

**NORTHWEST PARKWAY PUBLIC HIGHWAY AUTHORITY**  
**Weld County, Colorado**

**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**


## TABLE OF CONTENTS


	<b>PAGE</b>
<b>INDEPENDENT AUDITORS' REPORT .....</b>	<b>I</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
Statement of Net Position (Deficit).....	1
Statement of Revenues, Expenses and Change in Net Position (Deficit).....	2
Statement of Cash Flows .....	3
Notes to Financial Statements.....	4
<b>SUPPLEMENTARY INFORMATION</b>	
Schedule of Revenues, Expenditures and Change in Funds Available - Budget and Actual (Budgetary Basis).....	11
Reconciliation of Budgetary Basis (Actual) to Statement of Revenues, - Expenses and Change in Net Position (Deficit).....	12



## Independent Auditors' Report

1221 W. Mineral Avenue, Suite 202  
Littleton, CO 80120

 303-734-4800

 303-795-3356

 [www.HaynieCPAs.com](http://www.HaynieCPAs.com)

Members of the Board of Directors  
Northwest Parkway Public Highway Authority

### Opinions

We have audited the accompanying financial statements of the business-type activities of Northwest Parkway Public Highway Authority (the Authority) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority'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 business-type activities of Northwest Parkway Public Highway Authority, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Northwest Parkway Public Highway Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Northwest Parkway Public Highway Authority'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' 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 auditors' report that includes our opinion. 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 Northwest Parkway Public Highway Authority'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 Northwest Parkway Public Highway Authority's ability to continue as a going concern for a reasonable period of time.

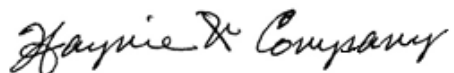
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Required Supplementary Information**

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinions on the basic financial statements are not affected by this missing information.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Northwest Parkway Public Highway Authority's financial statements. The supplementary information section is presented for purposes of additional analysis 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 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 information is fairly stated in all material respects, in relation to the basic financial statements as a whole.



Littleton, Colorado  
September 27, 2024

## **BASIC FINANCIAL STATEMENTS**

**NORTHWEST PARKWAY PUBLIC HIGHWAY AUTHORITY**  
**STATEMENT OF NET POSITION (DEFICIT)**  
**December 31, 2023**

**ASSETS**

**CURRENT ASSETS**

Cash and investments	\$ 2,948,557
Other receivables	<u>27,852</u>
Total current assets	<u>2,976,409</u>

Total assets	<u>\$ 2,976,409</u>
--------------	---------------------

**LIABILITIES**

**CURRENT LIABILITIES**

Accounts payable	<u>8,714</u>
Total current liabilities	<u>8,714</u>

**NONCURRENT LIABILITIES**

Due to other governments	10,000,000
Reimbursements payable	<u>63,470,323</u>
Total current liabilities	<u>73,470,323</u>

Total liabilities	<u>73,479,037</u>
-------------------	-------------------

**NET POSITION (DEFICIT)**

Unrestricted	<u>(70,502,628)</u>
--------------	---------------------

Total net position (deficit)	<u><u>\$ (70,502,628)</u></u>
------------------------------	-------------------------------

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

**NORTHWEST PARKWAY PUBLIC HIGHWAY AUTHORITY  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGE IN NET POSITION (DEFICIT)  
Year Ended December 31, 2023**

<b>OPERATING REVENUES</b>	
Concessionaire revenue	\$ 362,916
Total operating revenues	<u>362,916</u>
 <b>GENERAL AND ADMINISTRATIVE EXPENSES</b>	
Consulting	50,779
Insurance	1,790
Legal	95,105
Management and accounting	82,800
Miscellaneous and fees	3,731
Total operating expenses	<u>234,205</u>
 <b>INCOME FROM OPERATIONS</b>	 <u>128,711</u>
 <b>NONOPERATING REVENUES AND (EXPENSES)</b>	
Easement	18,713
Interest	119,591
Oil and gas	301,624
Mineral rights	(7,056)
Total nonoperating revenues and (expenses)	<u>432,872</u>
 <b>CHANGE IN NET POSITION</b>	 561,583
 <b>NET POSITION (DEFICIT) - BEGINNING OF YEAR</b>	 <u>(71,064,211)</u>
 <b>NET POSITION (DEFICIT) - END OF YEAR</b>	 <u><u>\$ (70,502,628)</u></u>

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

**NORTHWEST PARKWAY PUBLIC HIGHWAY AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2023**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts of concessionaire payments	\$ 362,916
Payments for general, administrative and operating expenses	(240,176)
Net cash provided by operating activities	122,740

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest income	119,591
Net cash provided by investing activities	119,591

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Oil and gas revenues	292,485
Mineral rights expenditures	(7,056)
Net cash provided by capital and related financing activities	285,429

**NET INCREASE IN CASH AND CASH EQUIVALENTS** 527,760

**CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR** 2,420,797

**CASH AND CASH EQUIVALENTS - END OF YEAR** \$ 2,948,557

**Reconciliation of income from operations to net cash provided by operating activities:**

Income from operations	\$ 128,711
Adjustments to reconcile income from operations to net cash flows provided by operating activities:	
Effect of changes in operating assets and liabilities:	
Accounts payable	(9,666)
Utility deposits	3,695
Net cash provided by operating activities	\$ 122,740

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

**NORTHWEST PARKWAY PUBLIC HIGHWAY AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**NOTE 1 – DEFINITION OF REPORTING ENTITY**

The Northwest Parkway Public Highway Authority (Authority) was formed by an intergovernmental agreement on June 2, 1999, among the City and County of Broomfield, the City of Lafayette (together the Members) and the County of Weld. The County of Weld withdrew from the Authority in 2008. The purpose of the Authority is to finance, construct, operate and/or maintain an authority financed highway (Northwest Parkway) in accordance with the provisions of the intergovernmental agreement (see Note 5). The Northwest Parkway is an 8.7 mile limited access toll highway that forms the northwest section of a beltway system extending around the Denver metropolitan area. The Northwest Parkway connects with several toll and non-toll highways to provide access to residential and employment centers in the northwest metropolitan area. It is the Authority's intent to serve as an enterprise, as such term is defined in the Colorado Constitution, Article X, Section 20(2)(d), and in furtherance thereof, to serve as a government-owned business engaged in the business venture of providing roadway transportation in exchange for the payment of toll fees.

The Authority is governed by a board of directors which is composed of one director appointed by each Member. The State of Colorado may join in the Authority, pursuant to the Colorado Constitution. In the event the State of Colorado joins in the Authority, the State shall have one director on the Board. The State of Colorado had not joined the Authority as of December 31, 2023. The board of directors is responsible for setting policy, appointing administrative personnel, adopting an annual budget in accordance with state statutes and performing all duties vested in or imposed on the Authority.

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

The Authority has no employees and all operations and administrative functions are contracted.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

The Authority uses an enterprise fund to account for its operations. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where a fee is charged to external users for goods and services.

**NORTHWEST PARKWAY PUBLIC HIGHWAY AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with ongoing operations. Operating expenses include administrative expenses and depreciation on capital assets.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

**Budgets**

In accordance with the Local Government Budget Law of Colorado, the Authority'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 Authority's board of directors can 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.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Authority considers cash deposits and cash equivalents with original maturities of three months or less from the date of acquisition to be cash and cash equivalents.

**Leases**

The Authority has entered into an oil and gas lease and a long-term concession and lease agreement. The Authority has analyzed these lease arrangements to determine the applicability of governmental lease accounting under GASB 87. Payments due to the Authority under these leases consist of variable payments rather than fixed payment streams. GASB 87 states that future payments based on future performance of the lessee should not be included in the measurement of a lease receivable. Therefore, these variable payments are recognized as inflows of resources in the period to which the payments relate. Amounts due under these leases at year-end are included in other receivables in the statement of net position.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires that Authority management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**NORTHWEST PARKWAY PUBLIC HIGHWAY AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**NOTE 3 - CASH AND INVESTMENTS**

Cash and investments as of December 31, 2023 are classified in the accompanying statement of net position as follows:

Statement of Net Position:	
Cash and investments	<u>\$ 2,948,557</u>

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

Deposits with financial institutions	\$ 591,636
Investments	<u>2,356,921</u>
	<u>\$ 2,948,557</u>

**Deposits with Financial Institutions**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. The 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 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.

As of December 31, 2023, the Authority’s cash deposits had a bank and carrying balance of \$591,636.

**Investments**

**Credit Risk**

The Authority has not adopted a formal investment policy; however, the Authority follows state statutes regarding investments. Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

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

**NORTHWEST PARKWAY PUBLIC HIGHWAY AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**NOTE 3 - CASH AND INVESTMENTS (CONTINUED)**

The Authority generally limits its concentration of investments to those noted with an asterisk (\*) above, which are believed to have minimal credit and interest rate risk and no foreign currency risk. Additionally, the Authority is not subject to concentration risk disclosure requirements or subject to investment custodial risk for investments that are in the possession of another party.

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 requirement.

As of December 31, 2023, the Authority had the following investment:

<u>Investments</u>	<u>Maturity</u>	<u>Fair Value</u>
Colorado Local Government Liquid Asset Trust	Weighted average under 60 days	<u>\$2,356,921</u>

**COLOTRUST**

During 2023, the Authority invested in the Colorado Local Government Liquid Asset Trust (Colotrust), 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 Colotrust. The Authority invested in COLOTRUST PLUS+ (PLUS+), one of the three portfolios offered by Colotrust. PLUS+ operates similarly to a money market fund and each share is equal in value to \$1.00. There are no unfunded commitments, the redemption period frequency is daily and there is no redemption notice period. PLUS+ may invest in U.S. Treasury securities, federal instrumentality and agency securities, repurchase agreements and tri-party repurchase agreements, collateralized bank deposits, government money market funds, corporate bonds and highest rated commercial paper. A designated custodial bank serves as custodian for Colotrust’s portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for Colotrust’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 Colotrust. PLUS+ is rated AAAM by S&P Global Ratings with a weighted average maturity of under 60 days.

**Investment Valuation**

Certain investments measured at fair value on a recurring basis are categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**NORTHWEST PARKWAY PUBLIC HIGHWAY AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**NOTE 3 - CASH AND INVESTMENTS (CONTINUED)**

The Authority's investments are not required to be categorized within the fair value hierarchy. These investments are measured at amortized cost or in certain circumstances the value is calculated using the net asset value (NAV) per share, or its equivalent of the investment. These investments include 2a7-like external investment pools and money market investments. The Authority held investments in Colotrust at yearend for which the investment valuations were determined as follows.

Colotrust determines the NAV of the shares of each portfolio as of the close of business on each day. The NAV per share of each portfolio is computed by dividing the total value of the securities and other assets of the portfolios, less any liabilities, by the total outstanding shares of the portfolios. Liabilities, which include all expenses and fees of Colotrust, are accrued daily. The NAV is calculated at fair value using various inputs to determine value in accordance with the Financial Accounting Standards Board guidance. It is the goal of Colotrust to maintain a NAV of \$1.00 per share, however changes in interest rates may affect the fair value of the securities held by Colotrust and there can be no assurance that the NAV will not vary from \$1.00 per share.

**NOTE 4 – AGREEMENTS**

**Intergovernmental Agreement**

On February 18, 1999, an intergovernmental agreement was entered into by and among the City and County of Broomfield, the City of Lafayette, the City of Louisville, and the County of Boulder (collectively, the Parties) for the purpose of planning and regulating land uses regarding the construction of the Northwest Parkway. The agreement was amended on January 16, 2001 to include the Authority and to update the allocation of financing proceeds and obligations due for roads, open space and conservation easement allocations. The amended agreement outlined the obligations of the Authority for reimbursement to the Parties for road improvements. Under the amended agreement, the Authority is obligated to pay the Parties for certain road improvements and open space and conservation easements. As of December 31, 2023, there was \$10 million due to the City and County of Broomfield under the amended agreement. Outstanding amounts related to the amended agreement bear no interest. The amounts due under the agreement are to be reimbursed at such time the Authority has funds available from financing or revenues, if any. The agreement terminates on February 18, 2029.

**Reimbursement Agreement**

On May 23, 2000, the Authority entered into a reimbursement agreement with the City and County of Broomfield whereby the Authority agreed to reimburse the City and County of Broomfield for the portion of its expenditures that benefit or are incorporated into the Northwest Parkway. The City and County of Broomfield incurred initial expenditures and secondary expenditures. The amounts due under the agreement are to be reimbursed at such time the Authority has funds available from financing or revenues, if any. The unpaid expenditures bear no interest. The Authority reimbursed the City and County of Broomfield for their initial expenditures during 2001 and the secondary expenditures of \$48,670,323 are recorded as a liability as of December 31, 2023.

**NORTHWEST PARKWAY PUBLIC HIGHWAY AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**NOTE 4 – AGREEMENTS (CONTINUED)**

On November 19, 2007, the Authority issued a non-negotiable note in the amount of \$14,800,000 payable to the Broomfield Urban Renewal Authority (BURA) for expenditures incurred for the construction of improvements incorporated into the Northwest Parkway. Payment of the note is due in full on the one-year anniversary of the date of termination of the concession and lease agreement (see Note 5). The unpaid amount bears no interest.

**NOTE 5 – CONCESSION AND LEASE AGREEMENT**

The Authority entered into a 99-year concession and lease agreement with Northwest Parkway LLC, (Concessionaire) on August 29, 2007, as amended on November 21, 2007, to lease the Northwest Parkway and grant the rights, licenses and privileges to operate, maintain and toll the Northwest Parkway. The concession and lease agreement (Concession Agreement) may be terminated earlier by either party upon the occurrence of certain events as described in the Concession Agreement. Upon termination of the Concession Agreement, all rights to the Northwest Parkway will revert back to the Authority.

The Concessionaire must pay the Authority during the term of the Concession Agreement for reimbursement of costs for the Authority to monitor operations of the Northwest Parkway and the Concessionaire's compliance with its obligations under the Concession Agreement. During the year ended December 31, 2023, the Authority received \$362,916 in cost reimbursement payments from the Concessionaire.

In addition, at the end of any year in which the Concessionaire's cumulative internal rate of return for the Northwest Parkway's operations exceeds 12%, the Authority is entitled to receive from the Concessionaire an amount equal to 15% of the eligible toll revenues actually collected that year by the Concessionaire from the Northwest Parkway operations, provided that the cumulative amount received by the Authority does not exceed \$75 million over the 99-year term of the Concession Agreement. No amounts were received by or owed to the Authority during the year ended and as of December 31, 2023 under this provision in the Concession Agreement.

In February 2024, the Concessionaire, a wholly owned subsidiary of NWP HoldCo LLC, pursuant to a purchase and sale agreement, and as required under the Concession Agreement, requested the Authority's approval of the transfer of the Concessionaire's interest, benefits and rights in the Northwest Parkway. In March 2024, the deemed appointment of the Concessionaire as a replacement operator resulting from the change in control of the operator as required under the Concessionaire Agreement was approved by the Authority. In April 2024, VINCI Highways, a subsidiary of VINCI Concessions, acquired 100% of NWP HoldCo LLC.

**NORTHWEST PARKWAY PUBLIC HIGHWAY AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2023**

**NOTE 6 – NET DEFICIT**

As of December 31, 2023, the Authority's unrestricted net deficit totaled \$70,502,628 primarily due to capital improvements that were funded with long-term debt that have been dedicated to other entities, while the long-term debt remains an obligation of the Authority.

**NOTE 7 - 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 that 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. The Authority's management believes a significant portion of its operations qualifies for this exclusion.

During the January to May 1996 session, the Colorado General Assembly enacted S.B. 96 173, which was signed into law by the governor on March 18, 1996. The General Assembly declared its intention that public highway authorities be permitted to qualify as enterprises under Section 20 of Article X of the Colorado Constitution; therefore, TABOR is not applicable to the Authority. The Authority'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 and qualification as an Enterprise will require judicial interpretation.

**NOTE 8 - RISK MANAGEMENT**

The Authority is exposed to various risks of losses, including general liability and property damage. The Authority has a risk management program, which includes commercial property insurance for catastrophic losses, including floods and earthquakes, for the entity. The Authority has various set limits on their commercial insurance coverage and has not exceeded the coverage in the past three years. The Authority is not a part of a public entity risk pool.

This information is an integral part of the accompanying financial statements.

**SUPPLEMENTARY INFORMATION**

**NORTHWEST PARKWAY PUBLIC HIGHWAY AUTHORITY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUNDS AVAILABLE**  
**BUDGET AND ACTUAL (BUDGETARY BASIS)**  
**Year Ended December 31, 2023**

	<u>Budget</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
<b>REVENUES</b>			
Concessionaire revenue	\$ 363,735	\$ 362,916	\$ (819)
Easement	20,000	18,713	(1,287)
Interest	15,000	119,591	104,591
Oil and gas	-	301,624	301,624
Reimbursements	30,000	-	(30,000)
<b>Total revenues</b>	<u>428,735</u>	<u>802,844</u>	<u>374,109</u>
<b>EXPENDITURES</b>			
<u>General</u>			
Consulting	-	50,779	(50,779)
Insurance	2,000	1,790	210
Legal	45,000	95,105	(50,105)
Management and accounting	100,000	82,800	17,200
Mineral rights	15,000	7,056	7,944
Miscellaneous and fees	1,200	3,731	(2,531)
<u>Capital outlay</u>			
Development projects	30,000	-	30,000
Varra Park project	500,000	-	500,000
<b>Total expenditures</b>	<u>693,200</u>	<u>241,261</u>	<u>451,939</u>
<b>NET CHANGE IN FUNDS AVAILABLE</b>	(264,465)	561,583	826,048
<b>FUNDS AVAILABLE - BEGINNING OF YEAR</b>	<u>2,357,732</u>	<u>2,406,112</u>	<u>48,380</u>
<b>FUNDS AVAILABLE - END OF YEAR</b>	<u>\$ 2,093,267</u>	<u>\$ 2,967,695</u>	<u>\$ 874,428</u>
	Current assets	\$ 2,976,409	
	Current liabilities	(8,714)	
		<u>\$ 2,967,695</u>	

**NORTHWEST PARKWAY PUBLIC HIGHWAY AUTHORITY  
RECONCILIATION OF BUDGETARY BASIS (ACTUAL) TO STATEMENT OF  
REVENUES, EXPENSES AND CHANGE IN NET POSITION (DEFICIT)  
Year Ended December 31, 2023**

Revenues (budgetary basis)	\$	<u>802,844</u>
Total revenues per Statement of Revenues, Expenses and Change in Fund Net Position (Deficit)		<u>802,844</u>
Expenditures (budgetary basis)		<u>241,261</u>
Total expenses per Statement of Revenues, Expenses and Change in Fund Net Position (Deficit)		<u>241,261</u>
Change in net position	\$	<u><u>561,583</u></u>