ 2,658,377
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds			
Capital assets, not being depreciated	\$	440,674	
Capital assets, being depreciated		10,676,130	
Accumulated depreciation		<u>(6,299,822)</u>	4,816,982
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.			
Capital leases payable		(63,489)	
Accrued compensated absences		<u>(82,338)</u>	<u>(145,827)</u>
<b>Total Net Position - Governmental Activities</b>			<b><u>\$ 7,329,532</u></b>

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

CITY OF BURLINGTON

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**With Comparative Totals for the Year Ended December 31, 2021**

	<b>SPECIAL REVENUE FUNDS</b>				
	<b>GENERAL</b>	<b>TOURISM</b>	<b>NONMAJOR</b>	<b>TOTAL</b>	
	<b>FUND</b>	<b>PROMOTION</b>	<b>CONSERVATION TRUST</b>	<b>2022</b>	<b>2021</b>
<b>REVENUES</b>					
Taxes	\$ 2,763,131	\$ 242,237	\$ -	\$ 3,005,368	\$ 2,320,399
Intergovernmental Revenues	561,572	31,588	40,505	633,665	712,334
Licenses and Permits	15,894	-	-	15,894	10,110
Fines and Forfeits	20,309	-	-	20,309	16,363
Internal Charges	670,103	-	-	670,103	664,548
Charges for Services	170,861	414,439	-	585,300	571,808
Investment Earnings	1,978	-	26	2,004	2,311
Other Revenues	55,776	52,235	-	108,011	87,161
<b>TOTAL REVENUES</b>	<b>4,259,624</b>	<b>740,499</b>	<b>40,531</b>	<b>5,040,654</b>	<b>4,385,034</b>
<b>EXPENDITURES</b>					
Current:					
General Government	916,253	19,522	-	935,775	857,827
Public Safety	740,155	-	-	740,155	756,644
Public Works	399,469	-	-	399,469	370,849
Parks, Recreation and Other	974,658	720,212	36	1,694,906	1,503,323
Capital Outlay	164,877	52,683	145,885	363,445	378,782
Debt Service	12,397	-	-	12,397	4,095
<b>TOTAL EXPENDITURES</b>	<b>3,207,809</b>	<b>792,417</b>	<b>145,921</b>	<b>4,146,147</b>	<b>3,871,520</b>
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	<b>1,051,815</b>	<b>(51,918)</b>	<b>(105,390)</b>	<b>894,507</b>	<b>513,514</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Debt Proceeds	-	-	-	-	77,535
Transfers (In)	-	69,291	-	69,291	68,063
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>69,291</b>	<b>-</b>	<b>69,291</b>	<b>145,598</b>
<b>CHANGE IN FUND BALANCE</b>	<b>1,051,815</b>	<b>17,373</b>	<b>(105,390)</b>	<b>963,798</b>	<b>659,112</b>
<b>FUND BALANCE, BEGINNING</b>	<b>1,280,584</b>	<b>144,943</b>	<b>269,052</b>	<b>1,694,579</b>	<b>1,035,467</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 2,332,399</b>	<b>\$ 162,316</b>	<b>\$ 163,662</b>	<b>\$ 2,658,377</b>	<b>\$ 1,694,579</b>

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

**CITY OF BURLINGTON**

**RECONCILIATION OF GOVERNMENTAL FUNDS CHANGE IN FUND BALANCE  
TO GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2022**

<b>Change in Fund Balance - Governmental Funds</b>		\$	963,798
Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level			
Capitalized Asset Purchases	\$	363,445	
Depreciation Expense		(299,223)	
Gain (Loss) on Asset Disposals		<u>(5,741)</u>	58,481
Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level			
Principal payments on capital leases		10,559	
Change in accrued compensated absences		<u>(9,864)</u>	<u>695</u>
<b>Change in Net Position - Governmental Activities</b>			<u>\$ 1,022,974</u>

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

CITY OF BURLINGTON

**STATEMENT OF NET POSITION**

**PROPRIETARY FUNDS**

DECEMBER 31, 2022

With Comparative Totals for December 31, 2021

	<b>BUSINESS - TYPE ACTIVITIES</b>			
	<b>ELECTRIC FUND</b>	<b>WATER &amp; SEWER FUND</b>	<b>SOLID WASTE FUND</b>	<b>AIRPORT FUND</b>
<b>ASSETS AND DEFERRED OUTFLOWS</b>				
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Investments				
Cash	\$ 6,315,335	\$ 2,610,514	\$ (3,609)	\$ 97,708
Restricted Cash and Investments	-	218,926	-	-
Receivables				
Utility Receivable	800,426	280,378	99,830	-
Inventory	711,105	230,321	-	7,928
Prepaid Expenses	1,024	75,976	-	-
Total Current Assets	<u>7,827,890</u>	<u>3,416,115</u>	<u>96,221</u>	<u>105,636</u>
<b>Noncurrent Assets</b>				
Capital Assets not being depreciated	42,718	2,933,144	-	567,504
Capital Assets being depreciated	8,053,922	11,281,169	-	7,999,229
Accumulated Depreciation	<u>(4,416,188)</u>	<u>(4,053,345)</u>	<u>-</u>	<u>(4,457,696)</u>
Total Noncurrent Assets	<u>3,680,452</u>	<u>10,160,968</u>	<u>-</u>	<u>4,109,037</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$ 11,508,342</b>	<b>\$ 13,577,083</b>	<b>\$ 96,221</b>	<b>\$ 4,214,673</b>
<b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>				
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	\$ 880,228	\$ 33,622	\$ 48,213	\$ 19,238
Accrued Salaries and Benefits	6,766	12,230	-	4,848
Deposits and Escrow	73,379	500	-	-
Accrued Interest Payable	-	14,396	-	-
Total Current Liabilities	<u>960,373</u>	<u>60,748</u>	<u>48,213</u>	<u>24,086</u>
<b>Noncurrent Liabilities</b>				
Due within one year	11,869	289,394	-	439
Due in more than one year	<u>62,058</u>	<u>4,382,129</u>	<u>-</u>	<u>3,954</u>
Total Noncurrent Liabilities	<u>73,927</u>	<u>4,671,523</u>	<u>-</u>	<u>4,393</u>
<b>TOTAL LIABILITIES</b>	<b>1,034,300</b>	<b>4,732,271</b>	<b>48,213</b>	<b>28,479</b>
<b>DEFERRED INFLOWS OF FINANCIAL RESOURCES</b>				
<b>NET POSITION</b>				
Net Investment in Capital Assets	3,616,963	5,504,718	-	4,109,037
Restricted Net Position	-	218,926	-	-
Unrestricted Net Position	<u>6,857,079</u>	<u>3,121,168</u>	<u>48,008</u>	<u>77,157</u>
<b>TOTAL NET POSITION</b>	<b>10,474,042</b>	<b>8,844,812</b>	<b>48,008</b>	<b>4,186,194</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>	<b>\$ 11,508,342</b>	<b>\$ 13,577,083</b>	<b>\$ 96,221</b>	<b>\$ 4,214,673</b>

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

**TOTAL**

<u>2022</u>	<u>2021</u>
\$ 9,019,948	\$ 7,176,173
218,926	347,444
1,180,634	1,137,347
949,354	838,446
<u>77,000</u>	<u>76,999</u>
<u>11,445,862</u>	<u>9,576,409</u>
3,543,366	3,543,366
27,334,320	27,043,421
<u>(12,927,229)</u>	<u>(12,198,122)</u>
<u>17,950,457</u>	<u>18,388,665</u>
\$ <u>29,396,319</u>	\$ <u>27,965,074</u>
\$ 981,301	\$ 322,422
23,844	28,046
73,879	76,729
<u>14,396</u>	<u>15,290</u>
<u>1,093,420</u>	<u>442,487</u>
301,702	293,657
<u>4,448,141</u>	<u>4,745,795</u>
<u>4,749,843</u>	<u>5,039,452</u>
<u>5,843,263</u>	<u>5,481,939</u>
13,230,718	13,452,212
218,926	347,444
<u>10,103,412</u>	<u>8,683,479</u>
<u>23,553,056</u>	<u>22,483,135</u>
\$ <u>29,396,319</u>	\$ <u>27,965,074</u>

**CITY OF BURLINGTON**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

**PROPRIETARY FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**With Comparative Totals for the Year Ended December 31, 2021**

	<b>BUSINESS - TYPE ACTIVITIES</b>			
	<b>ELECTRIC</b>	<b>WATER &amp; SEWER</b>	<b>SOLID WASTE</b>	<b>AIRPORT</b>
	<b>FUND</b>	<b>FUND</b>	<b>FUND</b>	<b>FUND</b>
<b>OPERATING REVENUES</b>				
Utility Charges	\$ 4,500,585	\$ 1,864,157	\$ 562,775	\$ -
Airport Charges	-	-	-	445,437
Other Charges for Services	58,476	4,757	-	13,771
<b>TOTAL REVENUES</b>	<u>4,559,061</u>	<u>1,868,914</u>	<u>562,775</u>	<u>459,208</u>
<b>OPERATING EXPENSES</b>				
Airport	-	-	-	581,012
Management Fees	449,360	181,445	39,299	-
Solid Waste Collection	-	-	523,268	-
Electric Production	2,714,926	-	-	-
Electric Distribution	284,077	-	-	-
Water Treatment and Distribution	-	404,023	-	-
Sewer Collection and Treatment	-	253,848	-	-
Administration	110,316	86,422	-	-
Depreciation Expense	229,198	270,134	-	305,093
<b>TOTAL EXPENDITURES</b>	<u>3,787,877</u>	<u>1,195,872</u>	<u>562,567</u>	<u>886,105</u>
Operating Income (Loss)	<u>771,184</u>	<u>673,042</u>	<u>208</u>	<u>(426,897)</u>
<b>OTHER INCOME (EXPENSE)</b>				
Intergovernmental Revenue	-	-	-	100,000
Investment Earnings	14,317	6,849	1	58
Other Revenue	55,944	-	-	6,444
Interest Expense	(1,728)	(92,488)	-	-
Gain (Loss) on Sale of Assets	-	(4,596)	-	-
<b>TOTAL OTHER INCOME (EXPENSE)</b>	<u>68,533</u>	<u>(90,235)</u>	<u>1</u>	<u>106,502</u>
Net Income (Loss) before Transfers	839,717	582,807	209	(320,395)
<b>TRANSFERS</b>				
Transfers In	-	-	-	69,291
Transfers (Out)	(89,872)	(36,290)	(12,420)	-
<b>NET INCOME (LOSS)</b>	<u>749,845</u>	<u>546,517</u>	<u>(12,211)</u>	<u>(251,104)</u>
<b>CONTRIBUTED CAPITAL</b>				
Plant Investment Fees	29,349	7,525	-	-
Intergovernmental Revenue	-	-	-	-
<b>TOTAL CONTRIBUTED CAPITAL</b>	<u>29,349</u>	<u>7,525</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	779,194	554,042	(12,211)	(251,104)
<b>NET POSITION - BEGINNING</b>	<u>9,694,848</u>	<u>8,290,770</u>	<u>60,219</u>	<u>4,437,298</u>
<b>NET POSITION - ENDING</b>	<u>\$ 10,474,042</u>	<u>\$ 8,844,812</u>	<u>\$ 48,008</u>	<u>\$ 4,186,194</u>

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

<b>TOTAL</b>	
<b>2022</b>	<b>2021</b>
\$ 6,927,517	\$ 7,130,059
445,437	375,912
77,004	59,290
<u>7,449,958</u>	<u>7,565,261</u>
581,012	472,238
670,104	664,548
523,268	514,189
2,714,926	3,070,001
284,077	480,585
404,023	514,414
253,848	202,278
196,738	204,520
<u>804,425</u>	<u>793,267</u>
<u>6,432,421</u>	<u>6,916,040</u>
<u>1,017,537</u>	<u>649,221</u>
100,000	89,451
21,225	8,124
62,388	20,004
(94,216)	(106,833)
<u>(4,596)</u>	<u>-</u>
<u>84,801</u>	<u>10,746</u>
1,102,338	659,967
69,291	68,063
<u>(138,582)</u>	<u>(136,126)</u>
<u>1,033,047</u>	<u>591,904</u>
36,874	15,000
<u>-</u>	<u>220,363</u>
<u>36,874</u>	<u>235,363</u>
1,069,921	827,267
<u>22,483,135</u>	<u>21,655,868</u>
<u>\$ 23,553,056</u>	<u>\$ 22,483,135</u>

CITY OF BURLINGTON

**STATEMENT OF CASH FLOWS -  
PROPRIETARY FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	<b>BUSINESS - TYPE ACTIVITIES</b>			
	<b>ELECTRIC</b>	<b>WATER &amp; SEWER</b>	<b>SOLID WASTE</b>	<b>AIRPORT</b>
	<b>FUND</b>	<b>FUND</b>	<b>FUND</b>	<b>FUND</b>
<b>Cash Flows From Operating Activities:</b>				
Cash Received from Customers	\$ 4,518,294	\$ 1,865,100	\$ 561,221	\$ 459,208
Cash Paid to Suppliers	(2,334,573)	(544,414)	(520,039)	(493,171)
Cash Paid for Interfund Services	(449,360)	(181,445)	(39,299)	-
Cash Paid to Employees	(207,378)	(220,440)	-	(92,957)
Net Cash Provided by Operating Activities	<u>1,526,983</u>	<u>918,801</u>	<u>1,883</u>	<u>(126,920)</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>				
Tap Fees Received	29,349	7,525	-	-
Debt Proceeds	-	-	-	-
Debt Principal Payments	(10,559)	(280,203)	-	-
Grant Proceeds	-	-	-	100,000
Interest Payments	(1,728)	(93,382)	-	-
Proceeds of Capital Asset Sales	-	-	-	-
Acquisition of Capital Assets	(344,534)	(15,398)	-	(10,882)
Cash Flows Used by Capital and Related Financing Activities	<u>(327,472)</u>	<u>(381,458)</u>	<u>-</u>	<u>89,118</u>
<b>Cash Flows (Uses) From Noncapital Financing Activities:</b>				
Cash (to) from Other Funds	(89,872)	(36,290)	(12,420)	69,291
Other Revenues (Expense)	55,944	-	-	6,444
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(33,928)</u>	<u>(36,290)</u>	<u>(12,420)</u>	<u>75,735</u>
<b>Cash Flows (Uses) From Investing Activities:</b>				
Interest Received	14,317	6,849	1	58
Net Increase (Decrease) in Cash	1,179,900	507,902	(10,536)	37,991
Cash - Beginning	5,135,435	2,321,538	6,927	59,717
<b>Cash - Ending</b>	<u>\$ 6,315,335</u>	<u>\$ 2,829,440</u>	<u>\$ (3,609)</u>	<u>\$ 97,708</u>
<b>Cash</b>	\$ 6,315,335	\$ 1,877,056	\$ (3,609)	\$ (526,358)
Restricted Cash and Investments	-	952,384	-	624,066
<b>Total</b>	<u>\$ 6,315,335</u>	<u>\$ 2,829,440</u>	<u>\$ (3,609)</u>	<u>\$ 97,708</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:</b>				
Operating Income (Loss)	\$ 771,184	\$ 673,042	\$ 208	\$ (426,897)
<b>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:</b>				
Depreciation Expense	229,198	270,134	-	305,093
<b>Changes in Assets and Liabilities Related to Operations:</b>				
<b>(Increase) Decrease in:</b>				
Utility Receivable	(37,917)	(3,814)	(1,554)	-
Accounts Receivable	-	-	-	-
Other Receivables	-	-	-	-
Inventory	(74,151)	(39,095)	-	2,340
Prepaid Expenses	-	-	-	-
<b>(Increase) Decrease in:</b>				
Accounts Payable	651,098	12,465	3,229	(7,920)
Accrued Salaries and Benefits	(7,504)	2,842	-	460
Deposits and Escrow	(2,850)	-	-	-
Accrued Compensated Absences	(2,075)	3,227	-	4
Total Adjustments	<u>755,799</u>	<u>245,759</u>	<u>1,675</u>	<u>299,977</u>
<b>Net Cash Used for Operating Activities</b>	<u>\$ 1,526,983</u>	<u>\$ 918,801</u>	<u>\$ 1,883</u>	<u>\$ (126,920)</u>

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

**TOTAL**

<u>2022</u>	<u>2021</u>
\$ 7,403,823	\$ 7,613,811
(3,892,197)	(4,852,568)
(670,104)	(664,548)
<u>(520,775)</u>	<u>(496,734)</u>
<u>2,320,747</u>	<u>1,599,961</u>
36,874	15,000
-	77,535
(290,762)	(190,690)
100,000	309,814
(95,110)	(107,721)
-	1
<u>(370,814)</u>	<u>(652,796)</u>
<u>(619,812)</u>	<u>(548,857)</u>
(69,291)	(68,063)
<u>62,388</u>	<u>20,004</u>
<u>(6,903)</u>	<u>(48,059)</u>
<u>21,225</u>	<u>8,124</u>
1,715,257	1,011,169
<u>7,523,617</u>	<u>6,512,448</u>
<u>\$ 9,238,874</u>	<u>\$ 7,523,617</u>
\$ 7,662,424	\$ 6,102,554
<u>1,576,450</u>	<u>1,421,063</u>
<u>\$ 9,238,874</u>	<u>\$ 7,523,617</u>
<u>\$ 1,017,537</u>	<u>\$ 649,221</u>
804,425	793,266
(43,285)	(36,275)
-	78
-	80,997
(110,906)	57,599
-	14,100
658,872	23,766
(4,202)	8,097
(2,850)	3,750
<u>1,156</u>	<u>5,362</u>
<u>1,303,210</u>	<u>950,740</u>
<u>\$ 2,320,747</u>	<u>\$ 1,599,961</u>

**CITY OF BURLINGTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**HISTORY AND FUNCTION OF ORGANIZATION**

The City of Burlington, Colorado was incorporated January 31, 1974, under the provisions of Chapter 139, Article 90 of the Colorado Revised Statutes as a Home Rule City.

The City is a political subdivision of the State of Colorado which is governed by an elected mayor and elected six-member City Council. The accounting policies of the City of Burlington, Colorado conform to generally accepted accounting principles (GAAP) as applicable to governments. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant principles.

**REPORTING ENTITY**

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Section 2100 and 2600 of the Government Accounting Standards Board Codification. These criteria state that the financial reporting entity consist of (a) the primary government, (b) other organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based upon these criteria, there are no additional agencies or entities which should be included in the financial statements of the City.

**GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

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

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.
- Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

**CITY OF BURLINGTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

**CITY OF BURLINGTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued)**

**General Fund**

The General Fund uses the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Certain service fees and non-tax revenues are recognized when received or billed. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal sources of revenues are property and sales taxes. Principal expenditures are for police protection, public works, parks and recreations and City administration.

**Special Revenue Funds:**

These funds account for revenues derived from specific taxes or other designated revenues that are legally restricted to expenditures for specific purposes. The City's special revenue funds are as follows:

**Tourism Promotion Fund**

The Tourism Promotion Fund accounts for all activities intended to promote local tourism, including the City's "Old Town" attraction and accounts for the City's lodging taxes.

**Conservation Trust Fund (Nonmajor)**

The Conservation Trust Fund accounts for funds received through the State of Colorado Lottery/ Conservation Trust Fund program. This fund is required through state statute to be spent on parks and recreation.

**Proprietary Funds**

The City also reports the following major proprietary funds:

**Electric, Water and Sewer, Solid Waste and Airport Funds**

The Electric and Water & Sewer funds account for activities of the City's electricity transmission, water distribution, and sewage collection operations. The Solid Waste fund accounts for activities of the City's trash collection and operations. The Airport Fund accounts for the sale of fuel and expenses of operating the airport.

**PROPERTY TAXES**

Property taxes are levied on November 1 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the City on a monthly basis.

Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding unavailable revenue are recorded at December 31. As the tax is collected in the succeeding year, the unavailable revenue is recognized as revenue and the receivable is reduced.

**CITY OF BURLINGTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**ACCUMULATED UNPAID LEAVE (COMPENSATED ABSENCES)**

Employees are allowed 10-15 vacation days each year depending on years of employment. Employee may accrue up to 1.5 times the annual vacation allotment at which time further accrual will cease. Employee is eligible for payout of all accrued vacation at time of termination, payout determined on current rate of pay. Sick leave is accrued at the rate of 10 days per year with accumulation of up to 90 days. No payment is made for unused sick leave.

**ACCOUNTS RECEIVABLE**

Based upon a review of the existing accounts receivable, no allowance for doubtful accounts is needed for any fund.

**INVENTORY**

All inventories are valued at cost using the first-in/first-out (FIFO) method in the proprietary funds. Inventories of governmental funds are recorded as expenditures when purchased.

**PREPAID ITEMS**

Payments to vendors for services that will benefit periods beyond the year-end are recorded as prepaid items.

**CAPITAL ASSETS**

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property and equipment of the City is depreciated using the straight line method over the following estimated useful lives.

Infrastructure	40 years
Improvements	10 - 50 years
Buildings	10 - 50 years
Equipment	5 - 50 years
Vehicles	7 - 20 years

The City has elected to not retroactively report infrastructure.

**CITY OF BURLINGTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES**

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows related to taxes levied in 2022 to be collected in 2023.

**NET POSITION/FUND BALANCES**

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

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

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

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

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The City currently has no assigned fund balances.

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

**CITY OF BURLINGTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**NET POSITION/FUND EQUITY FLOW ASSUMPTIONS**

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

**CASH FLOW STATEMENT**

For purposes of the statement of cash flows, cash equivalents are defined as all bank account balances and investments with maturities of ninety days or less.

**COMPARATIVE DATA**

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

All funds must have budgets to be allowed expenditures. Budgets for all funds except proprietary funds are adopted on a basis consistent with generally accepted accounting principles. The proprietary funds are prepared on the accrual basis of accounting excluding depreciation expense. All annual appropriations lapse at year end.

By August 25 the County Assessor forwards certification of assessed valuation to the City. On or before October 1, departments must submit to the budget officer an estimate of their expenditure requirements and their estimated revenue for the ensuing budget year. The budget officer shall prepare and submit to the City Council a proposed budget by October 15. Upon receipt of the proposed budget, the City Council shall publish a notice showing the proposed budget is open for inspection by the public and the date the City will consider adoption of such proposed budget.

By December 15, the City Council certifies to County Commissioners the mill levy against the assessed valuation.

Final adoption and an ordinance or resolution making appropriations is due by December 31 and submitted to division of local government within 30 days.

Expenditures may not legally exceed budgeted appropriations at the fund level.

**CITY OF BURLINGTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY** (Continued)

Expenditures exceeded appropriations in the Tourism and Promotion, Solid Waste and Airport Funds, which may be a violation of Colorado statutes.

The City does not utilize encumbrance accounting and all appropriations lapse at year end.

**NOTE 3: CASH AND INVESTMENTS**

A summary of deposits and investments as of December 31, 2022 is as follows:

Cash Deposits	\$ 11,546,210
Investments	110,516
Cash on Hand	<u>1,508</u>
<b>Total Cash and Investments</b>	<b><u>\$ 11,658,234</u></b>

This balance is presented in the financial statements as follows:

Cash and Investments	\$ 11,180,182
Restricted Cash and Investments	<u>478,052</u>
<b>Total Cash and Investments</b>	<b><u>\$ 11,658,234</u></b>

**DEPOSITS**

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The City's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations.

Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2022, all of the City's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

**CITY OF BURLINGTON, COLORADO  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2022**

**NOTE 3: CASH AND INVESTMENTS (Continued)**

**DEPOSITS**

Deposits at December 31, 2022 were as follows:

	<b>Bank Balance</b>	<b>Book Balance</b>
FDIC Insured	\$ 891,001	\$ 891,001
Collateralized under PDPA (Not in Entity's Name)	10,847,573	10,655,210
Petty Cash	-	1,508
<b>Total Cash and Investments</b>	<b>\$ 11,738,574</b>	<b>\$ 11,547,719</b>

**INVESTMENTS**

Credit Risk

Colorado statutes specify which instruments units of local government may invest, which include:

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

The City does not have an investment policy that would further limit its investment choices.

Credit Risk

For the year ended December 31, 2022, the City had invested \$110,516 in the Colorado Government Liquid Asset Trust (COLOTRUST); investment vehicles established for local government entities in Colorado to pool surplus funds and are registered with the State Securities Commissioner. The pools operated similarly to a money market fund and each share value is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities. Colotrust is rated AAAM by Standard and Poor's.

Concentration of Credit Risk

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

**CITY OF BURLINGTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**NOTE 3: CASH AND INVESTMENTS (Continued)**

**INVESTMENTS (Continued)**

Interest Rate Risk

Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, other than those contained in the statutes. The City’s investment portfolio contains no investments that exceed that limitation.

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2022, the City’s custodial credit risk is related to the investments in Colotrust.

**RESTRICTED CASH**

The City has restricted cash and set aside equity as follows:

**Restricted Cash**

Restricted for Library (General)	\$ 15,000	
Restricted for Parks (CTF)	163,662	
Restricted for Streets (General)	<u>48,421</u>	
Included in Restricted Fund Balance		227,083
Committed for Parmer Park (General)	705	
Committed for Library (General)	<u>31,338</u>	
Included in Committed Fund Balance		32,043
Restricted O & M Reserve (Restricted Net Position)		<u>218,926</u>
<b>Total Restricted Cash</b>		<b><u>\$ 478,052</u></b>

**CITY OF BURLINGTON, COLORADO  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022**

**NOTE 4: CAPITAL ASSETS**

A summary of the City’s governmental capital asset transactions for the year are as follows:

	<b>Balance 1/1/2022</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance 12/31/2022</b>
<b>Capital assets not being depreciated</b>				
Land	\$ 337,017	\$ -	\$ -	\$ 337,017
Construction in progress	-	2,251	-	2,251
Old Town Donations/Collection	101,406	-	-	101,406
<b>Total capital assets not being depreciated</b>	<u>438,423</u>	<u>2,251</u>	<u>-</u>	<u>440,674</u>
<b>Capital assets being depreciated</b>				
Infrastructure	1,314,823	-	-	1,314,823
Buildings	4,468,316	81,338	-	4,549,654
Improvements other than buildings	1,668,504	261,738	(14,010)	1,916,232
Equipment	2,194,051	18,118	(16,900)	2,195,269
Vehicles	707,582	-	(7,430)	700,152
<b>Total capital assets being depreciated</b>	<u>10,353,276</u>	<u>361,194</u>	<u>(38,340)</u>	<u>10,676,130</u>
<b>Accumulated depreciation</b>				
Infrastructure	(568,562)	(34,666)	-	(603,228)
Buildings	(2,154,001)	(94,871)	-	(2,248,872)
Improvements other than buildings	(1,184,494)	(53,251)	8,269	(1,229,476)
Equipment	(1,550,834)	(70,078)	16,900	(1,604,012)
Vehicles	(575,307)	(46,357)	7,430	(614,234)
<b>Total accumulated depreciation</b>	<u>(6,033,198)</u>	<u>(299,223)</u>	<u>32,599</u>	<u>(6,299,822)</u>
<b>Net Capital Assets</b>	<u>\$ 4,758,501</u>	<u>\$ 64,222</u>	<u>\$ (5,741)</u>	<u>\$ 4,816,982</u>

Depreciation has been allocated to the various governmental functions as follows:

General Government	\$ 35,987
Public Safety	48,054
Public Works	38,083
Culture and Recreation	177,099
<b>Total Depreciation</b>	<u>\$ 299,223</u>

**CITY OF BURLINGTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**NOTE 4: CAPITAL ASSETS (Continued)**

A summary of the City's business-type capital asset transactions for the year are as follows:

	Balance 1/1/2022	Additions	Deletions	Balance 12/31/2022
<b>Capital assets not being depreciated</b>				
Land	\$ 609,915	\$ -	\$ -	\$ 609,915
Water rights	2,918,032	-	-	2,918,032
Construction in progress	15,419	-	-	15,419
<b>Total capital assets not being depreciated</b>	<u>3,543,366</u>	<u>-</u>	<u>-</u>	<u>3,543,366</u>
<b>Capital assets being depreciated</b>				
System	17,765,074	213,764	-	17,978,838
Buildings	1,079,540	-	-	1,079,540
Other improvements	6,440,000	-	-	6,440,000
Equipment	1,213,875	17,548	(79,914)	1,151,509
Vehicles	544,931	139,502	-	684,433
<b>Total capital assets being depreciated</b>	<u>27,043,420</u>	<u>370,814</u>	<u>(79,914)</u>	<u>27,334,320</u>
<b>Accumulated depreciation</b>				
System	(7,022,140)	(448,934)	-	(7,471,074)
Buildings	(473,223)	(25,888)	-	(499,111)
Other improvements	(3,280,918)	(247,700)	-	(3,528,618)
Equipment	(935,150)	(62,639)	75,318	(922,471)
Vehicles	(486,691)	(19,264)	-	(505,955)
<b>Total accumulated depreciation</b>	<u>(12,198,122)</u>	<u>(804,425)</u>	<u>75,318</u>	<u>(12,927,229)</u>
<b>Net Capital Assets</b>	<u>\$ 18,388,664</u>	<u>\$ (433,611)</u>	<u>\$ (4,596)</u>	<u>\$ 17,950,457</u>

Depreciation has been allocated to the various business-type activities as follows:

Electric	\$ 229,198
Water	200,490
Sewer	69,644
Airport	305,093
<b>Total Depreciation</b>	<u>\$ 804,425</u>

**NOTE 5: LONG-TERM DEBT**

**BUSINESS-TYPE ACTIVITIES**

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

	Balance 12/31/2021	Advances/ Refundings	Repayments	Balance 12/31/2022	Due within One Year	Accrued Interest	Interest Expense
<b>Business-type Activities</b>							
2016 CWRPDA Note Payable	925,676	-	32,039	893,637	32,360	1,489	9,123
2017 CWRPDA Note Payable	219,729	-	7,605	212,124	7,681	354	2,166
2020 BOK Note Payable	3,717,000	-	230,000	3,487,000	237,000	12,553	79,459
2021 Capital Leases Payable	148,096	-	21,118	126,978	21,650	-	3,456
Accrued Compensated Absences	\$ 28,951	\$ 1,153	\$ -	\$ 30,104	\$ 3,010	\$ -	\$ -
<b>Total Noncurrent Liabilities</b>	<u>\$ 5,039,452</u>	<u>\$ 1,153</u>	<u>\$ 290,762</u>	<u>\$ 4,749,843</u>	<u>\$ 301,701</u>	<u>\$ 14,396</u>	<u>\$ 94,204</u>

**CITY OF BURLINGTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**NOTE 5: LONG-TERM DEBT** (Continued)

**BUSINESS-TYPE ACTIVITIES** (Continued)

In November 2016, the City entered into a \$2,250,000 loan agreement through the Colorado Water Resource and Power Development Authority (“CWRPDA”) in the Water & Sewer Fund at a rate of 1% for a term of 30 years for facilities of the water system. Principal and interest payments are due on May 1 and November 1 of each year. CWRPDA forgave \$330,900 of principal during 2017. The loan requires the maintenance of an operations and maintenance reserve account in the amount of three months of budgeted operations, or \$284,700 as of December 31, 2022. The loan also contains a requirement that net revenues as defined exceed 110% of the maximum annual debt service of the outstanding and parity loans bonds. The City has set aside funds to meet the operations and maintenance reserve requirements as described above.

Scheduled payments on the loan are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 32,360	\$ 8,856	\$ 41,216
2024	32,685	8,531	41,216
2025	33,012	8,204	41,216
2026	33,343	7,873	41,216
2027	33,678	7,538	41,216
2028-2032	173,521	32,559	206,080
2033-2037	182,394	23,686	206,080
2038-2042	191,722	14,358	206,080
2043-2047	180,922	4,557	185,479
<b>Total</b>	<b>\$ 893,637</b>	<b>\$ 116,162</b>	<b>\$ 1,009,799</b>

In April 2018, the City entered into a \$250,000 loan agreement through the Colorado Water Resource and Power Development Authority at a rate of 1% for a term of 30 years for facilities of the water system. Principal and interest payments are due on May 1 and November 1 of each year. The loan requires the maintenance of an operations and maintenance reserve account in the amount of three months of budgeted operations as noted above. The loan also contains a requirement that net revenues as defined exceed 110% of the maximum annual debt service of the outstanding and parity loans bonds. The City has set aside funds to meet the operations and maintenance reserve requirements as described above.

Scheduled payments on the loan are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 7,681	\$ 2,102	\$ 9,783
2024	7,758	2,025	9,783
2025	7,836	1,947	9,783
2026	7,915	1,868	9,783
2027	7,994	1,789	9,783
2028-2032	41,189	7,729	48,918
2033-2037	43,295	5,622	48,917
2038-2042	45,509	3,408	48,917
2043-2047	42,947	1,080	44,027
<b>Total</b>	<b>\$ 212,124</b>	<b>\$ 27,570</b>	<b>\$ 239,694</b>

**CITY OF BURLINGTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**NOTE 5: LONG-TERM DEBT** (Continued)

**BUSINESS-TYPE ACTIVITIES** (Continued)

In June 2020, the City issued \$4,133,000 of Series 2020A revenue bonds in the Water & Sewer Fund at a 2.16% rate (2.16% yield) for a term of 15 years for the purpose of refinancing the City’s Series 2014 Revenue Bonds. Interest payments are due on May 1 and November 1 of each year and principal payments were due on November 1 of each year, except for the final principal payment due May 1, 2035. The bonds can be called at any time subject to a yield maintenance agreement requiring payment of the present value difference between scheduled interest and yields based on defined market rates at the date of the call. The bond requires the maintenance of a reserve account equal to the lesser of 10% of the issuance, 100% of the maximum annual debt service on the bonds and parity debt, or 125% of the average annual debt service of the bonds and parity debt. For December 31, 2022 that amount was determined to be the maximum annual debt service of \$363,493 occurring in 2031. The bonds also contain a revenue pledge. The City recognized a charge on refunding of \$88,713 that will be amortized over the life of the new bonds. The City realized a net present value cash flow savings of \$759,089 on the refunding not including the required upfront cash payment of \$390,708 upon closing.

Scheduled payments on the bonds are as follows:

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 237,000	\$ 75,319	\$ 312,319
2024	238,000	70,200	308,200
2025	249,000	65,059	314,059
2026	249,000	59,681	308,681
2027	255,000	54,302	309,302
2028-2032	1,365,000	186,226	1,551,226
2033-2035	894,000	35,640	929,640
<b>Total</b>	<b>\$ 3,487,000</b>	<b>\$ 546,427</b>	<b>\$ 4,033,427</b>

In May 2021, the City entered into a capital lease arrangement for the purchase of a Backhoe. The lease was for \$93,472 and requires monthly payments of \$1,182 and a final payment of \$31,582 including interest at a rate of 2.49% with payments starting September, 2021 through August, 2026. The City has capitalized assets with a remaining basis of \$57,641 related to this lease, the lease payments have been equally distributed among the General, Electric and Water & Sewer Funds. Upon default, the lessor will have all rights and remedies available under applicable law. In addition, all lease payments may be declared due or become due during the fiscal year in which the event of default occurs, lessor may repossess the unit, lessor may cancel any extended warranty agreement on behalf of the lessee and receive the refund of the extended warranty agreement fees that were financed but had not received from the lessee as of the date of the event of default.

**CITY OF BURLINGTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**NOTE 5: LONG-TERM DEBT** (Continued)

**BUSINESS-TYPE ACTIVITIES** (Continued)

Scheduled payments on the lease as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 8,264	\$ 1,193	\$ 9,457
2024	8,472	985	9,457
2025	8,685	772	9,457
2026	26,173	399	26,572
<b>Total</b>	<b>\$ 51,594</b>	<b>\$ 3,349</b>	<b>\$ 54,943</b>

In May 2021, the City entered into a capital lease arrangement for the purchase of a Loader. The lease was for \$139,132 and requires monthly payments of \$1,890 and a final payment of \$36,960 including interest at a rate of 2.49% with payments starting September, 2021 through August, 2026. The City has capitalized assets with a remaining basis of \$85,798 related to this lease, the lease payments have been equally distributed among the General, Electric and Water & Sewer Funds. Upon default, the lessor will have all rights and remedies available under applicable law. In addition, all lease payments may be declared due or become due during the fiscal year in which the event of default occurs, lessor may repossess the unit, lessor may cancel any extended warranty agreement on behalf of the lessee and receive the refund of the extended warranty agreement fees that were financed but had not received from the lessee as of the date of the event of default.

Scheduled payments on the lease are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 13,386	\$ 1,730	\$ 15,116
2024	13,723	1,393	15,116
2025	14,069	1,047	15,116
2026	34,206	511	34,717
<b>Total</b>	<b>\$ 75,384</b>	<b>\$ 4,681</b>	<b>\$ 80,065</b>

In addition, the City has recorded the following deferred outflows and inflows related to the above debt issuances:

	<u>Balance</u> <u>12/31/2021</u>	<u>Advances/</u> <u>Refundings</u>	<u>Repayments</u>	<u>Balance</u> <u>12/31/2022</u>	<u>Due within</u> <u>One Year</u>
<b>Deferred Outflows</b>					
<b><u>2020 BOK Note Payable</u></b>					
Charge on Refunding	\$ (95,240)	\$ -	\$ (29,891)	\$ (65,349)	\$ (9,008)

**CITY OF BURLINGTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**NOTE 5: LONG-TERM DEBT** (Continued)

**BUSINESS-TYPE ACTIVITIES** (Continued)

**RATE MAINTENANCE COVERAGE**

The 2020 Revenue Bonds and Colorado Water Resources and Power Development Authority loan agreements requires that Net Revenues shall represent a sum equal to 115% and 110%, respectively, of the amount necessary to pay when due the principal and interest on the loan and parity debt coming due. The computation of said rate maintenance is as follows:

	\$ 1,868,914
Other Charges	6,849
Plant Investment Fees	7,525
<b>Gross Revenue</b>	<u>1,883,288</u>
Water Treatment and Distribution	404,023
Sewer Collection and Treatment	253,848
Administration	86,422
Transfers Out	36,290
<b>Operations and Maintenance Expenses</b>	<u>780,583</u>
Net Revenues	1,102,705
Maximum Annual Debt Service - FY2031	363,493
Rate Maintenance Coverage	115%
Required Rate Maintenance Net Revenue	<u>418,017</u>
<b>Excess Coverage (Deficiency)</b>	<u>\$ 684,688</u>

**GOVERNMENTAL ACTIVITIES**

The following is a summary of governmental activity long term debt.

<b><u>Governmental Activities</u></b>	<b><u>Balance</u></b>			<b><u>Balance</u></b>	<b><u>Due within</u></b>
	<b><u>12/31/2021</u></b>	<b><u>Advances</u></b>	<b><u>Repayments</u></b>	<b><u>12/31/2022</u></b>	<b><u>One Year</u></b>
2021 Capital Lease Obligations	\$ 74,048	\$ -	\$ 10,559	\$ 63,489	\$ 10,825
Accrued Compensated Absences	72,474	9,864	-	82,338	8,234
<b>Total Noncurrent Liabilities</b>	<b><u>\$ 146,522</u></b>	<b><u>\$ 9,864</u></b>	<b><u>\$ 10,559</u></b>	<b><u>\$ 145,827</u></b>	<b><u>\$ 19,059</u></b>

In May 2021, the City entered into a capital lease arrangement for the purchase of a Backhoe. The lease was for \$93,472 and requires monthly payments of \$1,182 and a final payment of \$31,582 including interest at a rate of 2.49% with payments starting September, 2021 through August, 2026.

**CITY OF BURLINGTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**NOTE 5: LONG-TERM DEBT**(Continued)

**GOVERNMENTAL ACTIVITIES** (Continued)

The City has capitalized assets with a remaining basis of \$28,820 related to this lease, the lease payments have been equally distributed among the General, Electric and Water & Sewer Funds. Upon default, the lessor will have all rights and remedies available under applicable law. In addition, all lease payments may be declared due or become due during the fiscal year in which the event of default occurs, lessor may repossess the unit, lessor may cancel any extended warranty agreement on behalf of the lessee and receive the refund of the extended warranty agreement fees that were financed but had not received from the lessee as of the date of the event of default.

Scheduled payments on the lease are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 4,132	\$ 597	\$ 4,729
2024	4,236	493	4,729
2025	4,343	386	4,729
2026	13,086	200	13,286
<b>Total</b>	<b>\$ 25,797</b>	<b>\$ 1,676</b>	<b>\$ 27,473</b>

In May 2021, the City entered into a capital lease arrangement for the purchase of a Loader. The lease was for \$139,132 and requires monthly payments of \$1,890 and a final payment of \$36,960 including interest at a rate of 2.49% with payments starting September, 2021 through August, 2026. The City has capitalized assets with a remaining basis of \$42,899 related to this lease, the lease payments have been equally distributed among the General, Electric and Water & Sewer Funds. Upon default, the lessor will have all rights and remedies available under applicable law. In addition, all lease payments may be declared due or become due during the fiscal year in which the event of default occurs, lessor may repossess the unit, lessor may cancel any extended warranty agreement on behalf of the lessee and receive the refund of the extended warranty agreement fees that were financed but had not received from the lessee as of the date of the event of default.

Scheduled payments on the lease are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 6,693	\$ 865	\$ 7,558
2024	6,862	697	7,559
2025	7,034	524	7,558
2026	17,103	255	17,358
<b>Total</b>	<b>\$ 37,692</b>	<b>\$ 2,341</b>	<b>\$ 40,033</b>

**CITY OF BURLINGTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**NOTE 6: PENSION PLANS**

**INTERNAL REVENUE CODE SECTION 457 PLAN**

The City has established an Internal Revenue Code Section 457 Plan for the benefit of employees. A 457 plan allows an employee to contribute pretax dollars towards retirement. All amounts contributed are fully vested. The City has contributed \$97,773, or up to 5% of employee payroll, in the form of an employee match for the current fiscal year.

**NOTE 7: FUND BALANCE/NET POSITION RESERVES/RESTRICTIONS**

**TAX SPENDING AND DEBT LIMITATIONS**

On November 3, 1992, the voters of Colorado approved Amendment 1, commonly known as the TABOR Amendment, which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado, all local governments, and special districts.

The City's financial activity for the year ended December 31, 2018 will provide the basis for calculation of future limitations adjusted for allowable increases tied to inflation and local growth. Subsequent to December 31, 1992, revenue in excess of the City's "spending limit" must be refunded unless voters approve the retaining of such excess revenue. TABOR generally requires voter approval for any new tax, tax increases and new debt.

At a November 1997 election, the electors of the City authorized the City to collect, retain and expend the full amount of the revenues from all sources. This election authorized the spending of such revenues in each year without limitation under Article X, Section 20 of the Colorado Constitution.

TABOR is extremely complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance. The City's management believes it is in compliance with the TABOR amendment.

The Article requires an emergency reserve be set aside for 2022 in the amount of 3% or more of its fiscal year spending. At December 31, 2022, the City has reserved/restricted the following for emergencies:

General Fund	<u>\$ 149,000</u>
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**OTHER COMMITMENTS AND RESTRICTIONS**

The City has committed or restricted other funds as summarized in Note 3. The following table represents fund balance that was been committed for expenditures through adoption of the 2023 budget:

Committed for Subsequent Year's Expenditures:	
Conservation Trust (included in Restricted)	<u>\$ 12,515</u>

In the case of the Conservation Trust Fund, as all amounts are restricted by statute, the amount shown above represents that amount of restricted equity anticipated to be used during 2023.

**CITY OF BURLINGTON, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**NOTE 8: COMMITMENTS AND CONTINGENCIES**

The City receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of the City, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2022.

**NOTE 9: RISK MANAGEMENT**

The City of Burlington, Colorado carries insurance coverage for all foreseeable risks of loss. These include, but are not necessarily limited to, worker's compensation, property and liability, bond, and errors and omissions.

The City of Burlington, Colorado carries property, liability and bond coverage through Colorado Intergovernmental Risk Sharing Agency (CIRSA). Premiums are based on prior claims, as adjusted through various worker classifications. Risk of loss is transferred to CIRSA.

The City workers' compensation insurance through Pinnacol Assurance. Risk of loss is transferred to Pinnacol.

The City has not materially changed its coverage from previous years. Based on the lack of previous loss occurrences, the City has not recorded any liability for unpaid claims at December 31, 2022.

**NOTE 10: TRANSFERS**

The City made the following routine transfers:

	<b>Transfers In</b>	<b>Transfers Out</b>
Electric Fund	\$ -	\$ 89,872
Water and Sewer Fund	-	36,290
Airport Fund	69,291	-
Tourism Promotional Fur	69,291	-
Solid Waste Fund	-	12,420
Net Transfers	<u>\$138,582</u>	<u>\$ 138,582</u>

**NOTE 11: PRIOR PERIOD RESTATEMENT**

In prior years, the amounts due for governmental activity accrued compensated absences had been included in the footnote table, but were not reported in the financial statements. The inclusion of the 2021 accrual resulted in a decrease in the beginning net position of the governmental activities in the amount of \$72,474.

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**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF BURLINGTON**

**BUDGETARY COMPARISON SCHEDULE**

**GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**With Comparative Totals for the Year Ended December 31, 2021**

	2022		VARIANCE WITH FINAL BUDGET	2021 ACTUAL
	ORIGINAL & FINAL BUDGET	ACTUAL		
<b>REVENUES</b>				
<b>Taxes</b>				
Property Taxes	\$ 384,843	\$ 374,936	\$ (9,907)	\$ 361,710
Specific Ownership Taxes	24,877	24,343	(534)	32,993
Sales and Use Taxes	1,550,600	2,268,187	717,587	1,629,861
Franchise Taxes	65,000	91,028	26,028	64,603
Other Taxes	6,600	4,637	(1,963)	6,859
Total Tax Revenue	<u>2,031,920</u>	<u>2,763,131</u>	<u>731,211</u>	<u>2,096,026</u>
<b>Intergovernmental Revenues</b>				
Cigarette Taxes	7,000	5,343	(1,657)	9,093
Highway Users	130,224	132,619	2,395	140,304
Road and Bridge	200,000	204,568	4,568	197,060
Clerk/Motor Vehicle Fees	3,100	13,372	10,272	3,220
Severance Tax	400	7,046	6,646	354
Federal Grants	255,424	189,448	(65,976)	273,992
State Grants	353,000	6,247	(346,753)	11,903
Other Intergovernmental	100,000	2,929	(97,071)	-
Total Intergovernmental Revenue	<u>1,049,148</u>	<u>561,572</u>	<u>(487,576)</u>	<u>635,926</u>
<b>Licenses and Permits</b>				
Liquor Licenses	2,500	2,828	328	2,783
Building Permits	5,000	12,391	7,391	6,037
Animal Licenses	785	675	(110)	790
Other Licenses	500	-	(500)	500
Total Licenses and Permits	<u>8,785</u>	<u>15,894</u>	<u>7,109</u>	<u>10,110</u>
<b>Fines and Forfeits</b>				
	<u>13,500</u>	<u>20,309</u>	<u>6,809</u>	<u>16,363</u>
<b>Internal Charges</b>				
Administrative/Management Fees	<u>667,605</u>	<u>670,103</u>	<u>2,498</u>	<u>664,548</u>
<b>Charges for Services</b>				
Recreation/Comm Ctr/Library Charges	124,000	144,732	20,732	136,516
Rents	18,300	18,300	-	18,400
Other Charges for Services	1,900	7,829	5,929	1,340
Total Charges for Services	<u>144,200</u>	<u>170,861</u>	<u>26,661</u>	<u>156,256</u>
<b>Investment Earnings</b>				
	<u>1,000</u>	<u>1,978</u>	<u>978</u>	<u>2,285</u>
<b>Other Revenues</b>				
Reimbursements and Refunds	19,500	18,475	(1,025)	22,675
Donations	3,000	1,707	(1,293)	7,877
Insurance Proceeds/Recoveries	-	29,738	29,738	-
Other Miscellaneous Revenue	5,000	5,856	856	24,395
Total Other Revenue	<u>27,500</u>	<u>55,776</u>	<u>28,276</u>	<u>54,947</u>
TOTAL REVENUES	<u>3,943,658</u>	<u>4,259,624</u>	<u>315,966</u>	<u>3,636,461</u>

See accompanying Independent Auditors' Report.

(Continued)

**CITY OF BURLINGTON**

**BUDGETARY COMPARISON SCHEDULE**

**GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**With Comparative Totals for the Year Ended December 31, 2021**

	<b>2022</b>		<b>VARIANCE WITH FINAL BUDGET</b>	<b>2021</b>
	<b>ORIGINAL &amp; FINAL BUDGET</b>	<b>ACTUAL</b>		<b>ACTUAL</b>
(Continued)				
<b>EXPENDITURES</b>				
<b>General Government</b>				
Personnel Services	394,160	392,852	1,308	378,052
Contract labor	102,000	92,686	9,314	110,284
Fuel and Automotive	100	-	100	-
Insurance	142,708	146,336	(3,628)	135,549
Professional Fees	81,718	106,028	(24,310)	82,666
Repairs and Maintenance	2,000	289	1,711	1,706
Supplies	19,200	38,801	(19,601)	24,044
Telephone and Utilities	17,950	16,625	1,325	18,130
Travel and Training	8,000	7,441	559	5,423
Other Expenses	97,526	115,195	(17,669)	77,183
Total General Government	<u>865,362</u>	<u>916,253</u>	<u>(50,891)</u>	<u>833,037</u>
<b>Public Safety</b>				
Personnel Services	679,270	531,984	147,286	527,251
Fuel and Automotive	15,000	16,371	(1,371)	14,069
Insurance	-	1,193	(1,193)	-
Professional Fees	52,400	51,749	651	51,311
Repairs and Maintenance	28,000	22,762	5,238	9,386
Supplies	26,100	22,220	3,880	63,360
Telephone and Utilities	24,800	22,508	2,292	26,542
Travel and Training	18,250	3,676	14,574	15,594
Other Expenses	62,500	67,692	(5,192)	49,131
Total Public Safety	<u>906,320</u>	<u>740,155</u>	<u>166,165</u>	<u>756,644</u>
<b>Public Works</b>				
Personnel Services	304,672	288,906	15,766	233,033
Fuel and Automotive	5,000	7,549	(2,549)	5,035
Insurance	-	-	-	2,000
Professional Fees	11,100	26,298	(15,198)	6,121
Repairs and Maintenance	101,500	57,126	44,374	114,373
Supplies	6,810	8,138	(1,328)	2,346
Telephone and Utilities	4,500	6,662	(2,162)	5,454
Travel and Training	250	808	(558)	-
Other Expenses	4,350	3,982	368	2,487
Total Public Works/Comm Devel	<u>438,182</u>	<u>399,469</u>	<u>38,713</u>	<u>370,849</u>
<b>Parks, Recreation and Other</b>				
Personnel Services	719,227	640,683	78,544	607,212
Fuel and Automotive	6,150	9,305	(3,155)	7,156
Insurance	-	1,951	(1,951)	-
Professional Fees	4,195	4,128	67	2,630
Repairs and Maintenance	35,800	38,076	(2,276)	34,638
Supplies	59,520	86,825	(27,305)	70,208
Telephone and Utilities	75,350	84,424	(9,074)	82,465
Travel and Training	1,575	1,661	(86)	1,010
Other Expenses	86,565	107,605	(21,040)	90,044
Total Parks, Recreation & Other	<u>988,382</u>	<u>974,658</u>	<u>13,724</u>	<u>895,363</u>

See accompanying Independent Auditors' Report.

(Continued)

**CITY OF BURLINGTON**

**BUDGETARY COMPARISON SCHEDULE**

**GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**With Comparative Totals for the Year Ended December 31, 2021**

	<b>2022</b>		<b>VARIANCE WITH FINAL BUDGET</b>	<b>2021 ACTUAL</b>
	<b>ORIGINAL &amp; FINAL BUDGET</b>	<b>ACTUAL</b>		
(Continued)				
<b>Capital Outlay</b>				
General Government Capital Outlay	202,500	19,139	183,361	-
Public Safety Capital Outlay	35,000	-	35,000	64,096
Public Works Capital Outlay	197,287	5,585	191,702	83,082
Parks, Recreation and Other Capital Outlay	517,000	140,153	376,847	150,988
Total Capital Outlay	<u>951,787</u>	<u>164,877</u>	<u>786,910</u>	<u>298,166</u>
<b>Debt Service</b>				
Principal	-	4,030	(4,030)	1,576
Interest	-	8,367	(8,367)	2,519
Total Debt Service	<u>-</u>	<u>12,397</u>	<u>(12,397)</u>	<u>4,095</u>
TOTAL EXPENDITURES	<u>4,150,033</u>	<u>3,207,809</u>	<u>942,224</u>	<u>3,158,154</u>
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	(206,375)	1,051,815	1,258,190	478,307
<b>OTHER FINANCING SOURCES (USES)</b>				
Debt Proceeds	-	-	-	77,535
Transfers In	(250,000)	-	250,000	-
<b>NET CHANGE IN FUND BALANCE - BUDGET BASIS</b>	<u>\$ (456,375)</u>	1,051,815	<u>\$ 1,508,190</u>	555,842
<b>Budget to GAAP Basis Reconciliation</b>				
Debt Proceeds		-		77,535
Capital Outlay		-		(77,535)
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>		1,051,815		555,842
<b>FUND BALANCE - BEGINNING</b>		1,280,584		724,742
<b>FUND BALANCE - ENDING</b>		<u>\$ 2,332,399</u>		<u>\$ 1,280,584</u>

See accompanying Independent Auditors' Report.

CITY OF BURLINGTON

**BUDGETARY COMPARISON SCHEDULE**

**TOURISM AND PROMOTION FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**With Comparative Totals for the Year Ended December 31, 2021**

	<b>2022</b>				<b>2021</b>
	<b>ORIGINAL BUDGET</b>	<b>FINAL BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET</b>	
<b>REVENUES</b>					
<b>Taxes</b>					
Other Taxes	\$ 226,100	\$ 231,100	\$ 242,237	\$ 11,137	224,373
<b>Intergovernmental Revenues</b>					
Federal Grants	31,588	31,588	31,588	-	37,883
<b>Charges for Services</b>					
Recreation/Comm Ctr/Library Charges	364,400	426,400	398,776	(27,624)	399,719
Sales of Goods	500	500	558	58	649
Rents	15,105	15,105	15,105	-	15,184
Total Charges for Services	380,005	442,005	414,439	(27,566)	415,552
<b>Other Revenues</b>					
Donations	12,500	42,500	52,235	9,735	32,214
TOTAL REVENUES	650,193	747,193	740,499	(6,694)	710,022
<b>EXPENDITURES</b>					
<b>General Government</b>					
Contract labor	600	600	636	(36)	616
Insurance	-	-	552	(552)	-
Professional Fees	9,600	9,600	9,600	-	9,600
Repairs and Maintenance	2,500	2,500	1,666	834	7,850
Telephone and Utilities	6,500	6,500	7,068	(568)	6,724
Total General Government	19,200	19,200	19,522	(322)	24,790
<b>Public Works</b>					
<b>Parks, Recreation and Other</b>					
Personnel Services	268,126	278,126	259,898	18,228	245,053
Fuel and Automotive	750	750	1,387	(637)	739
Insurance	-	-	13,044	(13,044)	-
Professional Fees	87,500	97,500	97,290	210	90,562
Repairs and Maintenance	30,350	30,350	30,024	326	35,911
Supplies	82,150	142,150	133,455	8,695	88,112
Telephone and Utilities	46,500	46,500	57,239	(10,739)	49,218
Travel and Training	2,800	2,800	3,753	(953)	2,199
Other Expenses	82,200	112,200	124,122	(11,922)	96,120
Total Parks, Recreation & Other	600,376	710,376	720,212	(9,836)	607,914
<b>Capital Outlay</b>					
Parks, Recreation and Other Capital Outlay	57,500	64,500	52,683	11,817	47,965
TOTAL EXPENDITURES	677,076	794,076	792,417	1,659	680,669
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURE</b>	(26,883)	(46,883)	(51,918)	(5,035)	29,353
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	(68,552)	69,291	69,291	-	68,063
<b>NET CHANGE IN FUND BALANCE - BUDGET BASIS</b>	\$ (95,435)	\$ 22,408	17,373	\$ (5,035)	97,416
<b>FUND BALANCE - BEGINNING</b>			144,943		47,527
<b>FUND BALANCE - ENDING</b>			\$ 162,316		\$ 144,943

See accompanying Independent Auditors' Report.

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**OTHER SUPPLEMENTARY INFORMATION**

CITY OF BURLINGTON

**BUDGETARY COMPARISON SCHEDULE**  
**NONMAJOR CONSERVATION TRUST FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
**With Comparative Totals for the Year Ended December 31, 2021**

	2022			VARIANCE WITH FINAL BUDGET	2021 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
<b>REVENUES</b>					
<b>Intergovernmental Revenues</b>					
Conservation Trust Fund	\$ 35,000	\$ 35,000	\$ 40,505	\$ 5,505	\$ 38,525
Federal Grants	7,607	7,607	-	(7,607)	-
Total Intergovernmental Revenue	42,607	42,607	40,505	(2,102)	38,525
<b>Investment Earnings</b>	65	65	26	(39)	26
TOTAL REVENUES	42,672	42,672	40,531	(2,141)	38,551
<b>EXPENDITURES</b>					
<b>Parks, Recreation and Other</b>					
Repairs and Maintenance	40	40	36	4	46
Parks, Recreation and Other Capital Outlay	250,000	250,000	145,885	104,115	32,651
TOTAL EXPENDITURES	250,040	250,040	145,921	104,119	32,697
<b>NET CHANGE IN FUND BALANCE - BUDGET BASIS</b>	\$ (207,368)	\$ (207,368)	(105,390)	\$ 101,978	5,854
<b>FUND BALANCE - BEGINNING</b>			269,052		263,198
<b>FUND BALANCE - ENDING</b>			\$ 163,662		\$ 269,052

See accompanying Independent Auditors' Report.

**CITY OF BURLINGTON**

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

**BUDGET AND ACTUAL**

**ELECTRIC FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**With Comparative Totals for the Year Ended December 31, 2021**

	<b>2022</b>		<b>VARIANCE WITH FINAL BUDGET</b>	<b>2021</b>
	<b>FINAL BUDGET</b>	<b>ACTUAL</b>		<b>ACTUAL</b>
<b>OPERATING REVENUE</b>				
Utility Charges	\$ 4,424,000	\$ 4,500,585	\$ 76,585	\$ 4,770,825
Other Charges for Services	54,600	58,476	3,876	43,516
<b>TOTAL REVENUES</b>	<b>4,478,600</b>	<b>4,559,061</b>	<b>80,461</b>	<b>4,814,341</b>
<b>OPERATING EXPENSES</b>				
Management Fees	449,360	449,360	-	447,900
Electric Production	3,059,741	2,714,926	344,815	3,070,001
Electric Distribution	439,745	284,077	155,668	480,585
Administration	115,166	110,316	4,850	123,577
Other Capital Outlay	250,000	344,534	(94,534)	156,625
<b>TOTAL EXPENDITURES</b>	<b>4,314,012</b>	<b>3,903,213</b>	<b>410,799</b>	<b>4,278,688</b>
Operating Income (Loss)	164,588	655,848	491,260	535,653
<b>OTHER INCOME (EXPENSES)</b>				
Intergovernmental Revenue	-	-	-	1,500
Investment Earnings	3,500	14,317	10,817	4,425
Other Revenue	1,500	55,944	54,444	19,019
Debt Service	-	(12,287)	(12,287)	150,974
<b>TOTAL OTHER INCOME (EXPENSES)</b>	<b>5,000</b>	<b>57,974</b>	<b>52,974</b>	<b>175,918</b>
Net Income (Loss) before Transfers	169,588	713,822	544,234	711,571
<b>TRANSFERS</b>				
Transfers Out	(89,872)	(89,872)	-	(89,580)
Net Income (Loss), Budget Basis	79,716	623,950	544,234	621,991
<b>CONTRIBUTED CAPITAL</b>				
Plant Investment Fees	10,000	29,349	19,349	-
<b>TOTAL CONTRIBUTED CAPITAL</b>	<b>10,000</b>	<b>29,349</b>	<b>19,349</b>	<b>-</b>
Change in Net Position (Budget Basis)	\$ 89,716	653,299	\$ 563,583	621,991
<b>BUDGET TO GAAP RECONCILIATION</b>				
Principal Paid		10,559		(151,583)
Depreciation Expense		(229,198)		(223,165)
Capital Outlay		344,534		156,625
<b>CHANGE IN NET POSITION (BUDGET BASIS)</b>		<b>779,194</b>		<b>403,868</b>
<b>NET POSITION - BEGINNING</b>		<b>9,694,848</b>		<b>9,290,980</b>
<b>NET POSITION - ENDING</b>		<b>\$ 10,474,042</b>		<b>\$ 9,694,848</b>

See accompanying Independent Auditors' Report.

**CITY OF BURLINGTON**

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**BUDGET AND ACTUAL**  
**WATER & SEWER FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
**With Comparative Totals for the Year Ended December 31, 2021**

	<b>2022</b>		<b>VARIANCE WITH FINAL BUDGET</b>	<b>2021</b>	
	<b>FINAL BUDGET</b>	<b>ACTUAL</b>		<b>BUDGET</b>	<b>ACTUAL</b>
<b>OPERATING REVENUES</b>					
Utility Charges	\$ 1,795,850	\$ 1,864,157	\$ 68,307	\$ 1,808,434	
Other Charges for Services	2,000	4,757	2,757	3,029	
TOTAL REVENUES	<u>1,797,850</u>	<u>1,868,914</u>	<u>71,064</u>	<u>1,811,463</u>	
<b>OPERATING EXPENSES</b>					
Management Fees	181,445	181,445	-	178,020	
Water Treatment and Distribution	561,567	404,023	157,544	514,414	
Sewer Collection and Treatment	258,772	253,848	4,924	202,278	
Administration	100,453	86,422	14,031	80,873	
Other Capital Outlay	<u>162,287</u>	<u>15,398</u>	<u>146,889</u>	<u>160,920</u>	
TOTAL EXPENDITURES	<u>1,264,524</u>	<u>941,136</u>	<u>323,388</u>	<u>1,136,505</u>	
Operating Income (Loss)	<u>533,326</u>	<u>927,778</u>	<u>394,452</u>	<u>674,958</u>	
<b>OTHER INCOME (EXPENSES)</b>					
Intergovernmental Revenue	-	-	-	2,000	
Investment Earnings	2,100	6,849	4,749	3,641	
Other Revenue	1,000	-	(1,000)	985	
Debt Service	<u>(339,082)</u>	<u>(372,691)</u>	<u>(33,609)</u>	<u>(370,962)</u>	
TOTAL OTHER INCOME (EXPENSES)	<u>(335,982)</u>	<u>(365,842)</u>	<u>(29,860)</u>	<u>(364,336)</u>	
Net Income (Loss) before Transfers	197,344	561,936	364,592	310,622	
<b>TRANSFERS</b>					
Transfers Out	<u>(36,290)</u>	<u>(36,290)</u>	<u>-</u>	<u>(35,604)</u>	
Net Income (Loss), Budget Basis	161,054	525,646	364,592	275,018	
<b>CONTRIBUTED CAPITAL</b>					
Plant Investment Fees	<u>13,500</u>	<u>7,525</u>	<u>(5,975)</u>	<u>15,000</u>	
CHANGE IN NET POSITION (BUDGET BASIS)	<u>\$ 174,554</u>	<u>533,171</u>	<u>\$ 358,617</u>	<u>290,018</u>	
<b>BUDGET TO GAAP RECONCILIATION</b>					
Principal Paid		280,203		264,738	
Depreciation Expense		(270,134)		(265,231)	
Gain (Loss) on Sale of Assets		(4,596)		-	
Capital Outlay		<u>15,398</u>		<u>160,920</u>	
<b>CHANGE IN NET POSITION - GAAP BASIS</b>		554,042		450,445	
<b>NET POSITION - BEGINNING</b>		<u>8,290,770</u>		<u>7,840,325</u>	
<b>NET POSITION - ENDING</b>		<u>\$ 8,844,812</u>		<u>\$ 8,290,770</u>	

See accompanying Independent Auditors' Report.

CITY OF BURLINGTON

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

**BUDGET AND ACTUAL**

**Solid Waste Fund**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**With Comparative Totals for the Year Ended December 31, 2021**

	<b>2022</b>		<b>Variance with Final Budget</b>	<b>2021</b>	
	<b>FINAL Budget</b>	<b>Actual</b>		<b>Actual</b>	<b>Actual</b>
<b>Operating Revenues</b>					
Utility Charges	\$ 629,000	\$ 562,775	\$ (66,225)		\$ 550,800
<b>Operating Expenses</b>					
Management Fees	39,000	39,299	(299)		38,628
Solid Waste Collection	<u>524,000</u>	<u>523,268</u>	<u>732</u>		<u>514,189</u>
Total Expenditures	<u>563,000</u>	<u>562,567</u>	<u>433</u>		<u>552,817</u>
Operating Income (Loss)	66,000	208	(65,792)		(2,017)
<b>Other Income (Expense)</b>					
Investment Earnings	<u>12</u>	<u>1</u>	<u>(11)</u>		<u>12</u>
Net Income (Loss) before Transfers	66,012	209	(65,803)		(2,005)
<b>Transfers</b>					
Transfers Out	<u>(12,420)</u>	<u>(12,420)</u>	<u>-</u>		<u>(10,942)</u>
Change in Net Position (Budget Basis)	<u>\$ 53,592</u>	<u>(12,211)</u>	<u>\$ (65,803)</u>		<u>(12,947)</u>
<b>Net Position, Beginning</b>		<u>60,219</u>			<u>73,166</u>
<b>Net Position, Ending</b>		<u>\$ 48,008</u>			<u>\$ 60,219</u>

See accompanying Independent Auditors' Report.

CITY OF BURLINGTON

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

**BUDGET AND ACTUAL**

**Airport Fund**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**With Comparative Totals for the Year Ended December 31, 2021**

	2022			2021 Actual
	Final Budget	Actual	Variance with Final Budget	
<b>Operating Revenues</b>				
Airport Charges	\$ 374,630	\$ 445,437	\$ 70,807	\$ 375,912
Other Charges for Services	37,050	13,771	(23,279)	12,745
Total Revenues	<u>411,680</u>	<u>459,208</u>	<u>47,528</u>	<u>388,657</u>
<b>Operating Expenses</b>				
Airport	570,713	581,012	(10,299)	472,238
Administration	45	-	45	70
Other Capital Outlay	<u>22,000</u>	<u>10,882</u>	<u>11,118</u>	<u>335,249</u>
Total Expenditures	<u>592,758</u>	<u>591,894</u>	<u>864</u>	<u>807,557</u>
Operating Income (Loss)	<u>(181,078)</u>	<u>(132,686)</u>	<u>48,392</u>	<u>(418,900)</u>
<b>Other Income (Expense)</b>				
Intergovernmental Revenue	100,000	100,000	-	85,951
Investment Earnings	-	58	58	46
Other Revenue	<u>-</u>	<u>6,444</u>	<u>6,444</u>	<u>-</u>
Total Other Income (Expense)	<u>100,000</u>	<u>106,502</u>	<u>6,502</u>	<u>85,997</u>
Net Income (Loss) before Transfers	(81,078)	(26,184)	54,894	(332,903)
<b>Transfers</b>				
Transfers In	69,291	69,291	-	68,063
<b>Contributed Capital</b>				
Intergovernmental Revenue	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>	<u>220,363</u>
Change in Net Position (Budget Basis)	<u>\$ 3,213</u>	<u>43,107</u>	<u>\$ 39,894</u>	<u>(44,477)</u>
<b>Budget to GAAP Reconciliation</b>				
Depreciation Expense		(305,093)		(304,871)
Capital Outlay		<u>10,882</u>		<u>335,249</u>
<b>Change in Net Position - GAAP Basis</b>		(251,104)		(14,099)
<b>Net Position, Beginning</b>		<u>4,437,298</u>		<u>4,451,397</u>
<b>Net Position, Ending</b>		<u>\$ 4,186,194</u>		<u>\$ 4,437,298</u>

See accompanying Independent Auditors' Report.

## **STATE COMPLIANCE**

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: City of Burlington
		YEAR ENDING : December 2022
This Information From The Records Of City of Burlington, Colorado	Prepared By: Phone:	Lorraine Trotter, Prof'l Mgmt Solutions 303-910-9197

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

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

**II. RECEIPTS FOR ROAD AND STREET PURPOSES**

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	2,251
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	289,115
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	6,662
2. General fund appropriations		b. Snow and ice removal	73,447
3. Other local imposts (from page 2)	490,215	c. Other	
4. Miscellaneous local receipts (from page 2)	214,545	d. Total (a. through c.)	80,109
5. Transfers from toll facilities		4. General administration & miscellaneous	33,578
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	169,906
a. Bonds - Original Issues		6. Total (1 through 5)	574,959
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest & Costs of Issuance	
7. Total (1 through 6)	704,760	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government</b> (from page 2)	145,991	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	0	a. Interest	1,838
<b>E. Total receipts (A.7 + B + C + D)</b>	850,751	b. Redemption	10,559
		c. Total (a. + b.)	12,397
		3. Total (1.c + 2.c)	12,397
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	587,356

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>				0
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>	74,048	0	10,559	63,489

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	850,751	587,356	263,396	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2022	
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	9,977
1. Sales Taxes	465,872	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	24,343	g. Other Misc. Receipts	
6. Total (1. through 5.)	490,215	h. Other County Road & Bridge Tax	204,568
c. Total (a. + b.)	490,215	i. Total (a. through h.)	214,545
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	132,619	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	13,372	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	13,372	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	145,991	3. Total (1. + 2.g)	
			(Carry forward to page 1)
<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			
(3). System Preservation			0
(4). System Enhancement & Operation		2,251	2,251
(5). Total Construction (1) + (2) + (3) + (4)	0	2,251	2,251
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	2,251	2,251
			(Carry forward to page 1)
<b>Notes and Comments:</b>			