

**BENNETT PARK AND RECREATION  
DISTRICT**

**Financial Statements**

**December 31, 2023**

# BENNETT PARK AND RECREATION DISTRICT

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## Dazzio & Associates, PC

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Certified Public Accountants

### INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Bennett Park and Recreation District  
Adams County, Colorado

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of the Bennett Park and Recreation District (the District), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District'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, and each major fund of the District, as of December 31, 2023, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District'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.

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### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Supplementary Information, as listed in the table of contents, is presented for purposes of additional analysis and is 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.

### ***Other Information***

Management is responsible for the other information included in the annual report. The Other Information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Dassio & Associates, P.C.*

April 3, 2024

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## BENNETT PARK AND RECREATION DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2023

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As management of the Bennett Park and Recreation District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with the District's financial statements.

#### FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of 2023 by \$1,845,862. Of the net position total, \$1,437,756 is classified as net investment in capital assets and \$328,726 is restricted. The District has an unrestricted net position of \$79,380.
- The District's total net position increased \$98,667.
- The total expenses of the District's programs increased \$32,053, or 4%, compared to 2022.
- Total revenue increased \$46,686, or 5%, compared to 2022.
- The District's governmental funds reported combined ending fund balance of \$424,288, an increase of \$83,266 in comparison with the prior year.
- The General Fund reported an *unassigned* fund balance of \$90,229 as of December 31, 2023, an increase of \$47,825 in 2023.
- The District made all debt service payments in 2023.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

## BENNETT PARK AND RECREATION DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2023

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#### Government-wide financial statements

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

The *statement of net position* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District'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 vacation leave).

The government-wide financial statements present functions of the District that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the District include Administrative, Recreation, Senior, Aquatics and Janitorial services.

#### Fund financial statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

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 funds balance sheet and

## BENNETT PARK AND RECREATION DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2023

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the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains two individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund and the Debt Service Fund, which are considered to be major funds.

The District adopts an annual appropriated budget for each of its funds. Budgetary comparison statements and schedules have been provided for all funds to demonstrate compliance with the budget.

**Notes to the 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.

**Supplementary and Other Information.** In addition to the basic financial statements and the accompanying notes, this report also presents a budget to actual schedule for the District's debt service fund as well as schedules presenting the District's debt requirements and a history of assessed valuation and mill levies for the past several years.

#### GOVERNMENT-WIDE FINANCIAL ANALYSIS

##### Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The analysis below focuses on the net position and changes in net position of the District's governmental activities.

Table 1 presents an analysis of the District's net position as of December 31, 2023 and 2022. The District's assets exceeded liabilities by \$1,845,862 at the close of 2023. Total net position increased \$98,667 in 2023 and increased \$84,034 in 2022.

The increase is comprised of the following:

- Total assets increased \$201,604 to \$3,516,805. This was mainly caused by increases in cash balances of \$304,469 and capital asset additions of \$80,500 less depreciation on those assets of \$188,911.

**BENNETT PARK AND RECREATION DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**DECEMBER 31, 2023**

- Total liabilities increased \$91,167 to \$1,270,975. The increase was due to unspent grant proceeds of \$217,852 reported as unearned revenue and payments towards long-term debt obligations in 2023 amounting to \$123,514.

**Table 1**  
**Summary of Net Position**

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
Current and Other Assets	\$ 1,059,317	\$ 749,302
Capital Assets	2,457,488	2,565,899
Total Assets	<u>3,516,805</u>	<u>3,315,201</u>
<b>Liabilities</b>		
Long-term Liabilities	1,033,125	1,156,639
Other Liabilities	19,998	23,169
Total Liabilities	<u>1,053,123</u>	<u>1,179,808</u>
<b>Deferred Inflows of Resources</b>	<u>399,968</u>	<u>388,198</u>
<b>Net Position</b>		
Net Investment in Capital Assets	1,437,756	1,420,476
Restricted	328,726	285,595
Unrestricted	79,380	41,124
Total Net Position	<u>\$ 1,845,862</u>	<u>\$ 1,747,195</u>

The largest portion of the District's assets reflects its investment of \$2,457,488 in capital assets (e.g., buildings and equipment). Net Capital assets are reported less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position, \$328,726 represents resources that are subject to external restrictions on how they may be used. The District's unrestricted net position was \$79,380 at the end of the year compared to \$41,124 at the end of 2022.

**BENNETT PARK AND RECREATION DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**DECEMBER 31, 2023**

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**Changes in Net Position**

As presented in Table 2, the District's net position increased \$98,667 during 2023.

Revenues increased \$46,686, or 5%, compared to 2022. Revenues from charges for services increased \$62,591 (24%) due to increased center usage. Property taxes increased \$25,226 due to an increase in assessed valuation by 7%. Operating and capital grants decreased \$57,841 mainly due to a Federal American Recovery Act grant of \$80,000 that was received in 2022.

Expenses increased \$32,053, or 4%, in 2023 mainly due to increased personnel costs.

**Table 2**  
**Summary of Changes in Net Position**

<b>Revenues</b>	<b>2023</b>	<b>2022</b>
Program Revenues		
Charges for Services	\$ 321,835	\$ 259,244
Operating Grants	149,221	265,062
Capital Grants	58,000	-
General Revenues		
Taxes	412,002	386,762
Investment Earnings	24,113	6,265
Other	6,054	7,206
Total Revenues	<u>971,225</u>	<u>924,539</u>
<b>Expenses</b>		
Administration	214,750	234,945
Building Operations	154,232	149,964
Communities that Care	96,414	100,376
Recreation Programs	175,844	120,374
Interest Expense	42,407	46,787
Unallocated Depreciation	188,911	188,059
Total Expenses	<u>872,558</u>	<u>840,505</u>
<b>Change in Net Position</b>	98,667	84,034
<b>Net Position - Beginning</b>	<u>1,747,195</u>	<u>1,663,161</u>
<b>Net Position - Ending</b>	<u>\$ 1,845,862</u>	<u>\$ 1,747,195</u>

## BENNETT PARK AND RECREATION DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2023

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#### Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable resources*. This information is necessary to assess the District's financing requirements. Types of governmental funds reported by the District include the General Fund and the Debt Service Fund.

At December 31, 2023, the District's governmental funds reported combined ending fund balance of \$424,288, an increase of \$83,266.

The fund balance of the District's General Fund increased \$47,933 during 2023. Key factors are as follows:

- As mentioned earlier, the General Fund's main revenue source of recreation and aquatics revenues increased \$62,591 from \$259,244 in 2022 to \$321,835 in 2023 due to increased recreation center usage. The District received \$67,850 in grants during 2023 compared to \$114,500 in 2022. The District received a Communities that Care Grant in October 2016. The grant has been extended to June 30, 2024. The purpose of the grant is to implement local evidence-based youth substance abuse prevention strategies to prevent youth initiation of substance use, by addressing common risk factors and improving protective factors across the socio ecological model within Adams County. In 2023, this generated \$100,686 and \$96,414 in revenues and expenditures, respectively.
- Expenditures increased in 2023, increasing \$111,237 or 18%, mainly due to increased personnel expenditures of approximately \$20,000 and costs to replace the recreation center roof for \$80,500.

The fund balance of the Debt Service Fund increased \$35,333 from \$273,582 to \$308,915 due to the increase in debt service property taxes collected from \$155,787 in 2022 to \$166,460 in 2023.

#### General Fund Budgetary Highlights

General Fund actual revenues were \$45,073 more than budgeted and expenditures exceeded appropriations by \$82,917.

**BENNETT PARK AND RECREATION DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**DECEMBER 31, 2023**

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**Capital Assets and Debt Administration**

**Capital Assets**

As can be seen from the table below, the District's investment in capital assets as of December 31, 2023 amounts to \$2,457,488 (net of accumulated depreciation). This investment in capital assets includes buildings, improvements and machinery and equipment.

The following table provides comparative information on the District's net capital assets for 2023 and 2022.

	<u>2023</u>	<u>2022</u>
Recreation Center	\$ 1,438,410	\$ 1,399,433
Pool	1,018,706	1,165,606
Equipment, Furniture & Fixtures	372	860
Total Capital Assets, Net	<u>\$ 2,457,488</u>	<u>\$ 2,565,899</u>

Additional information on capital assets can be found in the notes to the financial statements (Note 4).

**Debt Administration**

The following tables provide comparative information on the District's long-term debt for 2023 and 2022.

	<u>2023</u>	<u>2022</u>
General Obligation Refunding Note	\$ 973,000	\$ 1,077,000
Leases	46,732	68,423
Compensated Absences	13,393	11,216
Total Long-term Debt	<u>\$ 1,033,125</u>	<u>\$ 1,156,639</u>

All scheduled debt service payments were made on the District's obligations in 2023.

Additional information on the District's long-term obligations can be found in the notes to the financial statements (Note 5).

**BENNETT PARK AND RECREATION DISTRICT**

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**DECEMBER 31, 2023**

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**Next Year’s Budgets and Rates**

The District has appropriated \$944,680 for spending in the 2024 fiscal year budget. It is anticipated that beginning fund balances, property tax revenue, specific ownership tax revenue, recreation fees and grants revenue will be sufficient to cover these expenditures. Below is a summary of revenues and expenditures budgeted for 2024:

	<b>2024 Budget</b>
<b>Revenues:</b>	
Taxes	\$ 258,568
Fees and Charges	310,000
Communities that Care	103,000
Grants	210,000
Conservation Trust	30,000
Miscellaneous	20,000
<b>Total Revenues</b>	<u>931,568</u>
<b>Expenditures:</b>	
Administration	241,700
Building Operations	348,000
Communities that Care	93,635
Recreation	60,000
Senior Recreation	30,500
Aquatics	146,000
Debt Service	24,845
<b>Total Expenditures</b>	<u>944,680</u>
<b>Net Change in Fund Balance</b>	<u>\$ (13,112)</u>

**Requests for Information**

This financial report is designed to provide a general overview of the District’s finances for all those with an interest in the District’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Bennett Park and Recreation District at 455 S. 1st Street, Bennett, Colorado, 80102.

## **BASIC FINANCIAL STATEMENTS**

**BENNETT PARK AND RECREATION DISTRICT**

**STATEMENT OF NET POSITION**

**December 31, 2023**

<b>Assets</b>	
Cash and Investments	\$ 337,547
Cash and Investments - Restricted	308,611
Due from County Treasurer	2,893
Accounts Receivable	7,754
Prepaid Expense	2,544
Property Taxes Receivable	399,968
Capital Assets, Net of Accumulated Depreciation	<u>2,457,488</u>
<b>Total Assets</b>	<u>3,516,805</u>
<b>Liabilities</b>	
Accounts Payable	17,209
Accrued Interest Payable	2,789
Unearned Revenue	217,852
Noncurrent Liabilities	
Due Within One Year	135,689
Due In More Than One Year	<u>897,436</u>
<b>Total Liabilities</b>	<u>1,270,975</u>
<b>Deferred Inflows of Resources</b>	
Unavailable Revenue - Property Taxes	<u>399,968</u>
<b>Net Position</b>	
Net Investment in Capital Assets	1,437,756
Restricted	
Debt Service	306,126
Tabor Emergencies	22,600
Unrestricted	<u>79,380</u>
<b>Total Net Position</b>	<u>\$ 1,845,862</u>

The notes to the financial statements are an integral part of this statement.

**BENNETT PARK AND RECREATION DISTRICT**

**STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2023**

<b>Function/Program Activities</b>	<b>Expenses</b>	<b>Program Revenues</b>			<b>Net (Expense) Revenue and Changes in Net Position</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	
Administration	\$ 214,750	\$ -	\$ 15,119	\$ -	\$ (199,631)
Building Operations	154,232	-	-	58,000	(96,232)
Communities that Care	96,414	-	100,686	-	4,272
Recreation Programs	175,844	321,835	33,416	-	179,407
Interest and Related Charges on Long-term Debt	42,407	-	-	-	(42,407)
Unallocated Depreciation	188,911	-	-	-	(188,911)
<b>Total</b>	<b>\$ 872,558</b>	<b>\$ 321,835</b>	<b>\$ 149,221</b>	<b>\$ 58,000</b>	<b>(343,502)</b>

General Revenues

Property Taxes - Operating	219,043
Property Taxes - Debt Service	166,460
Specific Ownership Taxes	26,499
Net Investment Income	24,113
Other	6,054

Total General Revenues 442,169

Change in Net Position 98,667

Net Position - Beginning 1,747,195

Net Position - Ending \$ 1,845,862

The notes to the financial statements are an integral part of this statement.

**BENNETT PARK AND RECREATION DISTRICT**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2023**

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
<b>Assets</b>			
Cash and Investments	\$ 337,547	\$ -	\$ 337,547
Cash and Investments - Restricted	-	308,611	308,611
Due from County Treasurer	2,589	304	2,893
Accounts Receivable	7,754	-	7,754
Prepaid Expenditures	2,544	-	2,544
Property Taxes Receivable	258,568	141,400	399,968
<b>Total Assets</b>	<u>\$ 609,002</u>	<u>\$ 450,315</u>	<u>\$ 1,059,317</u>
<b>Liabilities</b>			
Accounts Payable	\$ 17,209	\$ -	\$ 17,209
Unearned Revenue	217,852	-	217,852
<b>Total Liabilities</b>	<u>235,061</u>	<u>-</u>	<u>235,061</u>
<b>Deferred Inflows of Resources</b>			
Unavailable Revenue - Property Taxes	258,568	141,400	399,968
<b>Fund Balances</b>			
Nonspendable	2,544	-	2,544
Restricted:			
Debt Service	-	308,915	308,915
TABOR Emergencies	22,600	-	22,600
Unassigned	90,229	-	90,229
<b>Total Fund Balances</b>	<u>115,373</u>	<u>308,915</u>	<u>424,288</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 609,002</u>	<u>\$ 450,315</u>	<u>\$ 1,059,317</u>

The notes to the financial statements are an integral part of this statement.

**BENNETT PARK AND RECREATION DISTRICT**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
December 31, 2023**

<b>Total Fund Balance - Governmental Funds</b>		\$ 424,288
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Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Those assets consist of:

Recreation Building, Net	\$ 1,438,410		
Swimming Pool, Net	1,018,706		
Equipment and Furniture, Net	<u>372</u>		2,457,488

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net position.

Balances at year-end are:

General Obligation Note Payable	(973,000)		
Capital Lease Obligations	(46,732)		
Compensated Absences	<u>(13,393)</u>		(1,033,125)

Interest on long-term debt is not accrued in the funds, but rather is recognized as an expenditure when due		<u>(2,789)</u>
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<b>Net Position - Governmental Activities</b>		<u><u>\$ 1,845,862</u></u>
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The notes to the financial statements are an integral part of this statement.

**BENNETT PARK AND RECREATION DISTRICT**

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

**GOVERNMENTAL FUNDS**

**For the Year Ended December 31, 2023**

	<b>General</b>	<b>Debt Service</b>	<b>Total</b>
<b>Revenues</b>			
Property Taxes	\$ 219,043	\$ 166,460	\$ 385,503
Specific Ownership Taxes	26,499	-	26,499
Conservation Trust Fund	33,416	-	33,416
Recreation Fees and Revenues	321,835	-	321,835
Intergovernmental Revenue	67,850	-	67,850
Grant Revenue	100,686	-	100,686
Contributions	5,269	-	5,269
Interest Income	11,688	12,425	24,113
Other	6,054	-	6,054
<b>Total Revenues</b>	<b>792,340</b>	<b>178,885</b>	<b>971,225</b>
<b>Expenditures</b>			
Current			
Administration	212,573	2,503	215,076
Building Operations	154,232	-	154,232
Communities That Care	96,414	-	96,414
Recreation	73,887	-	73,887
Senior Recreation	21,491	-	21,491
Aquatics	80,466	-	80,466
Debt Service			
Principal	21,691	104,000	125,691
Interest	3,153	37,049	40,202
Capital Outlay	80,500	-	80,500
<b>Total Expenditures</b>	<b>744,407</b>	<b>143,552</b>	<b>887,959</b>
<b>Net Change in Fund Balances</b>	<b>47,933</b>	<b>35,333</b>	<b>83,266</b>
<b>Fund Balances - Beginning</b>	<b>67,440</b>	<b>273,582</b>	<b>341,022</b>
<b>Fund Balances - Ending</b>	<b>\$ 115,373</b>	<b>\$ 308,915</b>	<b>\$ 424,288</b>

The notes to the financial statements are an integral part of this statement.

**BENNETT PARK AND RECREATION DISTRICT**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2023**

<b>Net Change in Fund Balances - Governmental Funds</b>	\$ 83,266
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlay	80,500
Depreciation Expense	(188,911)
The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to the governmental funds. However, issuing debt increases long-term liabilities on the statement of net position, so these transactions have no effect on net position.	
Repayments of principal:	
General Obligation Refunding Note	104,000
Capital Lease Obligations	21,691
Interest expense in the statement of activities differs from the amount reported in governmental funds because of additional accrued and accreted interest, amortization of bond premiums and issue costs.	
Decrease in accrued interest on long-term debt	298
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Adjustment to compensated absences liability	<u>(2,177)</u>
<b>Change in Net Position - Governmental Activities</b>	<u><u>\$ 98,667</u></u>

The notes to the financial statements are an integral part of this statement.

**BENNETT PARK AND RECREATION DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL**

**GENERAL FUND**

**For the Year Ended December 31, 2023**

**(With Comparative Actual Totals for the Year Ended December 31, 2022)**

	<b>Original &amp; Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>	<b>2022 Actual</b>
<b>Revenues</b>				
Property Taxes	\$ 220,567	\$ 219,043	\$ (1,524)	\$ 204,490
Specific Ownership Tax	-	26,499	26,499	26,485
Conservation Trust Fund	27,000	33,416	6,416	29,243
Recreation Fees and Revenues:				
Admissions	30,000	38,413	8,413	29,819
Program Fees	70,000	57,216	(12,784)	65,893
Room Rentals	35,000	28,708	(6,292)	24,553
Memberships -Youth/Adult	115,000	172,854	57,854	116,189
Memberships - Senior	25,000	24,644	(356)	22,790
Intergovernmental Revenue	100,000	67,850	(32,150)	114,500
Communities That Care Grant	103,000	100,686	(2,314)	110,498
Special Events	4,000	4,054	54	4,994
Advertising	6,000	2,000	(4,000)	2,000
Contributions	10,000	5,269	(4,731)	11,033
Interest Income	1,700	11,688	9,988	2,862
<b>Total Revenues</b>	<b>747,267</b>	<b>792,340</b>	<b>45,073</b>	<b>765,349</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Administration</b>				
Personnel Services	120,000	117,647	2,353	143,890
Accounting	20,000	16,000	4,000	14,800
Advertising	500	134	366	472
Audit	4,500	4,400	100	4,200
Bank and Credit Card Fees	7,000	10,221	(3,221)	8,699
Contingency	12,000	-	12,000	-
Copier	4,000	-	4,000	-
County Treasurer's Fees	3,309	3,294	15	3,066
Dues and Subscriptions	5,000	6,445	(1,445)	6,920
Equipment Rental	-	1,533	(1,533)	5,730
Professional Services	-	2,941	(2,941)	1,005
Insurance	30,000	30,298	(298)	23,456
Legal Fees	5,000	7,310	(2,310)	7,777
Meeting and Travel	3,500	5,235	(1,735)	3,453

(Continued)

**BENNETT PARK AND RECREATION DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL**

**GENERAL FUND**

**For the Year Ended December 31, 2023**

**(With Comparative Actual Totals for the Year Ended December 31, 2022)**

(Continued)

	<b>Original &amp; Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>	<b>2022 Actual</b>
<b>Administration (Continued)</b>				
Office Supplies	\$ 3,000	\$ 4,300	\$ (1,300)	\$ 5,008
Other	-	2,811	(2,811)	3,669
Postage	200	4	196	-
Small Equipment and Supplies	-	-	-	17
<b>Subtotal Administration</b>	<b>218,009</b>	<b>212,573</b>	<b>5,436</b>	<b>232,162</b>
<b>Building Operations</b>				
Personnel Services	45,000	23,242	21,758	14,396
Building Maintenance	61,000	15,793	45,207	12,741
Contract Cleaning	28,000	27,225	775	28,781
Equipment Parts and Repairs	-	-	-	1,389
Janitorial Supplies	3,500	2,463	1,037	2,348
Telephone and Internet	8,000	3,601	4,399	3,644
Utilities	-	81,908	(81,908)	86,665
Contingency	12,000	-	12,000	-
<b>Subtotal Building Operations</b>	<b>157,500</b>	<b>154,232</b>	<b>3,268</b>	<b>149,964</b>
<b>Communities That Care (CTC)</b>				
Personnel Services	65,966	69,809	(3,843)	67,156
Accounting	2,000	3,400	(1,400)	3,500
Advertising	-	569	(569)	1,651
Dues and Subscriptions	1,220	-	1,220	-
Program	17,550	19,820	(2,270)	24,179
Small Equipment and Supplies	6,000	-	6,000	-
Telephone	900	1,918	(1,018)	1,892
Training	-	898	(898)	1,998
<b>Subtotal CTC</b>	<b>93,636</b>	<b>96,414</b>	<b>(2,778)</b>	<b>100,376</b>
<b>Recreation</b>				
Personnel Services	35,000	42,488	(7,488)	32,551
Community Events	500	4,000	(3,500)	4,900
Meeting and Travel	-	292	(292)	56
Office Supplies	-	-	-	66

(Continued)

**BENNETT PARK AND RECREATION DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL**

**GENERAL FUND**

**For the Year Ended December 31, 2023**

**(With Comparative Actual Totals for the Year Ended December 31, 2022)**

(Continued)

	<b>Original &amp; Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>	<b>2022 Actual</b>
<b>Recreation (Continued)</b>				
Program	\$ 27,000	\$ 24,224	\$ 2,776	\$ 12,680
Repairs and Maintenance	-	2,283	(2,283)	7,959
Small Equipment and Supplies	-	600	(600)	-
<b>Subtotal Recreation</b>	<b>62,500</b>	<b>73,887</b>	<b>(11,387)</b>	<b>58,212</b>
<b>Senior Recreation</b>				
Personnel Services	29,000	20,717	8,283	2,282
Program	1,000	774	226	145
<b>Subtotal Senior Recreation</b>	<b>30,000</b>	<b>21,491</b>	<b>8,509</b>	<b>2,427</b>
<b>Aquatics</b>				
Personnel Services	49,300	54,659	(5,359)	46,965
Dues and Subscriptions	500	405	95	-
Marketing	200	100	100	-
Meeting and Travel	2,000	2,529	(529)	100
Program	3,000	3,303	(303)	996
Repairs and Maintenance	20,000	19,470	530	11,674
<b>Subtotal Aquatics</b>	<b>75,000</b>	<b>80,466</b>	<b>(5,466)</b>	<b>59,735</b>
<b>Capital Outlay</b>	<b>-</b>	<b>80,500</b>	<b>(80,500)</b>	<b>5,450</b>
<b>Debt Service</b>				
Capital Lease Principal	21,691	21,691	-	20,645
Capital Lease Interest	3,154	3,153	1	4,199
<b>Subtotal Debt Service</b>	<b>24,845</b>	<b>24,844</b>	<b>1</b>	<b>24,844</b>
<b>Total Expenditures</b>	<b>661,490</b>	<b>744,407</b>	<b>(82,917)</b>	<b>633,170</b>
<b>Net Change in Fund Balance</b>	<b>85,777</b>	<b>47,933</b>	<b>(37,844)</b>	<b>132,179</b>
<b>Fund Balance (Deficit) - Beginning</b>	<b>(43,645)</b>	<b>67,440</b>	<b>111,085</b>	<b>(64,739)</b>
<b>Fund Balance - Ending</b>	<b>\$ 42,132</b>	<b>\$ 115,373</b>	<b>\$ 73,241</b>	<b>\$ 67,440</b>

The notes to the financial statements are an integral part of this statement.

**BENNETT PARK AND RECREATION DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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**Note 1 – Definition of Reporting Entity**

The Bennett Park and Recreation District (the District), is a quasi-municipal corporation and political subdivision of the State of Colorado was organized by order and decree of the District Court of Adams County on January 2, 2001 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by Adams County on May 22, 2000, and revised on June 19, 2002. The District was organized for the purpose of providing recreational facilities and programs for its citizens. The District is located in the Town of Bennett in Adams County, Colorado (the Town).

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations, and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other District organization, nor is the District a component unit of any other primary governmental entity.

**Note 2 – Summary of Significant Accounting Policies**

The more significant accounting policies of the District are described as follows:

**Government-Wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. Governmental activities are normally supported by taxes, intergovernmental revenue and fees and charges.

The statement of net position reports all financial and capital resources of the District, the difference between the assets and deferred outflows, and liabilities and deferred inflows of the District being reported as net position.

## BENNETT PARK AND RECREATION DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2023

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

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

#### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Other items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days after year-end. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

# BENNETT PARK AND RECREATION DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2023

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The District reports the following major governmental funds:

**General Fund** – This fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

**Debt Service Fund** – This fund is used to account for the accumulation of resources for, and the payment of long-term obligation principal, interest and related costs.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

### **Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors may modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

### Excess of expenditures over appropriation

The District incurred expenditures in excess of appropriation for the year ended December 31, 2023 in the General Fund, which may be in violation of the State Budget Law.

The over expenditures were funded by greater than anticipated revenues in the Fund.

### **Pooled Cash and Investments**

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash and investments. Investments are carried at fair value.

Cash and investments are presented on the balance sheet in the basic financial statements at fair value.

**BENNETT PARK AND RECREATION DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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**Capital Assets**

Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets defined by the District as assets include improvements to buildings and equipment with an initial, individual cost of more than \$5,000 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 District is depreciated using the straight-line method over the following estimated useful lives:

Recreation Center Building	50 years
Aquatics Center (Swimming Pool)	20 years
Equipment, Furniture and Fixtures	5-15 years

**Property Taxes**

Property taxes are levied by the District Board of Directors. The levy is based on assessed valuations determined by the County Assessors generally as of January 1 of each year. The levy is normally set December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurers collect the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and sales of the tax liens on delinquent properties are normally held in November or December. The County Treasurers remit the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. Property taxes are recorded as revenue in the year it is available or collected (the year it is levied for).

**Long Term Obligations**

In the government-wide financial statements, debt premiums and discounts are deferred and amortized over the life of the issue using the percentage of current principal payments to total debt issue. Debt issuance costs, except any portion related to prepaid insurance costs, are expensed when incurred.

## BENNETT PARK AND RECREATION DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2023

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In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### **Deferred Inflows of Resources**

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, one item, unavailable revenue – property tax, is reported in both the government-wide statement of net position and the governmental funds balance sheet. This amount is deferred and recognized as inflow of resources in the period that the amounts become available.

#### **Compensated Absences**

It is the District's policy to allow employees to accumulate unused vacation leave up to a certain maximum number of hours, depending on years of service. All such benefits are accrued when incurred in the government-wide financial statements. A liability for this amount is reported in governmental funds only if they have matured, for example, because of employee resignations and retirements. Compensated absences are liquidated by the General Fund. All unpaid vacation balances are paid at the hourly rate when the employee retires, resigns or is terminated.

#### **Net Position and Fund Equity**

##### Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

**BENNETT PARK AND RECREATION DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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Restricted net position is subject to restrictions by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provision or enabling legislation.

Unrestricted net position represents assets that do not have any third-party limitations on their use.

For government -wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balances

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

*Nonspendable fund balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

*Restricted fund balance* – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

The District reports the following Restricted Fund Balances:

*Restricted for Debt Service*

Represents the portion of fund balance that is legally restricted to payment of principal and interest on long-term debt maturing in future years.

*Restricted for TABOR Emergencies*

Emergency reserves have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 9).

**BENNETT PARK AND RECREATION DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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*Committed fund balance* – The portion of fund balance 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 Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

*Assigned fund balance* – The portion of fund balance that is constrained by the government’s intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

*Unassigned fund balance* – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District’s practice to use the most restrictive classification first.

**Use of Estimates**

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. An example of such an estimate that has been made by management is depreciation expense.

**Note 3 – Cash and Investments**

Cash and investments as of December 31, 2023, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Deposits with Financial Institutions	\$ 330,519
Investments	315,639
	<u>\$ 646,158</u>

**BENNETT PARK AND RECREATION DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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Cash and investments as of December 31, 2023, consist of the following:

Cash and Investments	\$ 337,547
Cash and Investments - Restricted	308,611
	<u>\$ 646,158</u>

**Deposits with Financial Institutions**

Custodial credit risk

Custodial risk for deposits is the risk that, in the event of a failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The Colorado Public Deposit Protection Act (PDPA) governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The institution's internal records identify the collateral by depositor and as such, these deposits are uninsured but collateralized. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2023, the District's cash deposit had a bank balance of \$332,044 and a carrying balance of \$330,519.

**Investments**

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to obligations of the United States, certain U.S. government agency securities and Local Government Investment Pools, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

**BENNETT PARK AND RECREATION DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors, such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

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

At December 31, 2023, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government	Weighted Average	
Liquid Asset Trust (Colotrust PLUS+)	Under 60 days	<u>\$ 315,639</u>

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24 75 601.

**BENNETT PARK AND RECREATION DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

**Note 4 – Capital Assets**

An analysis of the changes in capital assets for the year ended December 31, 2023 follows.

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
Capital Assets Being Depreciated				
Recreation Center	\$ 2,014,853	\$ 80,500	\$ -	\$ 2,095,353
Pool	2,862,147	-	-	2,862,147
Equipment, Furniture & Fixtures	96,722	-	-	96,722
Total Capital Assets Being Depreciated	4,973,722	80,500	-	5,054,222
Less Accumulated Depreciation for				
Recreation Center	(615,420)	(41,523)	-	(656,943)
Pool	(1,696,541)	(146,900)	-	(1,843,441)
Equipment, Furniture & Fixtures	(95,862)	(488)	-	(96,350)
Total Accumulated Depreciation	(2,407,823)	(188,911)	-	(2,596,734)
Total Capital Assets, Net	\$ 2,565,899	\$ (108,411)	\$ -	\$ 2,457,488

**BENNETT PARK AND RECREATION DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**Note 5 – Long-Term Obligations**

The following is an analysis of changes in the governmental activities long-term obligations for the year ended December 31, 2023.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General Obligation Refunding Note, Series 2018 (Direct Borrowing)	\$ 1,077,000	\$ -	\$ 104,000	\$ 973,000	\$ 108,000
Lease Obligation: Building Improvements, 2010	68,423	-	21,691	46,732	22,789
Compensated Absences	11,216	9,359	7,182	13,393	4,900
Total	<u>\$ 1,156,639</u>	<u>\$ 9,359</u>	<u>\$ 132,873</u>	<u>\$ 1,033,125</u>	<u>\$ 135,689</u>

**\$1,576,000 General Obligation Refunding Note, Series 2018**

On June 12, 2018, the District issued a \$1,576,000 General Obligation Refunding Note, Series 2018 (the Note). The Note was issued to refund the remaining principal amount due on the Series 2003 Bonds which were used to fund the construction of the Bennett Recreation Center. The Note is due on December 31, 2031, with an interest rate of 3.44%, paid semiannually on June 1 and December 1. The Note is subject to mandatory sinking fund redemption beginning on December 1, 2018 in varying amounts through maturity on December 1, 2031. The Note is subject to redemption prior to maturity, at the option of the District, in whole or in part, on any interest payment date, upon payment of par and accrued interest, without redemption premium. The Note is considered a general obligation of the District, and the full faith and credit of the District are pledged for the punctual payment of the principal of and interest on the Note.

Annual debt service requirements to maturity for Note follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 108,000	\$ 33,471	\$ 141,471
2025	111,000	29,756	140,756
2026	115,000	25,938	140,938
2027	119,000	21,982	140,982
2028	123,000	17,888	140,888
2029-2031	397,000	27,624	424,624
	<u>\$ 973,000</u>	<u>\$ 156,659</u>	<u>\$ 1,129,659</u>

**BENNETT PARK AND RECREATION DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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**Lease Obligation**

**Building Improvements**

On October 22, 2010, the District entered into a lease agreement in the original amount of \$250,000 to fund a portion of an addition to the recreation center, including a swimming pool, locker rooms, equipment rooms, storage and meeting rooms. A portion of the building constructed with the proceeds of this financing serves as security under the lease. Lease payments are due in annual installments beginning April 20, 2011, through October 20, 2025, with interest at 5%. Lease payments are made by the General Fund. The net present value of these minimum lease payments as of December 31, 2023, follows:

<b>Year Ending December 31</b>	<b>Amount</b>
2024	\$ 24,845
2025	24,845
Minimum lease payments	49,690
Less: Amount representing interest	(2,958)
Present value of minimum lease payments	<u>\$ 46,732</u>

Assets acquired through capital leases are as follows:

**Assets:**

Building Improvements	\$ 260,000
Less: Accumulated Depreciation	<u>(175,500)</u>
	<u>\$ 84,500</u>

**Note 6 – Net Position**

The District has net position consisting of three components - net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

**BENNETT PARK AND RECREATION DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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As of December 31, 2023, the District had net investment in capital assets calculated as follows:

Capital Assets, Net	\$ 2,457,488
Outstanding Long-Term Debt Applicable to Capital Assets	<u>(1,019,732)</u>
Net Investment in Capital Assets	<u>\$ 1,437,756</u>

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

The District had restricted net position as of December 31, 2023, as follows:

**Restricted net position:**

Emergency reserves	\$ 22,600
Debt service	<u>306,126</u>
Total	<u>\$ 328,726</u>

**Note 7 – Risk Management**

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets, errors or omissions, injuries to employees, or natural disasters.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for property, general and automobile liability, public officials, auto physical damage, equipment/boiler and machinery, and worker's compensation coverage. In the event aggregate losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds, which the Pool determines are not needed for purposes of the Pool, may be returned to the members pursuant to a distribution formula.

**BENNETT PARK AND RECREATION DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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**Note 8 – Ground Lease**

On February 12, 2002, the District entered into an Intergovernmental Agreement with the Town (Town IGA) to lease land at the Bennett Recreation Center location. The lease term expires December 31, 2026, and may be renewed at the discretion of the District for additional twenty-five-year terms. Under the lease terms, the District paid a one-time nominal amount.

On August 9, 2005, the Town IGA was amended to extend the lease term 50 years to August 31, 2055.

On October 25, 2022, the Town IGA was amended to modify certain responsibilities of the District and the Town as they pertain to the leased property.

The lease may be terminated by either the District or the Town, at their discretion. In the event the District terminates the lease, all buildings and improvements shall become the property of the Town. Additionally, the Town may require the District, at the sole cost and expense of the District, to remove any buildings or other improvements from the property. In the event the Town terminates the lease, the Town shall pay the District the depreciated value of any buildings and other leasehold improvements that were constructed by the District, such value to be determined by an appraisal.

**Note 9 – Tax, Spending and Debt Limitations**

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

**BENNETT PARK AND RECREATION DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

On May 7, 2002, the registered voters of the District authorized the District to collect, retain and spend all revenues it receives from its rates, fees, tolls and charges (both operating and capital in nature) for parks and recreation facilities and services and any and all other revenues it receives in 2002 and subsequent years and authorized the District to spend such revenues as a voter-approved revenue change and an exception to any spending limitations which might otherwise apply, without limiting the collection and spending of other revenues of the District in any year.

The voters also authorized the District to continue to levy 3.5 mills each year for operations regardless of any revenue limitations in Section 29-1-301, C.R.S. or other State law.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

**SUPPLEMENTARY INFORMATION**

**BENNETT PARK AND RECREATION DISTRICT**

**SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**DEBT SERVICE FUND**

**For the Year Ended December 31, 2023**

**(With Comparative Actual Totals for the Year Ended December 31, 2022)**

	<b>Original &amp; Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>	<b>2022 Actual</b>
<b>Revenues</b>				
Property Taxes	\$ 167,631	\$ 166,460	\$ (1,171)	\$ 155,787
Interest Income	3,000	12,425	9,425	3,403
<b>Total Revenues</b>	<u>170,631</u>	<u>178,885</u>	<u>8,254</u>	<u>159,190</u>
<b>Expenditures</b>				
County Treasurer's Fees	2,515	2,503	12	2,355
Principal - 2018 GO Refunding Loan	104,000	104,000	-	101,000
Interest - 2018 GO Refunding Loan	37,049	37,049	-	40,523
Contingency	3,000	-	3,000	-
<b>Total Expenditures</b>	<u>146,564</u>	<u>143,552</u>	<u>3,012</u>	<u>143,878</u>
<b>Net Change in Fund Balance</b>	24,067	35,333	11,266	15,312
<b>Fund Balance - Beginning</b>	270,336	273,582	3,246	258,270
<b>Fund Balance - Ending</b>	<u>\$ 294,403</u>	<u>\$ 308,915</u>	<u>\$ 14,512</u>	<u>\$ 273,582</u>

See the Independent Auditor's Report

## **OTHER INFORMATION**

**BENNETT PARK AND RECREATION DISTRICT**

**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
December 31, 2023**

<b>\$1,576,000 General Obligation Refunding Note Series 2018</b>					<b>\$260,000 Capital Lease Obligation Series 2010</b>			
<b>Year</b>	<b>Rate</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Rate</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	3.44	\$ 108,000	\$ 33,471	\$ 141,471	5.00	\$ 22,789	\$ 2,056	\$ 24,845
2025	3.44	111,000	29,756	140,756	5.00	23,943	902	24,845
2026	3.44	115,000	25,938	140,938	-	-	-	-
2027	3.44	119,000	21,982	140,982	-	-	-	-
2028	3.44	123,000	17,888	140,888	-	-	-	-
2029	3.44	128,000	13,657	141,657	-	-	-	-
2030	3.44	132,000	9,254	141,254	-	-	-	-
2031	3.44	137,000	4,713	141,713	-	-	-	-
		<u>\$ 973,000</u>	<u>\$ 156,659</u>	<u>\$ 1,129,659</u>		<u>\$ 46,732</u>	<u>\$ 2,958</u>	<u>\$ 49,690</u>

**BENNETT PARK AND RECREATION DISTRICT**

**SCHEDULE OF ASSESSED VALUATION, MILL LEVY AND  
PROPERTY TAXES COLLECTED**

**December 31, 2023**

Levy Year	Collection Year	Assessed Valuation	Mill Levy			Total Levy	Current Collection	Collection Rate	
			General	Debt	Abate-ments				
2011	2012	\$ 27,942,560	3.500	6.500	-	10.000	\$ 279,426	\$ 283,652	101.51%
2012	2013	\$ 29,211,440	3.500	5.000	-	8.500	\$ 248,298	\$ 242,387	97.62%
2013	2014	\$ 29,563,160	3.500	5.400	-	8.900	\$ 263,113	\$ 264,386	100.48%
2014	2015	\$ 29,434,910	3.500	5.400	-	8.900	\$ 261,972	\$ 255,954	97.70%
2015	2016	\$ 32,532,200	3.500	5.000	-	8.500	\$ 276,525	\$ 267,659	96.79%
2016	2017	\$ 34,105,240	3.500	4.600	0.254	8.354	\$ 284,916	\$ 283,757	99.59%
2017	2018	\$ 42,338,730	3.500	4.600	-	8.100	\$ 342,945	\$ 342,405	99.84%
2018	2019	\$ 42,688,190	3.500	3.852	-	7.352	\$ 313,845	\$ 310,569	98.96%
2019	2020	\$ 56,957,900	3.500	2.515	-	6.015	\$ 342,603	\$ 333,223	97.26%
2020	2021	\$ 54,556,310	3.500	2.660	-	6.160	\$ 336,068	\$ 336,704	100.19%
2021	2022	\$ 58,567,430	3.500	2.660	-	6.160	\$ 360,776	\$ 360,277	99.86%
2022	2023	\$ 63,019,040	3.500	2.660	-	6.160	\$ 388,198	\$ 385,503	99.31%

Estimated for the  
Year Ending  
December 31,  
2024

\$ 73,876,710    3.500    1.914    -    5.414    \$ 399,968

**Note:**

Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the Adams County Treasurer does not permit identification of specific year of levy.

**Source:** Adams County Assessor and Treasurer.