

***City of Brush, Colorado***

**Financial Statements**

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

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# **INTRODUCTORY SECTION**

July 25, 2024,

To the Honorable Mayor, Members of the Governing Council, and Citizens of the City of Brush.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Lauer, Szabo & Associates, PC, Certified Public Accountants, have issued an unqualified (“clean”) opinion on the City of Brush’s financial statements for the year ended December 31, 2023. The independent auditors report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

### **Profile of the Government**

The City of Brush, incorporated in 1884, is located in northeastern Colorado, 90 miles from Denver. Brush is located in a large agricultural area and serves a population of 5,446. The City of Brush is empowered to levy a property tax on both real and personal property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which the City has done from time to time, and to collect sales tax. The current sales tax rate is 4 percent.

The City of Brush operates under the council-administrator form of government. Policy-making and legislative authority are vested in a governing council (Council) consisting of the mayor and six other members, all elected on a non-partisan basis. The Council appoints the government’s administrator, who in turn appoints the heads of the various departments. Council members serve four-year terms, with three members elected every two years. The mayor is elected for a four-year term and is elected at large; constituents of their wards elect the remaining Council members.

The City of Brush provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; and recreational and cultural activities. Water, trash, waste water, storm water, and golf course services are provided and function as enterprise funds of the City of Brush and therefore has been included as an integral part of the City of Brush’s financial statements. Additional information on all of these departments can be found in the notes to the financial statements (See Note 1.C).

The Council is required to adopt a final budget by no later than December 15<sup>th</sup> of each fiscal year. This annual budget serves as the foundation for the City of Brush's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department, (e.g., police).

### **Local economy**

Brush! is nestled in the agriculturally rich South Platte River Valley. In 1886 a number of Danish families formed a settlement, attracted to the rich and loam soil. Today bountiful crops of corn, soy, sugar beets and wheat still prevail. Although Brush remains agriculturally based, ag support industries, energy production and health care have helped diversify and strengthen our economy. Major employers include Colorado Energy Management and the adjacent tomato factory linked by waste heat from the cogeneration plant, Colorado Lamb Processing, Eben Ezer and Sunset Manor care facilities, East Morgan County Hospital, the School District and City government. The population growth is at a manageable rate of 2-3%. The City continues to partner with developers to extend infrastructure conducive to designed growth.

City parks have expanded over the last few years with the addition of a golf course in 2015. The most recent updates to this golf course have been improvements to the clubhouse, parking lot and the 50-year-old sprinkler system. In 2023 the city built a new storage building at the golf course.

Of utmost concern is water. Future development is dependent upon ample and quality water. For water rights and augmentation purposes the City is seeking additional augmentation and water sources. The appointed Water Advisory Committee, utilizing the City's Raw Water Master Plan and Water Infrastructure Master Plan are essential in developing and managing Brush's most valuable natural resource. The City is also working on a feasibility study on a reverse osmosis system to treat other water sources for the City.

Skilled labor is readily available, especially due to the close proximity of Morgan Community College and Northeastern Junior College as well as the availability of long-distance learning with Colorado universities.

Retail is not as prominent as the City of Brush would like as sales tax drives our General Fund. The 2022 sales tax revenues increased by \$72,356 (3%) from the prior year. City sales tax for 2023 increased \$951,730 (22%). Sales tax revenues have seen steady growth over the last five years and there are still signs of economic growth in other areas. In 2023 the increased sales tax could be attributed to the cost of inflation.

For several years now housing has been a concern to the City. In 2017 the City began to notice increased residential growth. That growth continued through 2022. In 2023 there were new apartment complexes built and the historical Central School was remodeled for housing rentals.

## **Long-term financial planning**

The Council has set a budgetary and planning policy guideline to have enough cash reserves set aside at the end of each fiscal year to cover three to six months of expenditures for emergency purposes. When possible, the targeted cash reserves are six months.

In 2006, through a joint effort between the Chamber of Commerce and the City of Brush, a ballot issue was passed to increase sales tax by .6% for future street improvements throughout the City. These funds go into the Capital Improvement Fund and are utilized for street-related projects only.

The new sales tax increase went into effect January 1, 2007. Citizens witnessed numerous improvements to streets and money is being reserved for future street improvements.

The City continues to see rising cost in the purchase of fire trucks and other equipment for the fire department. In 2014 the City was able to pass a .4% sales tax ballot issue specific to the fire department for the purchase of equipment and building improvements effective January 1, 2015.

## **Major initiatives**

The City of Brush recognizes the need for additional water supplies and at the same time understands the value of water conservation. In 2021 the council approved a new resolution to increase water rates for 2021 by 10% and future increases for 2022, 2023 and 2024 will be 6%.

The City of Brush recognizes the possibility of new industrial users and the age of our wastewater treatment plant. The City constantly monitors the available funds for future users and improvements. In 2022 a new resolution was passed to increase the wastewater rate by 7% and future increases for 2023, 2024 and 2025 will be 7% each year to help cover increasing costs of operations and future improvements.

## **Acknowledgements**

The preparation of this report would not have been possible without the dedicated service of the finance department. Credit must also be given to the Mayor and the governing council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Brush's finances.

Respectfully submitted,

Monty Torres  
City Administrator

Joanne Gosselink  
Finance Officer

## ELECTED OFFICIALS

WARD	CITY COUNCIL	EXPIRES
1	Alison Gorrell	January, 2026
1	Nathan Tyree	January, 2028
2	David Basil	January, 2026
2	Dan Scalise	January, 2028
3	Justin Spradlin	January, 2028
3	Larry Lundstrom	January, 2026
At Large	Dana Sherman – Mayor	January, 2026

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## APPOINTED OFFICIALS

City Administrator	Monty Torres
City Clerk	Loranda Packard
City Attorney	Dan Krob
Municipal Judge	Steve Jones

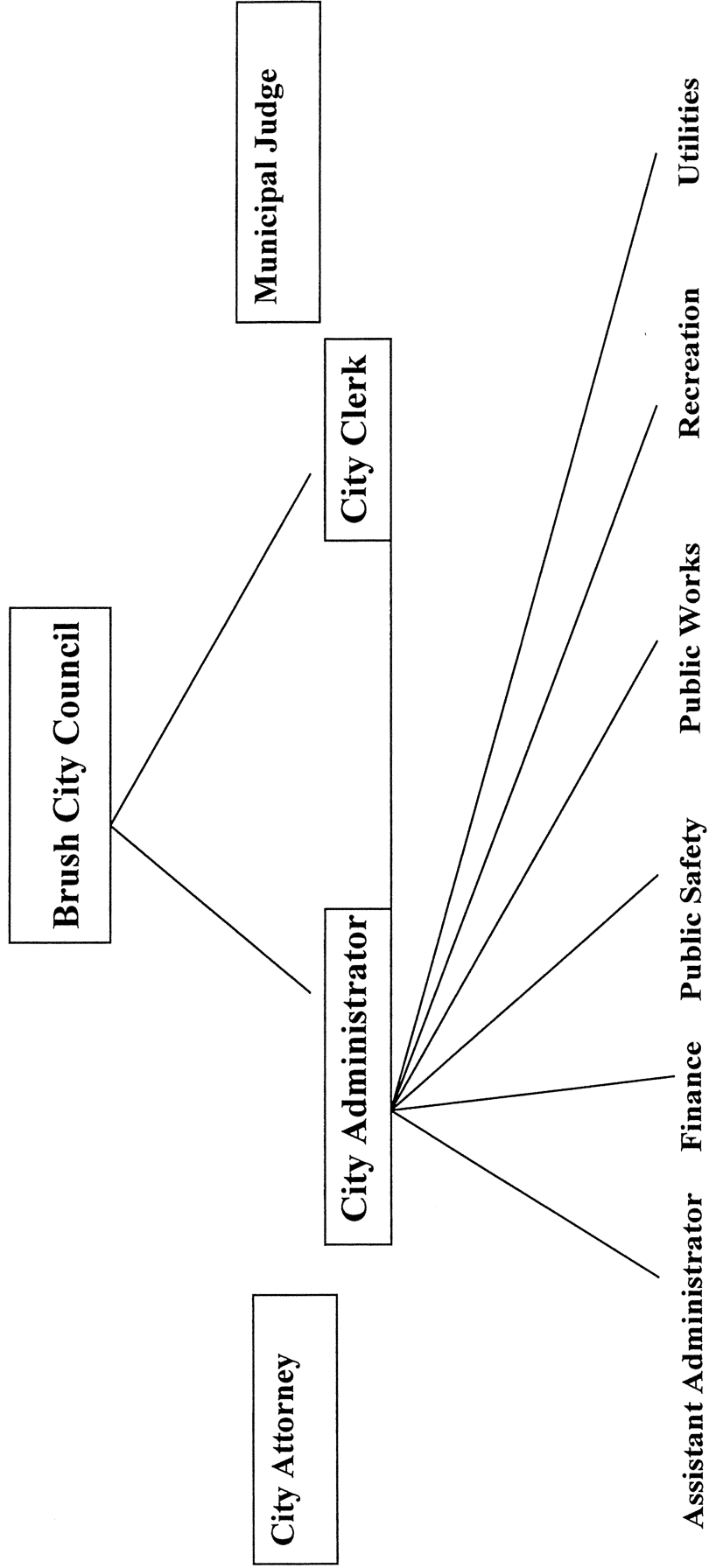
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## DEPARTMENTAL OFFICIALS

Emergency Preparedness	Brandon Flecksteiner
Assistant City Administrator	Tyler Purvis
Finance Director	Joanne Gosselink
Fire Chief	Tad Anderson
Police Chief	Brandon Flecksteiner
Recreation Director	Lance Schwindt
Public Works Director	Dale Colerick

**Functional Organizational Chart**

**Citizens of Brush!**



# **FINANCIAL SECTION**

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## **Independent Auditors' Report**

To the Honorable Mayor and Members of City Council  
City of Brush  
Brush, Colorado

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brush (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City 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 audit 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 the City, 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 City'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 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 the 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 City'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 City'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, budgetary comparison information and historical pension information listed in the table of contents 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

inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information and the local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information and local highway finance report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 other supplementary information and the local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Lauer, Szabo & Associates, P.C.*

Sterling, Colorado  
July 25, 2024

## Management's Discussion and Analysis

As management of the City of Brush, we offer readers of the City of Brush financial statements this narrative overview and analysis of the financial activities of the City of Brush for the fiscal year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 2-4 of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### Financial Highlights

- The assets of the City of Brush exceeded its liabilities at the close of the most recent fiscal year by \$42,901,513. Of this amount, \$9,041,052 may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the City of Brush's governmental funds reported combined ending fund balances of \$7,815,355 an increase of \$1,000,892 in comparison with the prior year. Of this amount \$5,603,977 is available for spending at the government's discretion (unassigned, assigned and committed fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$4,873,314 or 85 percent of total general fund expenditures.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Brush's basic financial statements. The City of Brush'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.

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

The statement of net position presents information on all of the City of Brush 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 City of Brush is improving or deteriorating.

The statement of activities presents information showing how the government'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).

Both of the government-wide financial statements distinguish functions of the City of Brush that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City of Brush include general government, public safety, streets, economic development, parks, and culture and recreation. The business-type activities of the City of Brush include water, trash and garbage, waste water, storm water operations and the golf course.

The government-wide financial statements have no component units reported in them. These financial statements can be found on pages 20-23 of this report.

Condensed financial statements for government wide statements are as follows:

**City of Brush Net Position**

	<b>Governmental activities</b>		<b>Business-type activities</b>		<b>Total</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>Primary Government</b>	
					<b>2023</b>	<b>2022</b>
<b>Assets</b>						
Current and other assets	10,085,244	9,916,610	4,255,937	5,440,141	14,341,181	15,336,751
Net pension asset						
Capital assets-net of accumulated depreciation	10,602,185	9,757,233	25,569,369	23,762,248	36,171,554	33,519,481
Total assets	20,687,429	19,673,843	29,825,306	29,202,389	50,512,735	48,876,232
<b>Deferred outflow of resources</b>						
Pension deferrals	538,356	313,319			538,356	313,319
<b>Total assets and deferred outflows of resources</b>	<b>21,225,785</b>	<b>19,987,162</b>	<b>29,825,306</b>	<b>29,202,389</b>	<b>51,051,091</b>	<b>49,189,551</b>
<b>Liabilities</b>						
Long-term liabilities outstanding	597,443	412,475	4,337,719	4,902,804	4,935,162	5,315,279
Other liabilities	1,174,245	1,623,163	883,388	763,025	2,057,633	2,386,188
Total liabilities	1,771,688	2,035,638	5,221,107	5,665,829	6,992,795	7,701,467
<b>Deferred inflow of resources</b>						
Pension deferrals	61,139	379,887			61,139	379,887
Leases	158,999	181,848			158,999	181,848
Deferred tax revenue	936,645	912,607			936,645	912,607
Total Deferred Inflows	1,156,783	1,474,342			1,156,783	1,474,342
<b>Net position</b>						
Net investment in capital assets	10,602,185	9,757,233	20,770,043	18,383,951	31,372,228	28,141,184
Restricted	2,160,903	2,458,715	327,330	266,413	2,488,233	2,725,128
Unrestricted	5,534,226	4,261,234	3,506,826	4,886,196	9,041,052	9,147,430
Total net position	18,297,314	16,477,182	24,604,199	23,536,560	42,901,513	40,013,742
<b>Total liabilities, deferred outflows of resources &amp; net position</b>	<b>21,225,785</b>	<b>19,987,162</b>	<b>29,825,306</b>	<b>29,202,389</b>	<b>51,051,091</b>	<b>49,189,551</b>

**City of Brush Changes in Net Position**

	Governmental activities		Business-type activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
<b>Revenues</b>						
Program revenues						
Charges for services	759,504	597,058	5,638,512	5,527,168	6,398,016	5,854,226
Capital grants	107,500	422,216	11,860	16,050	119,360	438,266
Operating grants	695,306	566,515	106,341		801,647	566,515
General Revenues						
Property taxes	895,994	1,044,598			895,994	1,044,598
Other	6,257,866	4,681,641	578,349	256,045	6,836,215	4,937,686
Total revenues	8,716,170	7,312,028	6,335,062	5,529,263	15,051,232	12,841,291
<b>Program expenses</b>						
General government	2,004,400	1,446,700			2,004,400	1,446,700
Public safety	1,918,538	1,641,609			1,918,538	1,641,609
Public works	1,398,812	1,241,962			1,398,812	1,241,962
Culture and recreation	1,148,682	1,128,544			1,148,682	1,128,544
Water			1,900,077	1,727,501	1,900,077	1,727,501
Trash and garbage			692,953	652,535	692,953	652,535
Waste water			1,732,485	1,493,538	1,732,485	1,493,538
Storm water			353,387	374,156	353,387	374,156
Golf course			1,052,631	988,852	1,052,631	988,852
Total expenses	6,470,432	5,458,815	5,731,533	5,236,582	12,201,965	10,695,397
Excess (deficiency) before transfers	2,245,738	1,853,213	603,529	292,681	2,849,267	2,145,894
Transfers	(464,110)	(491,481)	464,110	491,481		
Change in net position	1,781,628	1,361,732	1,067,639	784,162	2,849,267	2,145,894
Net position – beginning of year, as restated	16,515,686	15,115,450	23,536,560	22,752,398	40,052,246	37,867,848
Net position – ending	18,297,314	16,477,182	24,604,199	23,536,560	42,901,513	40,013,742

**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 City of Brush, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Brush can be divided into two categories: governmental funds and proprietary funds.

*Governmental funds.* Governmental funds are used to account for essentially the same functions reported 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 fiscal 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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Brush maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Capital Improvement, Fire Equipment and Grants Funds, which are considered to be the City's only major fund. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Brush adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided on pages 90-98 for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 24-27 of this report.

*Proprietary funds.* The City of Brush maintains five enterprise funds classified as proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Brush uses enterprise funds to account for its Water, Trash and Garbage, Waste Water, Storm Water, and Golf Course operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Trash and Garbage, Waste Water, Storm Water and Golf Course operations, all of which are considered to be major funds of the City of Brush.

The basic proprietary fund financial statements can be found on pages 28-39 of this report.

**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. The notes to the financial statements can be found on pages 40-72 of the report. Notes to the required supplementary information can be found on pages 86.

**Other information.** Included in the basic financial statements and accompanying notes, this report presents information concerning the City of Brush's progress in funding its obligation to provide pension benefits to its employees. The information can be found in note 9 on pages 56-67 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the general fund supplemental information. Combining and individual nonmajor fund statements and schedules can be found on pages 100-108 of this report.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Brush, assets exceeded liabilities by \$42,901,513 at the close of 2023.

Capital assets reflect 72 percent of the City of Brush's total assets (e.g., land, buildings, machinery, and equipment). The City of Brush uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Brush's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Six percent of the City of Brush's net position represent resources that are subject to external restrictions on how they may be used. There is \$9,041,052 of unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Brush is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

**Governmental activities.** Governmental activities increased the City of Brush's net position by \$1,781,628, thereby accounting for 63 percent of the total growth in the net position of the City of Brush.

**Business-type activities.** Business-type activities increased the City of Brush's net position by \$1,067,639. The increase to net position is 37 percent of the increase.

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

As noted earlier the City of Brush uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental funds.* The focus of the City of Brush's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Brush's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Brush's governmental funds reported combined ending fund balances of \$7,815,355 an increase of \$1,000,892 in comparison with the prior year. Approximately 62 percent of this total amount (\$4,873,314) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed for a variety of restricted purposes.

The general fund is the chief operating fund of the City of Brush. At the end of the current fiscal year, unassigned fund balance of the general fund was \$4,873,314, while total fund balance reached \$5,680,042. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 75 percent of total general fund expenditures, while total fund balance represents 88 percent of that same amount.

*Proprietary funds.* The City of Brush's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the enterprise funds at the end of the year amounted to \$3,506,827. The total growth in net position for the Water, Trash and Garbage, Waste Water, Storm Water, and Golf Course funds was \$322,997, \$(8,011), \$637,914 \$(40,480), and \$155,219 respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of Brush's business-type activities.

## **General Fund Budgetary Highlights**

During the year actual revenues were more than budgeted revenues by \$1,729,065 of which \$881,729 can be attributed to taxes. During the year actual expenditures were less than budgeted expenditures by \$896,505. The savings is attributed to police and capital outlay.

## **Capital Assets and Debt Administration**

**Capital assets.** The City of Brush's investments in capital assets for its governmental and business-type activities as of December 31, 2023, amounts to \$36,171,554 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, and streets.

Major capital asset events during the current fiscal year included fire department equipment and street improvements.

Additional information on the City of Brush's capital assets can be found in note 4 on pages 51-52 of this report.

**Long-term debt.** At the end of the current fiscal year, the City of Brush will have total bonded debt outstanding of \$4,225,000. This debt is paid with waste water revenues.

There was \$485,000 in principal paid on the waste water treatment plant loan which was secured through the Colorado Water & Power Authority.

The City also has a financed purchase agreement with a remaining balance owed of \$381,168 at year end, as well as leases payable of \$43,500. The loan proceeds were used to finance a new sprinkler system for the golf course, while the lease is for 28 golf carts.

Additional information on the City of Brush's long-term debt can be found in notes 5, and 6 on page 52-55 of this report.

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

The City of Brush continues to see growth in the business area. There was a 22 percent increase in sales tax for 2023, with a slight increase projected for 2024. In 2023 property taxes for the City of Brush decreased by 17 percent.

During the current fiscal year, unassigned fund balance in the general fund increased by \$1,036,076. The City of Brush has appropriated \$1,657,555 of fund balances for spending in the 2024 fiscal year budget. It is intended that this use of available fund balance will avoid the need to raise taxes or charges during the 2024 fiscal year.

## **Requests for Information**

This financial report is designed to provide a general overview of the City of Brush's finances for all those with interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 600 Edison St., City of Brush, Brush, CO 80723.

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## **Basic Financial Statements**

The basic financial statements of the City include the following:

*Government-wide financial statements.* The government-wide statements display information about the reporting government as a whole.

*Fund financial statements.* The fund financial statements display information about major funds individually and nonmajor funds in the aggregate for governmental and proprietary funds.

*Notes to the financial statements.* The notes communicate information essential for fair presentation of the financial statements that is not displayed on the face of the financial statements. As such, the notes are an integral part of the basic financial statements.

**CITY OF BRUSH, COLORADO**  
**Statement of Net Position**  
**December 31, 2023**

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash	\$ 1,709,647	\$ 256,715	\$ 1,966,362
Certificates of deposit	5,865,582	2,440,000	8,305,582
Investments	229,262	916,575	1,145,837
Cash with county treasurer	7,457		7,457
Receivables	2,222,821	499,588	2,722,409
Inventory	50,475	143,059	193,534
Capital assets, net of depreciation	10,602,185	25,569,369	36,171,554
<b>Total assets</b>	<b>20,687,429</b>	<b>29,825,306</b>	<b>50,512,735</b>
<b>Deferred outflows of resources</b>			
Pension deferrals	538,356		538,356
<b>Total assets and deferred outflows of resources</b>	<b>\$ 21,225,785</b>	<b>\$ 29,825,306</b>	<b>\$ 51,051,091</b>
<b>Liabilities</b>			
Accounts payable	\$ 117,068	\$ 216,592	\$ 333,660
Police bond account	8,213		8,213
Due to other agencies	22,631	2,336	24,967
Unearned revenues		50,400	50,400
Unearned grant revenues	1,026,333		1,026,333
Accrued interest payable		51,011	51,011
<b>Noncurrent liabilities</b>			
Due within one year		563,049	563,049
Due in more than one year	250,200	4,337,719	4,587,919
Net pension liability	347,243		347,243
<b>Total liabilities</b>	<b>1,771,688</b>	<b>5,221,107</b>	<b>6,992,795</b>
<b>Deferred inflows of resources</b>			
Deferred property tax revenues	936,645		936,645
Pension deferrals	61,139		61,139
Leases	158,999		158,999
<b>Total deferred inflows of resources</b>	<b>1,156,783</b>	<b>-</b>	<b>1,156,783</b>
<b>Net position</b>			
Net investment in capital assets	10,602,185	20,770,043	31,372,228
Restricted	2,160,903	327,330	2,488,233
Unrestricted	5,534,226	3,506,826	9,041,052
<b>Total net position</b>	<b>18,297,314</b>	<b>24,604,199</b>	<b>42,901,513</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 21,225,785</b>	<b>\$ 29,825,306</b>	<b>\$ 51,051,091</b>

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

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**CITY OF BRUSH, COLORADO**  
**Statement of Activities**  
**For the Year Ended December 31, 2023**

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 2,004,400	\$ 389,837	\$ 233,982	
Public safety	1,918,538	38,744	7,055	
Public works	1,398,812	70,648	380,125	
Culture and recreation	1,148,682	260,275	74,144	\$ 107,500
Total governmental activities	6,470,432	759,504	695,306	107,500
Business-type activities				
Water	1,900,077	1,834,743	106,341	11,860
Trash and garbage	692,953	700,390		
Waste Water	1,732,485	2,181,233		
Storm water	353,387	316,742		
Golf course	1,052,631	605,404		
Total business-type activities	5,731,533	5,638,512	106,341	11,860
Total	\$ 12,201,965	\$ 6,398,016	\$ 801,647	\$ 119,360
General revenues and transfers				
Taxes				
Property taxes, levied for general purposes				
Sales and use taxes				
Specific ownership taxes				
Franchise taxes				
Cigarette taxes				
Unrestricted interest				
Miscellaneous				
Sale of assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position at beginning of year, as originally reported				
Prior period adjustment				
Net position at beginning of year, as restated				
Net position at end of year				

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

Net (Expenses) Revenues and  
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (1,380,581)		\$ (1,380,581)
(1,872,739)		(1,872,739)
(948,039)		(948,039)
(706,763)		(706,763)
(4,908,122)	\$ -	(4,908,122)
	52,867	52,867
	7,437	7,437
	448,748	448,748
	(36,645)	(36,645)
	(447,227)	(447,227)
-	25,180	25,180
(4,908,122)	25,180	(4,882,942)
895,994		895,994
4,310,595		4,310,595
97,129		97,129
330,208		330,208
6,094		6,094
111,475	106,996	218,471
1,324,984	294,016	1,619,000
77,381	177,337	254,718
(464,110)	464,110	-
6,689,750	1,042,459	7,732,209
1,781,628	1,067,639	2,849,267
16,477,182	23,536,560	40,013,742
38,504		38,504
16,515,686	23,536,560	40,052,246
<u>\$ 18,297,314</u>	<u>\$ 24,604,199</u>	<u>\$ 42,901,513</u>

**CITY OF BRUSH, COLORADO**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2023**

	General Fund	Capital Improvement Fund	Fire Equipment Fund	Grant Fund
<b>Assets</b>				
Cash	\$ 480,862	\$ 54,281	\$ 40,661	\$ 1,026,333
Certificates of deposit	4,295,582	900,000	380,000	
Investments	114,631	114,631		
Police bond cash	8,213			
Cash with county treasurer	7,457			
Accrued interest receivable	41,499	11,243	3,524	
Property tax receivable	876,834		59,811	
Accounts receivable	829,235	142,914	94,739	
Lease receivable			158,999	
Inventory	50,475			
<b>Total assets</b>	<b>\$ 6,704,788</b>	<b>\$ 1,223,069</b>	<b>\$ 737,734</b>	<b>\$ 1,026,333</b>
<b>Liabilities</b>				
Accounts payable	\$ 117,068			
Police bond account	8,213			
Due to other agencies	22,631			
Unearned grant revenue				\$ 1,026,333
<b>Total liabilities</b>	<b>147,912</b>	<b>\$ -</b>	<b>\$ -</b>	<b>1,026,333</b>
<b>Deferred inflows of resources</b>				
Deferred property tax revenues	876,834		59,811	
Leases			158,999	
<b>Total deferred inflows of resources</b>	<b>876,834</b>	<b>-</b>	<b>218,810</b>	<b>-</b>
<b>Fund balance</b>				
Nonspendable	50,475			
Restricted	121,841	1,223,069	518,924	
Committed	12,530			
Assigned	621,882			
Unassigned	4,873,314			
<b>Total fund balance</b>	<b>5,680,042</b>	<b>1,223,069</b>	<b>518,924</b>	<b>-</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 6,704,788</b>	<b>\$ 1,223,069</b>	<b>\$ 737,734</b>	<b>\$ 1,026,333</b>

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

Other Governmental Funds	Total		
		Amounts reported for governmental activities in the statement of net position are different because:	
\$ 99,297	\$ 1,701,434	Total fund balance - governmental funds	\$ 7,815,355
290,000	5,865,582	Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.	10,602,185
	229,262		
	8,213		
	7,457		
3,173	59,439	Deferred outflows of resources are not financial resources and therefore are not reported as assets in governmental funds.	538,356
	936,645		
850	1,067,738	Long-term liabilities and related deferred inflows of resources are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(658,582)
	158,999		
	50,475	Net position of the governmental activities	<u>\$ 18,297,314</u>
<u>\$ 393,320</u>	<u>\$ 10,085,244</u>		
	\$ 117,068		
	8,213		
	22,631		
	1,026,333		
\$ -	1,174,245		
	936,645		
	158,999		
-	1,095,644		
	50,475		
297,069	2,160,903		
96,251	108,781		
	621,882		
	4,873,314		
<u>393,320</u>	<u>7,815,355</u>		
<u>\$ 393,320</u>	<u>\$ 10,085,244</u>		

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

**CITY OF BRUSH, COLORADO**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended December 31, 2023**

	General Fund	Capital Improvement Fund	Fire Equipment Fund	Grant Fund
<b>Revenues</b>				
Taxes	\$ 4,499,479	\$ 652,668	\$ 487,873	
Licenses and permits	189,416			
Intergovernmental	544,927			\$ 221,137
Fines and forfeitures	27,446			
Charges for services	307,338		22,851	
Miscellaneous	1,448,854	16,858	20,602	
<b>Total revenues</b>	<b>7,017,460</b>	<b>669,526</b>	<b>531,326</b>	<b>221,137</b>
<b>Expenditures</b>				
<b>Current</b>				
General government	1,682,999			221,137
Public safety	1,612,479			
Public works	1,100,480			
Culture and recreation	990,909			
Capital outlay	346,798		1,147,995	
<b>Total expenditures</b>	<b>5,733,665</b>	<b>-</b>	<b>1,147,995</b>	<b>221,137</b>
<b>Excess of revenues over (under) expenditures</b>	<b>1,283,795</b>	<b>669,526</b>	<b>(616,669)</b>	<b>-</b>
<b>Other financing sources (uses)</b>				
Transfers in	86,396			
Transfers out	(300,015)			
<b>Total other financing sources (uses)</b>	<b>(213,619)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>1,070,176</b>	<b>669,526</b>	<b>(616,669)</b>	<b>-</b>
<b>Fund balance at beginning of year, as originally reported</b>	<b>4,609,866</b>	<b>553,543</b>	<b>1,135,593</b>	
<b>Prior period adjustment</b>				
<b>Fund balance at beginning of year, as restated</b>	<b>4,609,866</b>	<b>553,543</b>	<b>1,135,593</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ 5,680,042</b>	<b>\$ 1,223,069</b>	<b>\$ 518,924</b>	<b>\$ -</b>

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

Other Governmental Funds	Total		
	\$ 5,640,020		Amounts reported for governmental activities in the statement of activities are different because: because:
	189,416		
\$ 74,144	840,208		Net change in fund balance - governmental funds     \$ 1,000,892
	27,446		Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlays exceeded depreciation in the current period.
12,890	343,079		859,405
112,306	1,598,620		
199,340	8,638,789		
	1,904,136		In the statement of activities, no gain (loss) on the sale of equipment is reported, whereas in the governmental funds, the proceeds from the sale increase (decrease) financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets sold.
	1,612,479		(14,453)
	1,100,480		
70,794	1,061,703		In the statement of activities, certain operating expenses are measured by amounts incurred or earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.
249,236	1,744,029		(52,322)
320,030	7,422,827		
(120,690)	1,215,962		Pension expense at the fund level represents cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the year.
	86,396		(11,894)
(1,451)	(301,466)		
(1,451)	(215,070)		Change in net position of governmental activities <u>\$ 1,781,628</u>
(122,141)	1,000,892		
476,957	6,775,959		
38,504	38,504		
515,461	6,814,463		
\$ 393,320	\$ 7,815,355		

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

**CITY OF BRUSH, COLORADO**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2023**

	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Assets				
Current assets				
Cash	\$ 27,127	\$ 28,201	\$ 99,249	\$ 74,467
Certificates of deposit	640,000	150,000	1,470,000	180,000
Investments	229,066		572,878	114,631
Accrued interest receivable	17,198	1,049	9,472	3,402
Accounts receivable	453,733	1,645		
Other receivables	9,996		2,058	
Inventory	65,646	55,084		
Total current assets	1,442,766	235,979	2,153,657	372,500
Noncurrent assets				
Property, plant and equipment				
Land and improvements	1,143,512	1,475	652,537	841,507
Building and improvements	466,848	85,117		
Water system	9,370,447			
Waste water plant and sewer system			14,794,397	2,419,926
Equipment	1,134,418	473,931	898,923	482,797
Office equipment	127,286			
Water rights stock	1,982,072			
Subtotal	14,224,583	560,523	16,345,857	3,744,230
Accumulated depreciation	(5,448,049)	(354,210)	(4,325,606)	(1,125,281)
Total noncurrent assets	8,776,534	206,313	12,020,251	2,618,949
Total assets	\$ 10,219,300	\$ 442,292	\$ 14,173,908	\$ 2,991,449

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

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Golf Course Fund	Total
\$ 27,671	\$ 256,715
	2,440,000
	916,575
	31,121
	455,378
1,035	13,089
22,329	143,059
51,035	4,255,937
1,285,362	3,924,393
786,679	1,338,644
	9,370,447
581,899	17,214,323
	3,571,968
	127,286
	1,982,072
2,653,940	37,529,133
(706,618)	(11,959,764)
1,947,322	25,569,369
<u>\$ 1,998,357</u>	<u>\$ 29,825,306</u>

(continued)

**CITY OF BRUSH, COLORADO**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2023**

	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
(continued)				
Liabilities				
Current liabilities				
Accounts payable	\$ 20,366	\$ 12,696	\$ 161,943	\$ 967
Due to other entity			2,336	
Unearned lease revenues	50,400			
Accrued interest payable			43,500	
Current portion of notes payable			485,000	
Current portion of lease obligation				
Total current liabilities	70,766	12,696	692,779	967
Long-term liabilities				
Accrued compensated absences	44,304	31,378	13,256	8,030
Notes payable			3,889,658	
Lease obligations				
Total long-term liabilities	44,304	31,378	3,902,914	8,030
Total liabilities	115,070	44,074	4,595,693	8,997
Net position				
Net investment in capital assets	8,776,534	206,313	7,645,593	2,618,949
Restricted for debt service			327,330	
Unrestricted	1,327,696	191,905	1,605,292	363,503
Total net position	10,104,230	398,218	9,578,215	2,982,452
Total liabilities and net position	<u>\$ 10,219,300</u>	<u>\$ 442,292</u>	<u>\$ 14,173,908</u>	<u>\$ 2,991,449</u>

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

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Golf Course Fund	Total
\$ 20,620	\$ 216,592
	2,336
	50,400
7,511	51,011
56,712	541,712
<u>21,337</u>	<u>21,337</u>
106,180	883,388
4,474	101,442
324,456	4,214,114
<u>22,163</u>	<u>22,163</u>
<u>351,093</u>	<u>4,337,719</u>
457,273	5,221,107
1,522,654	20,770,043
	327,330
18,430	3,506,826
<u>1,541,084</u>	<u>24,604,199</u>
<u>\$ 1,998,357</u>	<u>\$ 29,825,306</u>

**CITY OF BRUSH, COLORADO**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2023**

	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Operating revenues				
Charges for services	\$ 1,834,743	\$ 700,390	\$ 2,181,233	\$ 316,742
Operating expenses				
Salaries	503,770	203,701	221,453	51,248
Employee benefits	222,754	134,339	102,279	22,763
Supplies	39,394	8,906	22,374	1,789
Professional services	531,013	119,610	458,125	39,135
Telephone	458	30	2,405	29
Lab fees	17,224			
Medical	662	609	220	197
Utilities	64,399	5,462	107,518	
Association dues	225		225	
Travel and training	6,204	339	5,014	11
Computer and radio maintenance	13,860	3,435	11,696	3,434
Advertising	1,241		248	400
Building maintenance	4,232	3,098	880	
Licenses and permits	46,102		23,073	
Insurance - general	37,383	2,016	63,210	13,175
Well electricity	26,774			
System maintenance & materials	70,324		239,134	32,676
Purchase of trash containers		5,232		
Landfill contract		117,676		
Fuel and oil	14,831	30,485	10,038	12,238
Repairs & maintenance - vehicle	1,252	13,607	6,870	4,734
Miscellaneous				
Ground maintenance				
Restaurant				
Bar				
Cart repairs and rental				
Noncapital outlay	56,138		4,929	
Depreciation and amortization	241,084	44,408	353,744	171,558
Total operating expenses	1,899,324	692,953	1,633,435	353,387
Operating income (loss)	(64,581)	7,437	547,798	(36,645)

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

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Golf Course Fund	Total
\$ 605,404	\$ 5,638,512
378,559	1,358,731
78,436	560,571
759	73,222
20,712	1,168,595
4,429	7,351
	17,224
192	1,880
37,699	215,078
	450
1,238	12,806
11,115	43,540
5,848	7,737
762	8,972
1,510	70,685
10,253	126,037
	26,774
	342,134
	5,232
	117,676
13,714	81,306
642	27,105
455	455
88,566	88,566
144,081	144,081
60,523	60,523
3,736	3,736
	61,067
144,002	954,796
<u>1,007,231</u>	<u>5,586,330</u>
(401,827)	52,182

(continued)

**CITY OF BRUSH, COLORADO**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2023**

(continued)	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Nonoperating revenues (expenses)				
Interest on investments	42,402	1,397	53,402	9,762
Plant investment fee	57,673		43,920	
Surcharge fee			20,925	
Farm income	51,397		28,261	
Rental income	7,900		4,800	
DOW lease	3,240		7,560	
Water rights	5,316			
Easement	3,527			
Convenience fee	6,139			
Grant income	106,341			
Gain (loss) on sale of assets	118,971		59,928	(1,562)
Farm expense	(153)		(13,172)	
Water conservation	(600)			
Golf course income				
Golf course expense				
Interest and fiscal charges			(85,878)	
<b>Total nonoperating revenues (expenses)</b>	<b>402,153</b>	<b>1,397</b>	<b>119,746</b>	<b>8,200</b>
Income (loss) before transfers and capital contributions	337,572	8,834	667,544	(28,445)
Capital contributions	11,860			
Transfers in				
Transfers out	(26,435)	(16,845)	(29,630)	(12,035)
Change in net position	322,997	(8,011)	637,914	(40,480)
Net position at beginning of year	9,781,233	406,229	8,940,301	3,022,932
Net position at end of year	<u>\$ 10,104,230</u>	<u>\$ 398,218</u>	<u>\$ 9,578,215</u>	<u>\$ 2,982,452</u>

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

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Golf Course Fund	Total
33	106,996
	101,593
	20,925
	79,658
	12,700
	10,800
	5,316
	3,527
	6,139
	106,341
	177,337
	(13,325)
	(600)
53,358	53,358
(24,681)	(24,681)
(20,719)	(106,597)
<hr/>	
7,991	539,487
<hr/>	
(393,836)	591,669
249,040	260,900
300,015	300,015
	(84,945)
<hr/>	
155,219	1,067,639
1,385,865	23,536,560
<hr/>	
<u>\$ 1,541,084</u>	<u>\$ 24,604,199</u>

**CITY OF BRUSH, COLORADO**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2023**

	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Cash flows from operating activities				
Receipts from customers	\$ 1,903,206	\$ 699,872	\$ 2,180,898	\$ 316,742
Internal activity				
Payments to suppliers	(1,176,824)	(462,882)	(939,711)	(130,740)
Payments to employees	(496,506)	(199,398)	(216,143)	(51,235)
Net cash provided (used) by operating activities	229,876	37,592	1,025,044	134,767
Cash flows from noncapital financing activities				
Miscellaneous revenues			20,925	
Transfers in				
Transfers out	(26,435)	(16,845)	(29,630)	(12,035)
Net cash provided (used) by noncapital financing activities	(26,435)	(16,845)	(8,705)	(12,035)
Cash flows from capital and related financing activities				
Purchase of capital assets	(1,526,678)		(434,599)	(275,435)
Capital contributed from tap fees	11,860			
Plant investment fees	57,673		43,920	
Principal paid on debt			(485,000)	
Interest and fiscal charges			(105,400)	
Net cash used by capital and related financing activities	(1,457,145)	-	(981,079)	(275,435)
Cash flows from investing activities				
Golf course income/(loss)				
Farm income/(loss) - net	50,644		15,089	
Rental and easement income	22,522		12,360	
Interest on investments	17,319	480	17,552	1,240
Sale of investments	2,120,000	50,000	900,000	180,000
Purchase of investments	(1,130,000)	(150,000)	(1,070,000)	(180,000)
Net cash provided (used) by investing activities	1,080,485	(99,520)	(124,999)	1,240

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

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Golf Course Fund	Total
\$ 605,890	\$ 5,706,608
14,831	14,831
(460,473)	(3,170,630)
(378,380)	(1,341,662)
(218,132)	1,209,147
300,015	20,925
	300,015
	(84,945)
300,015	235,995
(7,318)	(2,244,030)
	11,860
	101,593
(74,866)	(559,866)
(21,878)	(127,278)
(104,062)	(2,817,721)
28,677	28,677
	65,733
	34,882
33	36,624
	3,250,000
	(2,530,000)
28,710	885,916

(continued)

**CITY OF BRUSH, COLORADO**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2023**

(continued)	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Net change in cash and cash equivalents	(173,219)	(78,773)	(89,739)	(151,463)
Cash and cash equivalents at beginning of year	200,346	106,974	188,988	225,930
Cash and cash equivalents at end of year	<u>\$ 27,127</u>	<u>\$ 28,201</u>	<u>\$ 99,249</u>	<u>\$ 74,467</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (64,581)	\$ 7,437	\$ 547,798	\$ (36,645)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	241,084	44,408	353,744	171,558
Change in assets and liabilities				
Receivables	68,463	(518)	(335)	
Inventory	(23,402)	(16,878)		
Internal activity				
Accounts payable	1,048	(1,160)	117,905	(159)
Due to other entity			622	
Accrued compensated absences	7,264	4,303	5,310	13
Net cash provided (used) by operating activities	<u>\$ 229,876</u>	<u>\$ 37,592</u>	<u>\$ 1,025,044</u>	<u>\$ 134,767</u>
Noncash capital financing activities				
Capital assets contributed from other funds	\$ 106,341			
Capital assets acquired with trade-in allowance	168,333		\$ 73,333	\$ 75,000
Total noncash capital financing activities	<u>\$ 274,674</u>	<u>\$ -</u>	<u>\$ 73,333</u>	<u>\$ 75,000</u>

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

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Golf Course Fund	Total
6,531	(486,663)
<u>21,140</u>	<u>743,378</u>
<u>\$ 27,671</u>	<u>\$ 256,715</u>

\$ (401,827)      \$ 52,182

144,002	954,796
486	68,096
20,097	(20,183)
14,831	14,831
4,100	121,734
	622
<u>179</u>	<u>17,069</u>
<u>\$ (218,132)</u>	<u>\$ 1,209,147</u>

\$ 234,209      \$ 340,550

	<u>316,666</u>
<u>\$ 234,209</u>	<u>\$ 657,216</u>

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Brush, Colorado have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the City's financial statements.

A. Reporting Entity

As required by generally accepted accounting principles, these financial statements should present the City of Brush, Colorado (the primary government) and its component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable, or other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the City's financial statements to be misleading or incomplete. Based on the foregoing criteria, the City has no component units.

B. Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Government-wide financial statements report information about the reporting government as a whole, excluding fiduciary funds. For the most part, the effect of interfund activity has been removed from these statements. These statements focus on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the year. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

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

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basic Financial Statements (continued)

Fund financial statements report information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified as governmental, proprietary, and fiduciary. The City does not have any fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are consolidated into a single column in the financial section of the basic financial statements.

C. 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, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. The City has collected nearly 100% of all property taxes at December 31. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to meeting eligibility requirements. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed and the revenue is recognized.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

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

The City reports the following major governmental funds:

General Fund

This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be reported in another fund.

Capital Improvement Fund

This fund accounts for capital outlay acquisitions of the governmental fund types and is primarily funded by sales tax.

Fire Equipment Improvement Fund

This fund accounts for the acquisition of fire equipment and building improvements. This fund is financed through property and sales tax.

Grant Fund

This fund was established to account for the activity of federal and state grants.

Additionally, the City reports the following nonmajor funds:

Special Surplus and Deficiency Fund

This fund presently accounts for the emergency reserves required under the Tabor amendment.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Conservation Trust Fund

This fund was established by the City to provide for an accounting of those funds received through the State of Colorado Lottery Fund Program. The State requires that these funds be expended in the areas of parks and recreation development.

Police Forfeiture and Confiscation Fund

This fund is used to account for monies collected from the sale of evidence seized by the Police department.

Joslin-Needham Fund

This fund is established to provide for separate accountability of monies contributed to the City by the Joslin-Needham Family Foundation earmarked for particular projects.

Cemetery Perpetual Care Fund

This fund is established to accumulate funds for the perpetual care and maintenance of the City's cemetery grounds. Current Council resolutions also allow capital purchases in this fund.

Proprietary 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 a proprietary fund's principal ongoing operations. The principal operating revenues and expenses of the City's enterprise funds are charges to customers for sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major proprietary funds:

Water Fund

This fund was established to account for the operation of a City-owned and operated public water system.

Waste Water Fund

This fund was established to account for the operation of a City-owned and operated public sewer system.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(continued)

Trash and Garbage Fund

This fund was established to provide for separate accountability of fees derived from the City-operated public trash system.

Storm Water Fund

This fund was established to provide for separate accountability of fees derived for the use of street and storm sewer cleaning.

Golf Course Fund

This fund was established to account for the operations of a City-owned and operated public golf course.

D. Budgets

Annually appropriated budgets were adopted for all funds. Budgets are adopted on a basis consistent with generally accepted accounting principles except for depreciation, debt service, and capital outlay. All governmental funds and proprietary funds are budgeted on the modified accrual basis of accounting. All appropriations lapse at year end. In the budget versus actual statements, the actual results of operations are presented on the budgetary basis of accounting for proper comparison to the budget.

Colorado statutes provide the following timetable which is followed in the adoption of the budgets:

- (1) Submission of the proposed budget to the local governing body by October 15 of each year.
- (2) Certification of mill levies to the Board of County Commissioners by December 15.
- (3) Final adoption of budget and appropriations by December 31 of each year.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Budgets (continued)

- (4) Property taxes are due by April 30 of each year if paid in full, or in two installments due February 28 and June 15 of each year.
- (5) Liens are placed on property for which taxes are delinquent in November of each year.

The actual results of operations are presented in accordance with generally accepted accounting principles, which differ in certain respects from those practices used in the preparation of the 2023 budget (Note 8). For purposes of preparing the budgetary comparison schedules, the actual results of operations have been adjusted to a basis consistent with the City's budgeted revenues and expenditures.

E. Cash and Cash Equivalents

For purposes of the statement of cash flows, the enterprise funds consider cash on hand, demand deposits, and short-term investments with an original maturity of three months or less to be cash and cash equivalents (Note 2).

F. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Short-term interfund loans are classified as "due to/from other funds." All short-term interfund receivables and payables at year end are planned to be eliminated in the subsequent year. Long-term interfund loans are classified as "interfund note receivable/payable." Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

G. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond year end are recorded as prepaid items for enterprise funds.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Encumbrances

The City does not utilize encumbrance accounting.

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, sidewalks, street lights, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of five years. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value as of the date of the donation.

The costs of normal maintenance and repairs that do not add to the value or capacity of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation on exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statements of Net Assets. A composite depreciation rate is used for infrastructure assets. Depreciation on the remaining capital assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	25-50 years
Improvements Other than Buildings	15-50 years
Water Distribution System	10-50 years
Sewer Collection System	10-50 years
Machinery and Equipment	5-20 years
Vehicles	5-15 years
Infrastructure	20-80 years

K. Compensated Absences

Accumulated vacation leave is reported as a liability for all leave related to past employee service for which payment to the employee is considered probable. Vested vacation and sick pay benefits are accrued when incurred. A liability for unused sick leave benefits is accrued only if the employees are eligible or it is probable that the employee will be compensated for the benefits through cash payments upon termination or retirement. The sick leave liability is estimated based on the City's assumptions concerning the probability for making payments for sick leave and its vested payment policy (vesting method).

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Compensated Absences (continued)

Accumulated vacation leave and payments for sick leave that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay the benefit. Accumulated vacation leave and sick leave termination payments for proprietary fund types are recorded as fund liabilities.

L. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

M. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditure/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers (Note 13).

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

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Net Position

Net Position comprises the various net earnings from operating income, nonoperating revenues and expenses, and capital contributions. Net position is classified in the following three components:

*Net investment in capital assets* – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

*Restricted* – This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

*Unrestricted* – This component of net position consists of net position that do not meet the definition of “restricted” or “net investment in capital assets.”

If both restricted and unrestricted resources are available to use for the same purpose, it is the City’s policy to use restricted resources first, and then unrestricted resources as they are needed.

O. Fund Balance Classifications

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below.

*Nonspendable*, such as fund balance associated with inventories, prepaid expenditures, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),

*Restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Fund Balance Classifications (continued)

*Committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the city council (the City's highest level of decision-making authority),

*Assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and

*Unassigned* fund balance is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications.

Committed fund balance is established by a formal passage of a resolution. This is typically done through the adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the city council through adoption or amendment of the budget as intended for specific purpose (such as purchase of fixed assets, construction, debt service or for other purposes).

When both restricted and unrestricted resources are available in governmental funds, the City applies expenditures against restricted fund balance first, and followed by committed fund balance, assigned fund balance and unassigned fund balance.

P. Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

Note 2: DEPOSITS AND INVESTMENTS

Cash and Deposits

Colorado State statutes govern the City's deposit of cash. The Public Deposit Protection Acts (PDPA) for banks and savings and loans require state regulators to certify eligible depositories for public deposits. The PDPA require eligible depositories with public deposits in excess of federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or Colorado local governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group and not held in any individual government's name. The fair value of the assets in the pool must be at least equal to 102% of the aggregate uninsured deposits.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

Note 2: DEPOSITS AND INVESTMENTS (continued)

Custodial Credit Risk – Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the City’s deposits might not be returned to it. The City does not have deposit policy for custodial credit risk. As of year-end, the City had total deposits of \$10,551,369, of which \$500,000 was insured and \$10,051,369 was collateralized with securities held by the pledging institution’s trust department or agent in the City’s name.

During the year, the City invested in the Colorado Surplus Asset Fund Trust (CSAFE), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank 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. CSAFE is an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$1.00. At year-end, the City had the following investments:

<u>Investment type</u>	<u>Fair value</u>	<u>Investment maturities (in years)</u>		
		<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>
Investment in CSAFE	\$ 1,145,837	\$ 1,145,837	-	-

Credit risk - State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the highest rating from at least one nationally recognized rating agency at the time of purchase. The City has no investment policy that would further limit its investment choices. At year-end, the City’s investment in CSAFE was rated AAAM by Standard and Poor’s.

Note 3: RECEIVABLES

Receivables at year-end consist of the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Receivables</u>
Utility accounts	\$ -	\$ 455,378	\$ 455,378
Property taxes	936,645	-	936,645
Accounts	1,067,738	13,089	1,080,827
Leases	158,999	-	158,999
Interest	59,439	31,121	90,560
Total	\$ 2,222,821	\$ 499,588	\$ 2,722,409

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

Note 4: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
<b>Governmental activities</b>				
Non-depreciable assets:				
Land	\$ 492,622	\$ -	\$ -	\$ 492,622
Construction in progress	<u>296,812</u>	<u>1,071,470</u>	<u>(411,008)</u>	<u>957,274</u>
Total non-depreciable assets	789,434	1,071,470	(411,008)	1,449,896
Depreciable assets:				
Buildings	3,397,964	92,131	390,525	3,880,620
Equipment	4,211,578	181,975	(72,772)	4,320,781
Vehicles	1,239,129	142,965	-	1,382,094
Infrastructure	6,514,047	-	-	6,514,047
Land improvements	1,152,355	-	-	1,152,355
Other	18,735	-	-	18,735
Less accumulated depreciation	<u>(7,566,009)</u>	<u>(629,136)</u>	<u>78,802</u>	<u>(8,116,343)</u>
Net depreciable assets	<u>8,967,799</u>	<u>(212,065)</u>	<u>396,555</u>	<u>9,152,289</u>
Governmental activities capital assets, net	<u>\$ 9,757,233</u>	<u>\$ 859,405</u>	<u>\$ (14,453)</u>	<u>\$ 10,602,185</u>
<b>Business-type activities</b>				
Non-depreciable assets:				
Land	\$ 1,797,524	\$ -	\$ -	\$ 1,797,524
Water right stocks	<u>1,654,764</u>	<u>327,308</u>	<u>-</u>	<u>1,982,072</u>
Total non-depreciable assets	3,452,288	327,308	-	3,779,596
Depreciable assets:				
Buildings	1,256,689	81,955	-	1,338,644
Equipment	2,908,645	1,065,305	(379,202)	3,594,748
Systems	25,158,091	1,426,679	-	26,584,770
Land improvements	2,126,869	-	-	2,126,869
Less accumulated depreciation	<u>(11,204,505)</u>	<u>(932,795)</u>	<u>239,872</u>	<u>(11,897,428)</u>
Subtotal	20,245,789	1,641,144	(139,330)	21,747,603

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

Note 4: CAPITAL ASSETS (continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
Right to use assets:				
Equipment	104,506	-	-	104,506
Less accumulated depreciation	<u>(40,335)</u>	<u>(22,001)</u>	<u>-</u>	<u>(62,336)</u>
Subtotal	<u>64,171</u>	<u>(22,001)</u>	<u>-</u>	<u>42,170</u>
Net depreciable assets	<u>20,309,960</u>	<u>1,619,143</u>	<u>(139,330)</u>	<u>21,789,773</u>
Business-type activities capital assets, net	<u>\$ 23,762,248</u>	<u>\$ 1,946,451</u>	<u>\$ (139,330)</u>	<u>\$ 25,569,369</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

**Governmental activities**

General government	\$ 14,113
Public safety	225,790
Public works	294,840
Culture and recreation	<u>94,393</u>
Total governmental activities	629,136

**Business-type activities**

Water	241,084
Trash and garbage	44,408
Waste water	353,744
Storm water	171,558
Golf course	<u>144,002</u>
Total business-type activities	<u>954,796</u>
Total depreciation expense	<u>\$ 1,583,932</u>

Note 5: NOTES/LEASES PAYABLE

Business-Type Activities

Waste Water Fund – Note Payable

During 2010 the City received a \$9,465,000 loan from the Colorado Water Resources and Power Development Authority. Payments are due semi-annually on February 1 and August 1 beginning February 1, 2011 and ending August 1, 2031. The net effective interest rate is 2.50%.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 5: NOTES/LEASES PAYABLE (continued)

The City may prepay the loan repayments, in whole or in part (but if in part, in the amount of \$100,000 or any integral multiple of \$100,000) upon prior written notice of not less than ninety days.

The loan agreement with Colorado Water Resources and Power Development Authority contains several covenants including the establishment and maintenance of an operations and maintenance reserve fund in an amount equal to three months of operation and maintenance expenses. The City has restricted \$327,330 of net position in satisfaction of the three-month renewal and maintenance reserve requirement at year-end. The City must also maintain waste water rates, fees and other charges that will cover operation and maintenance expenses and at least 110% of debt services for the calendar year. The City believes it has met this requirement for the year ended December 31, 2023.

The City's outstanding note with CWRPDA in the amount of \$4,225,000 is secured with collateral of the net revenue from operation and use of the system as defined in the loan agreement. This outstanding note contains (1) a provision that in an event of default as defined in the loan agreement, the Authority shall have the right to take any action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce the performance and observance of any duty, covenant, obligation, or agreement including, without limitation, appointment ex parte of a receiver of the system.

On June 3, 2021, CWRPDA issued refunding State Revolving Fund (SRF) bonds Series 2023A. CWRDPA was legally obligated to pass through the savings from the refunding to its borrowers. This resulted in a credit of \$396,562 issued to the City, which will reduce future debt service payments and is reflected in the table on the following page.

Golf Course Fund – Financed Purchase

In August 2019, the City entered into an agreement with Farmers State Bank of Brush in the amount of \$585,000 to finance the purchase a new sprinkler system for the golf course. The agreement calls for a term of ten years. Annual payments of \$73,912 are due August 1<sup>st</sup> of each year, with a final payment due in August 2029. The average interest rate over the lease term is 4.50%. The obligation is secured by the sprinkler system owned by the City.

The agreement contains a provision that, in the event of default, the lessor may (1) terminate the lease term and may give notice to the City to return the leased property with fifteen days of the date of such notice and may then exercise all rights and remedies of a security party under the Colorado Uniform Commercial Code with respect to the leased property (2) recover from the City rentals which would have otherwise been payable hereunder, allocable to any period in which the City continues to use the lease property, or (3) take whatever action at law or in equity may appear

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

Note 5: NOTES/LEASES PAYABLE (continued)

necessary or desirable to enforce its right in and to the lease property under the lease. The City shall pay the lessor all costs and expenses, including reasonable attorney fees, incurred by the lessor in exercising any of its rights or remedies hereunder or enforcing any of the terms, conditions and provisions hereof.

The following schedule represents the City's debt service requirements to maturity for its financed purchases and note payable at year-end:

<u>Year Ending December 31,</u>	<u>Financed Purchases</u>		<u>Note Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 56,712	\$ 17,200	\$ 485,000	\$ 104,400
2025	59,311	14,601	490,000	102,865
2026	61,980	11,931	500,000	89,870
2027	64,769	9,142	510,000	80,700
2028	67,667	6,245	520,000	74,130
2029-2031	<u>70,729</u>	<u>3,183</u>	<u>1,720,000</u>	<u>57,715</u>
Totals	<u>\$ 381,168</u>	<u>\$ 62,302</u>	<u>\$ 4,225,000</u>	<u>\$ 509,680</u>

Golf Course Fund – Lease Payable

\$104,506 has been recorded as an intangible right to use lease in the Business-Type Activities capital assets. Due to the implementation of GASB Statement No. 87, this lease for 28 golf carts met the criteria of a lease; thus, requiring it to be recorded by the City. This asset will be amortized over the lease term of 4.75 years since it is shorter than the useful life and the City is not taking ownership of the equipment. There are no residual value guarantees in the lease provisions. The lease will end in 2025.

A summary of the principal and interest amounts for the remaining lease is as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 21,337	\$ 1,495
2025	<u>22,163</u>	<u>670</u>
Totals	<u>\$ 43,500</u>	<u>\$ 2,165</u>

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

Note 6: CHANGES IN LONG-TERM DEBT

The following is a summary of the changes in long-term debt for the year:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Adjustments/ Reductions</u>	<u>Ending Balances</u>	<u>Due within one year</u>
<b>Governmental Activities</b>					
Compensated absences	\$ 197,878	\$ 52,322*	\$ -	\$ 250,200	\$ -
<b>Business-type Activities</b>					
Compensated absences	\$ 84,373	\$ 17,069*	\$ -	\$ 101,442	\$ -
Premium on note payable	168,763		(19,105)	149,658	-
Note payable	4,710,000	-	(485,000)	4,225,000	485,000
Financed purchase	435,483	-	(54,315)	381,168	56,712
Leases payable	<u>64,051</u>	<u>-</u>	<u>(20,551)</u>	<u>43,500</u>	<u>21,337</u>
Total	<u>\$ 5,462,670</u>	<u>\$ 17,069</u>	<u>\$ (578,971)</u>	<u>\$ 4,900,768</u>	<u>\$ 563,049</u>

\*The change in the compensated absences liability is presented as a net change.

Note 7: COMMITMENTS AND CONTINGENCIES

On November 3, 1992, the voters of Colorado approved Amendment 1, commonly known as the TABOR Amendment, which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado, all local governments, and special districts. In, November, 2000, the City's electorate approved a resolution to permit the City to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatever, without limitation, in 2000 and all subsequent years, notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution, provided however, that no local tax rate or property mill levy shall be increased at any time, nor shall any new tax be imposed, without the prior consent of voters of the City. TABOR is extremely complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance.

The City has restricted \$253,000 of fund balance as a result of Article X, Section 20 (TABOR) of the Colorado Constitution and believes it is in compliance with the provisions of the TABOR Amendment.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

Note 8: BUDGETARY DATA

The City may authorize Supplemental appropriations during the budget year. During 2023, the following supplemental appropriations were enacted.

<u>Fund</u>	<u>Amount</u>
General Fund	\$ 512,030
Fire Equipment Fund	507,545
Water Fund	320,000
Waste Water Fund	325,000
Golf Course Fund	46,100
Joslin Needham Fund	267,500
Cemetery Perpetual Care Fund	<u>35,000</u>
Totals	<u>\$ 2,013,175</u>

Note 9: PENSION FUNDS

The City is covered under four separate pension plans. In addition, employees may also make voluntary contributions to the deferred compensation plan as discussed in Note 10. Below is a summary of the deferred inflows/outflows, net pension assets and liabilities, and pension expense for the defined benefit plans.

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Net Pension Liability</u>	<u>Net Pension Asset</u>	<u>Pension Expense</u>
SWDB	\$ 454,843	\$ 47,063	\$ 56,957	\$ -	\$ 66,265
Volunteer Fire	<u>83,513</u>	<u>14,076</u>	<u>290,286</u>	<u>-</u>	<u>22,268</u>
Total	<u>\$ 538,356</u>	<u>\$ 61,139</u>	<u>\$ 347,243</u>	<u>\$ -</u>	<u>\$ 88,533</u>

The City's retirement plans and related disclosures are as follows:

**Statewide Defined Benefit Plan**

Summary of significant accounting policies

*Pensions.* For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Fire & Police Statewide Defined Benefit Plan and additions to/deductions from Fire & Police Statewide Defined Benefit Plan's fiduciary net position have been determined on the same basis as they are reported by the Fire & Police Pension Association of Colorado. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 9: PENSION FUNDS (continued)

General information about the pension plan

*Plan description.* The Plan is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (New Hires), provided that they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The Plan became effective January 1, 1980. As of January 1, 2023, Statewide Defined Benefit Plan and the Statewide Hybrid Plan have merged to form the Statewide Retirement Plan (SRP) and the Statewide Defined Benefit Plan becomes the Defined Benefit Component of the Statewide Retirement Plan.

The SWDB assets are included in the Fire & Police Members' Benefit Investment Fund. Assets from the Deferred Retirement Option Plan (DROP), Money Purchase Component, and Separate Retirement Account assets from eligible retired members are in the Fire & Police Members' Self-Directed Investment Fund.

The Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available annual comprehensive financial report that can be obtained on FPPA's website at <http://www.FPPAco.org>.

*Benefits provided.* A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered under Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 9: PENSION FUNDS (continued)

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

*Contributions.* Contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the SWDB Plan beginning in 2015. Member contribution rates increased 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13.0 percent of pensionable earnings. In 2022, members of the SWDB plan and their employers are contributing at the rate of 12.0 percent and 9.0 percent, respectively, of pensionable earnings for a total contribution rate of 21.0 percent.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reflect the actual cost or reentry by department. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

The contribution rate for members and employers of affiliated social security employers is 6.0 percent and 4.5 percent, respectively, of pensionable earnings for a total contribution rate of 10.5 percent in 2021. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6.0 percent of pensionable earnings. Employer contributions will increase 0.25 percent annually beginning in 2021 through 2030 to a total of 6.5 percent of pensionable earnings.

Contributions to the Plan from the City during the year ended December 31, 2023 were \$52,767.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

Note 9: PENSION FUNDS (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2023 the City reported a liability of \$56,957 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2022, the City's proportion was .0642 percent, which was a decrease of .0139 percent from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized pension expense of \$66,265. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual investment earnings	\$ 96,510	\$ -
Changes in assumptions and other inputs	77,710	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	85,874	38,540
Difference between expected and actual experience	141,982	8,523
Contributions subsequent to measurement date	<u>52,767</u>	<u>-</u>
Totals	<u>\$ 454,843</u>	<u>\$ 47,063</u>

\$52,767 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

Note 9: PENSION FUNDS (continued)

Year Ended December 31, _____	Amount
2024	\$ 27,297
2025	58,457
2026	80,910
2027	115,714
2028	28,986
Thereafter	<u>43,649</u>
Totals	<u>\$ 355,013</u>

*Actuarial assumptions.* The actuarial valuations for the Statewide Defined Benefit Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ended December 31, 2022. The valuations used the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial valuation date	January 1, 2023	January 1, 2022
Actuarial method	Entry age normal	Entry age normal
Amortization method	N/A	Level % of payroll, open
Amortization period	N/A	30 years
Long-term investment rate of return, net*	7.0%	7.0%
Projected salary increases*	4.25% - 11.25%	4.25% - 11.25%
Cost of living adjustments (COLA)	0%	0%
*Includes inflation at	2.5%	2.5%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

Note 9: PENSION FUNDS (continued)

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Company, based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2022, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Global Equity	35%	8.93%
Equity Long/Short	6%	7.47%
Private Markets	34%	10.31%
Fixed Income – Rates	10%	5.45%
Fixed Income – Credit	5%	6.90%
Absolute Return	9%	6.49%
Cash	<u>1%</u>	3.92%
 Total	 <u><u>100%</u></u>	

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 9: PENSION FUNDS (continued)

*Discount rate.* Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan’s fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan’s projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 4.05 percent (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00 percent.

*Sensitivity of the City’s proportionate share of the net pension liability/(asset) to changes in the discount rate.* Regarding the sensitivity of the net pension liability/(asset) to changes in the single discount rate, the following presents the City’s proportionate share of the net pension liability/(asset), calculated using a single discount rate of 7.00 percent, as well as what the City’s proportionate share of the net pension liability/(asset) would be if it were calculated using a single discount rate that is one percent lower or one percent higher:

	1% Decrease <u>(6.00%)</u>	Current Discount <u>(7.00)</u>	1% Increase <u>(8.00)</u>
Proportionate share of the net pension liability (asset)	\$ <u>392,653</u>	\$ <u>56,957</u>	\$ <u>(221,109)</u>

*Pension plan fiduciary net position.* Detailed information about the pension plan’s fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

Payables to the pension plan

The City did not report any payables to the pension plan at year-end.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 9: PENSION FUNDS (continued)

**Brush Combined Volunteer Pension Fund**

Summary of significant accounting policies

*Pensions.* For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (income), information about the fiduciary net position of the Brush Combined Volunteer Pension Fund and additions to/deductions from Brush Combined Volunteer Pension Fund's net position have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General information about the pension plan

*Plan administration.* The City's defined benefit pension plan for volunteers currently provides normal retirement, funeral, disability retirement and survivor benefits to plan members and beneficiaries. The plan is affiliated with the Fire and Police Member's Benefit Fund, an agent multiple-employer pension plan administered by the Fire and Police Pension Association (FPPA) of Colorado. Title 31, Article 30 of the Colorado Revised Statutes assigns the authority to establish and amend the benefit provisions of the plans that participate in FPPA to the respective member entities. The FPPA issues a publicly available financial report that includes financial statements and required supplementary information for Public Employee Retirement System (PERS) Affiliated Local Plans that can be obtained at [www.fppaco.org](http://www.fppaco.org).

The City and the Brush Rural Fire Protection District formed an intergovernmental agreement in 2003 to consolidate the City and Rural pension plans into one, effective January 1, 2004. All of the plan assets are managed and benefits paid by FPPA. The City reports its proportionate share of the combined Pension Plan on its financial statements that include the net pension liability of the plan.

*Plan membership.* At year-end, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	41
Inactive plan members entitled to but not yet receiving benefits	3
Active plan members	<u>21</u>
Total	<u><u>65</u></u>

*Benefits provided.* The plan provides retirement and death benefits. Any firefighter who has both reached the age of 50 and completed 20 years of active service shall be eligible for a monthly pension (currently \$260 per month). Vesting for reduced

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

Note 9: PENSION FUNDS (continued)

monthly pension benefits begins at 10 years of service, with full pension after 20 years. The plan provides for a lump-sum burial benefit of \$520 upon the death of an active or retired firefighter. The plan also provides disability monthly benefit ranging from \$130 to \$260 and survivor monthly benefit on \$130.

*Contributions.* Contribution requirements of the plan are established under Title 31, Article 30 of the Colorado Revised Statutes. The plan is noncontributory regarding participants. Contributions to the plan for the year ended December 31, 2023 included \$42,017 from the State of Colorado matching funds, \$24,418 from Brush Rural Fire Protection District and \$23,873 from the City.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2023 the City reported a proportionate share of net pension liability of \$290,286. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2023. The proportionate share was determined by the total contributions of the City and the Brush Rural Fire Protection District made in 2022.

At December 31, 2021, the City's proportion was 56 percent, which was an increase of 7 percent from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized pension expense of \$22,268. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 14,076
Changes in assumptions or other inputs	3,818	-
Net difference between projected and actual earnings on pension plan investments	33,127	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	22,695	-
Contributions subsequent to the measurement date	<u>23,873</u>	<u>-</u>
Total	<u>\$ 83,513</u>	<u>\$ 14,076</u>

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 9: PENSION FUNDS (continued)

\$23,873 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the subsequent year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended</u> <u>December 31, _____</u>	<u>Amount</u>
2024	\$ 9,861
2025	9,081
2026	10,021
2027	<u>16,601</u>
Totals	<u>\$ 45,564</u>

*Actuarial assumptions.* The total pension liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, open*
Remaining amortization period	20 years*
Asset valuation method	5-year smoothed fair value
Inflation	2.50%
Salary increases	N/A
Investment rate of return	7.00%
Retirement age	50% per year of eligibility until 100% at age 65.
Mortality	<b>Pre-retirement:</b> 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality. <b>Post-retirement:</b> 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. <b>Disabled:</b> 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

Note 9: PENSION FUNDS (continued)

\*Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation of December 31, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Cash	1.00%	3.92%
Fixed Income – Rates	10.00%	5.45%
Fixed Income – Credit	5.00%	6.90%
Absolute Return	9.00%	6.49%
Long Short	6.00%	7.47%
Global Equity	35.00%	8.93%
Private Markets	<u>34.00%</u>	10.31%
Totals	<u>100.00%</u>	

*Discount rate.* The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the Plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 9: PENSION FUNDS (continued)

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 4.05% (based on the weekly rate closest to but not later than the measurement date of the “state and local bonds” rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

*Sensitivity of the City’s net pension liability to changes in the discount rate.* The following presents the City’s net pension liability calculated using the discount rate of 7.00 percent, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00 percent) or 1-percentage point higher (8.00 percent) than the current rate:

	1% Decrease <u>(6.00%)</u>	Discount <u>(7.00%)</u>	Current 1% Increase <u>(8.00%)</u>
Net pension liability (asset)	\$ <u>374,422</u>	\$ <u>290,286</u>	\$ <u>219,875</u>

*Pension plan fiduciary net position.* Detailed information about the pension plan’s fiduciary net position is available in the separately issued Brush Rural Fire Protection District Volunteer Pension Fund financial report.

Payables to the pension plan

The City did not report any payables to the pension plan at year-end.

**Defined Contribution Plan**

The City participates in the City of Brush, Colorado Money Purchase Pension Plan (the Plan), a defined contribution plan administered by Empower Retirement. Benefit terms, including contribution requirements, for the Plan are established and may be amended by City Council. The City is required to contribute 5% of covered employee’s salary, while employees are not required to make any contributions. For the year, the City recognized pension expense of \$118,654. Employee vesting begins at two years with 20% and continues at 20% per year until fully vested in year six.

Note 10: DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. In 1998 this plan moved all assets into a trust for the exclusive benefit of the participants and their beneficiaries, as required by the Internal Revenue Code.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 11: RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City participates in the Colorado Intergovernmental Risk Sharing Agency (herewith referred to as "CIRSA"). CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of Colorado Revised Statute and the Colorado Constitution. The purposes of CIRSA are to provide members defined liability and property coverages and to assist members to prevent and reduce losses and injuries to municipal property and to person or property which might result in claims being made against members of CIRSA, their employees or officers.

The City recognized as an expense/expenditure the amounts paid to CIRSA annually in the amounts of \$261,794 for the Worker's Compensation Pool and \$197,609 for the Property/Casualty Pool. Contingent liability claims for the coverage have not been recognized to date after reviewing claim history and the remoteness of potential loss in excess of actual contributions by the City.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability or loss to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

CIRSA is a separate legal entity and the City does not approve its budgets nor does it have the ability to significantly affect the operations of the unit. CIRSA is affiliated and shares facilities with Colorado Intergovernmental Risk Sharing Agency for Worker's Compensation (CIRSA/WC).

The City carries airport liability and boiler and machinery coverage through commercial carriers.

Note 12: GRANTS

The City receives financial assistance from various governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audit could become a liability of the City. However, in the opinion of the City, any such disallowed claims will not have a material effect on the financial statements or on the overall financial position of the City at December 31, 2023.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

Note 13: INTERFUND TRANSFERS AND BALANCES

All interfund borrowings and transfers are as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 1,451
General Fund	Water Fund	26,435
General Fund	Trash & Garbage Fund	16,845
General Fund	Waste Water Fund	29,630
General Fund	Storm Water Fund	12,035
Golf Course Fund	General Fund	<u>300,015</u>
Totals		<u>\$ 386,411</u>

The transfer between the general fund and other governmental funds is for earnings on Cemetery Perpetual Care investments. The transfer from the enterprise funds to the General Fund are annual transfers for community enhancement projects which includes the City's economic development efforts, as well as capital projects. The General Fund also transferred funds to the Golf Course Fund to help subsidize the operations of the golf course.

Note 14: FUND BALANCE CLASSIFICATIONS

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
Inventory	\$ 50,475	\$ -	\$ -	\$ -
Emergencies	-	253,000	-	-
Bicentennial celebration	-	3,462	-	-
Tricentennial celebration	-	2,118	-	-
Park improvements	-	153,912	7,538	-
Police equipment	-	163	-	-
Police improvements	-	6,255	-	-
Street improvements	-	1,223,069	12,530	-
Fire equipment	-	518,924	-	-
Cemetery maintenance	-	-	88,713	-
Community enhancements	-	-	-	406,234
General equipment	-	-	-	<u>215,648</u>
Total	<u>\$ 50,475</u>	<u>\$ 2,160,903</u>	<u>\$ 108,781</u>	<u>\$ 621,882</u>

Restricted fund balances

TABOR requires an emergency reserve be set aside for 2023 in the amount of 3% or more of its fiscal year spending. At December 31, 2023, the City has restricted \$116,261 in the Special Surplus and Deficiency Fund and \$136,739 in the General Fund for emergencies.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 14: FUND BALANCE CLASSIFICATIONS (continued)

In addition, the General Fund ending fund balance is restricted in the amount of \$3,462 and \$2,118 for funds held on behalf of the City of Brush Bi and Tri-Centennial Committee, respectively.

The City presently levies a four percent (4%) sales tax. The sales tax is collected by the Colorado Department of Revenue and remitted to the City in the month following receipt by the Department of Revenue. The Department of Revenue receives the sales tax approximately one month after collection by the vendors. The citizens of Brush passed a ballot initiative for an increase of sales tax in November of 2006, increasing the sales tax rate by six-tenths of a percent from the previous three percent. The 2007 increase is specifically for street maintenance, improvements, and other related municipal purposes. The money is to be deposited in the Capital Improvement Fund. All amounts not spent at year-end are restricted for the purposes designated by the legislation. At December 31, 2023, the amount of fund balance restricted for street maintenance was \$1,223,069. This amount is restricted by enabling legislation.

The citizens of Brush passed a ballot initiative for an increase of sales tax in November of 2014, increasing the sales tax rate by four-tenths of a percent from the previous three and six-tenths percent. Along with the increased sales tax revenues, the City has also established a separate mill levy specifically for the purchase of fire equipment and building improvements. The money is to be deposited in the Fire Equipment Fund. All amounts not spent at year-end are restricted for the purposes designated by legislation. At December 31, 2023, the amount of fund balance restricted for fire equipment and building improvements is \$518,924.

The City receives monies from the State under the Colorado lottery program to be spent for park and recreation purposes only. At December 31, 2023, the amount of fund balance restricted in the Conservation Trust Fund for park maintenance and improvements was \$153,912.

The City has received funds from drug related court cases which the police department has been involved in. By state statute, expense is to be used for police equipment replacement. At December 31, 2023, the amount of fund balance restricted in the Police Forfeiture and Confiscation Fund for police drug enforcement equipment was \$163.

The City received evidence funds at the time of police arrests. At December 31, 2023, the amount of fund balance restricted in the Police Forfeiture and Confiscation Fund from evidence seizures was \$6,255.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

Note 15: NET POSITION CLASSIFICATIONS

At year end, the government wide statement of net position reports the following restricted net position:

<u>Restricted For</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Emergencies	\$ 253,000	\$ -	\$ 253,000
Bicentennial Celebration	3,462	-	3,462
Tricentennial Celebration	2,118	-	2,118
Park Improvements	153,912	-	153,912
Police Equipment	163	-	163
Police Improvements	6,255	-	6,255
Street Improvements	1,223,069	-	1,223,069
Fire Equipment	518,924	-	518,924
Debt Service	-	327,330	327,330
	<u>                  </u>	<u>                  </u>	<u>                  </u>
Total	<u>\$ 2,160,903</u>	<u>\$ 327,330</u>	<u>\$ 2,488,233</u>

Note 16: PRIOR PERIOD ADJUSTMENT

The City made an error in reporting expenditures in the proper fund in the prior year. Accordingly, the beginning fund balance of the Conservation Trust Fund and beginning net position of the Governmental Activities were restated as follows:

	<u>Beginning Balances as Originally Reported</u>	<u>Adjustment</u>	<u>Beginning Balances as Restated</u>
Conservation Trust Fund	\$ 109,562	\$ 38,504	\$ 148,066
Governmental Activities	16,477,182	38,504	16,515,686

Note 17: OPERATING LEASES

In August 2019, the City entered into a ten-year lease agreement with the Brush Rural Fire Protection District (the District) to lease the vested rights to the city-owned fire department building. Based on this agreement, the City is receiving annual payments of \$30,578 due each year on July 1<sup>st</sup>, with a fixed interest rate of 4.25%. The lease agreement provides for an annual determination by the District Board to renew or not renew the lease on or before December 31, and budgeted and appropriated funds sufficient to pay all the lease payments for the ensuing renewal term.

The City is reporting a lease receivable of \$158,999 at year-end. For the year ended December 31, 2023, the City reported lease revenue of \$22,850 and interest revenue of \$7,729 related to the lease payments received.

**CITY OF BRUSH, COLORADO**  
**Notes to Financial Statements**

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Note 18: BUDGET VIOLATION

Expenditures in the Golf Course Fund exceeded appropriations by \$44,162, which may be a violation of local government budget laws.

### **Required Supplementary Information**

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Schedule of the City's Proportionate Share of the Net Pension Liability (Asset) – Police Statewide Defined Benefit Plan
- Schedule of City Contributions – Police Statewide Defined Benefit Plan
- Schedule of the City's Proportionate Share of the Net Pension Liability (Asset) – Brush Combined Volunteer Fire Pension Plan
- Schedule of City Contributions – Brush Combined Volunteer Fire Pension Plan
- General Fund – Budgetary Comparison Schedule
- Capital Improvement Fund – Budgetary Comparison Schedule
- Fire Equipment Fund – Budgetary Comparison Schedule
- Grant Fund – Budgetary Comparison Schedule
- Notes to the Required Supplementary Information

**CITY OF BRUSH, COLORADO**  
**Schedule of the City's Proportionate Share of the Net Pension Liability/(Asset)**  
**Police Statewide Defined Benefit Plan**  
**December 31, 2023**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's proportion of the net pension liability/(asset)	0.0642%	0.0781%	0.0698%	0.0809%
City's proportionate share of the net pension liability/(asset)	\$ 56,957	\$ (423,033)	\$ (151,562)	\$ (45,767)
City's covered payroll	\$ 591,118	\$ 628,400	\$ 521,382	\$ 595,492
City's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	9.6%	-67.3%	-29.1%	-7.7%
Plan fiduciary net position as a percentage of the total pension liability	97.6%	116.2%	106.7%	101.9%

\* The amounts presented for each fiscal year were determined as of December 31 of the prior year.

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2019	2018	2017	2016	2015	2014
0.0687%	0.0879%	0.0980%	0.0979%	0.0831%	0.0949%
\$ 86,817	\$ (126,485)	\$ 35,394	\$ (1,725)	\$ (93,757)	\$ (84,870)
\$ 460,995	\$ 510,449	\$ 502,160	\$ 480,214	\$ 371,990	\$ 413,228
18.8%	-24.8%	7.0%	-0.4%	-25.2%	-20.5%
95.2%	106.3%	98.2%	100.1%	106.8%	105.8%

**CITY OF BRUSH, COLORADO**  
**Schedule of City Contributions**  
**Police Statewide Defined Benefit Plan**  
**December 31, 2023**

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	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 52,767	\$ 50,245	\$ 53,414	\$ 44,317
Contributions in relation to the contractually required contribution	<u>(52,767)</u>	<u>(50,245)</u>	<u>(53,414)</u>	<u>(44,317)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 586,296	\$ 591,118	\$ 628,400	\$ 521,382
Contributions as a percentage of covered payroll	9.00%	8.50%	8.50%	8.50%

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<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 47,639	\$ 36,880	\$ 40,836	\$ 40,172	\$ 38,417	\$ 29,759
<u>(47,639)</u>	<u>(36,880)</u>	<u>(40,836)</u>	<u>(40,172)</u>	<u>(38,417)</u>	<u>(29,759)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 595,492	\$ 460,995	\$ 510,449	\$ 502,160	\$ 480,214	\$ 371,990
8.00%	8.00%	8.00%	8.00%	8.00%	8.00%

**CITY OF BRUSH, COLORADO**  
**Schedule of the City's Proportionate Share of the Net Pension Liability**  
**Brush Combined Volunteer Fire Pension Plan**  
**December 31, 2023**

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	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
City's proportion of the net pension liability	56%	49%	48%	46%
City's proportionate share of the net pension liability	\$ 290,286	\$ 214,597	\$ 265,433	\$ 285,751
City's covered payroll	N/A	N/A	N/A	N/A
City's proportionate share of the net pension liability as a percentage of its covered payroll	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	63.20%	69.61%	61.63%	57.33%

\* The amounts presented for each fiscal year were determined as of December 31 of the prior year.

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2019	2018	2017	2016	2015	2014
46%	44%	44%	44%	44%	44%
\$ 309,642	\$ 227,374	\$ 250,493	\$ 229,944	\$ 218,325	\$ 213,008
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
53.70%	62.47%	58.47%	60.53%	62.37%	62.47%

**CITY OF BRUSH, COLORADO**  
**Schedule of City Contributions**  
**Brush Combined Volunteer Fire Pension Plan**  
**December 31, 2023**

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	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 23,873	\$ 30,901	\$ 22,283	\$ 21,271
Contributions in relation to the contractually required contribution	<u>(23,873)</u>	<u>(30,901)</u>	<u>(22,283)</u>	<u>(21,271)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A

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<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 18,385	\$ 17,810	\$ 16,740	\$ 16,662	\$ 17,316	\$ 18,687
<u>(18,385)</u>	<u>(17,810)</u>	<u>(16,740)</u>	<u>(16,662)</u>	<u>(17,316)</u>	<u>(18,687)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

**CITY OF BRUSH, COLORADO**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Favorable (Unfavorable)
<b>Revenues</b>				
Taxes	\$ 3,617,750	\$ 3,617,750	\$ 4,499,479	\$ 881,729
Licenses and permits	55,760	55,760	189,416	133,656
Intergovernmental	424,200	424,200	544,927	120,727
Fines and forfeitures	20,000	20,000	27,446	7,446
Charges for services	302,450	302,450	307,338	4,888
Miscellaneous	868,235	868,235	1,448,854	580,619
<b>Total revenues</b>	<b>5,288,395</b>	<b>5,288,395</b>	<b>7,017,460</b>	<b>1,729,065</b>
<b>Expenditures</b>				
<b>Current</b>				
General government	1,696,945	1,696,945	1,682,999	13,946
Public safety	2,014,615	2,014,615	1,612,479	402,136
Public works	1,140,745	1,140,745	1,100,480	40,265
Culture and recreation	1,073,435	1,073,435	990,909	82,526
Capital outlay	392,500	704,430	346,798	357,632
<b>Total expenditures</b>	<b>6,318,240</b>	<b>6,630,170</b>	<b>5,733,665</b>	<b>896,505</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(1,029,845)</b>	<b>(1,341,775)</b>	<b>1,283,795</b>	<b>2,625,570</b>
<b>Other financing sources (uses)</b>				
Transfers in	357,585	551,585	86,396	(465,189)
Transfers out	(564,870)	(764,970)	(300,015)	464,955
<b>Total other financing sources (uses)</b>	<b>(207,285)</b>	<b>(213,385)</b>	<b>(213,619)</b>	<b>(234)</b>
<b>Net change in fund balance</b>	<b>\$ (1,237,130)</b>	<b>\$ (1,555,160)</b>	<b>1,070,176</b>	<b>\$ 2,625,336</b>
Fund balance at beginning of year			4,609,866	
Fund balance at end of year			\$ 5,680,042	

**CITY OF BRUSH, COLORADO**  
**Capital Improvement Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Sales tax	\$ 500,000	\$ 500,000	\$ 646,574	\$ 146,574
Cigarette tax	4,000	4,000	6,094	2,094
Interest on investments	3,005	3,005	15,203	12,198
Sale of property			1,655	1,655
Total revenues	507,005	507,005	669,526	162,521
Expenditures				
Public works				
Street and drainage	300,000	300,000		300,000
Total expenditures	300,000	300,000	-	300,000
Net change in fund balance	<u>\$ 207,005</u>	<u>\$ 207,005</u>	669,526	<u>\$ 462,521</u>
Fund balance at beginning of year			<u>553,543</u>	
Fund balance at end of year			<u>\$ 1,223,069</u>	

**CITY OF BRUSH, COLORADO**  
**Fire Equipment Improvement Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property tax	\$ 57,000	\$ 57,000	\$ 56,841	\$ (159)
Sales tax	320,000	320,000	431,032	111,032
Equipment and building rental			1	1
Lease revenue	30,580	30,580	22,850	(7,730)
Interest on investments	2,000	2,000	12,873	10,873
Interest on lease			7,729	7,729
Total revenues	409,580	409,580	531,326	121,746
Expenditures				
Capital outlay				
Equipment	665,655	1,051,700	1,026,597	25,103
Building		121,500	121,398	102
Total expenditures	665,655	1,173,200	1,147,995	25,205
Net change in fund balance	\$ (256,075)	\$ (763,620)	(616,669)	\$ 146,951
Fund balance at beginning of year			1,135,593	
Fund balance at end of year			\$ 518,924	

**CITY OF BRUSH, COLORADO**  
**Grant Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Federal grant			\$ 221,137	\$ 221,137
Total revenues	\$ -	\$ -	221,137	221,137
Expenditures				
General government				
Federal grant	1,270,056	1,270,056	221,137	1,048,919
Total expenditures	1,270,056	1,270,056	221,137	1,048,919
Net change in fund balance	\$ (1,270,056)	\$ (1,270,056)	-	\$ 1,270,056
Fund balance at beginning of year			-	
Fund balance at end of year			\$ -	

**CITY OF BRUSH, COLORADO**  
**Notes to the Required Supplementary Information**

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Note 1: BUDGETARY DATA

Annual budgets are established for all funds of the City as required by its local code. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles except for the enterprise funds in which capital and principal retirement expenses are treated as operating expenses and depreciation expense is not budgeted.

An appropriated budget for the entity as a whole is prepared on a detailed basis. Revenues are budgeted by source. Expenditures are budgeted by department and the major divisions thereof and by each independent office and agency and by the principal objects of expenditure. The legal level of control is considered to be the entity as a whole and expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review and approval by City council. Within these control levels, management may transfer appropriations without City council approval. Revisions to the budget were made throughout the year.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- On or before October 15<sup>th</sup> of each year, or in conformity with the general state law, the budget is submitted to the City council a budget which shall be a complete financial plan for the ensuing fiscal year.
- At the same time the budget is submitted, an appropriation ordinance making a levy in mills upon all taxable property within the City for the ensuing fiscal year.
- A public hearing on the budget shall be held by City council two weeks after its submission. Notice of the time and place of said hearing shall be published within three days after the submission of the budget.
- Prior to December 15<sup>th</sup>, or in conformity with the general state law, the City council shall adopt the budget and the tax levy ordinance.
- Any portion of any annual appropriation remaining unexpended and unencumbered at the close of the budget year shall be declared surplus and included in the budget for the ensuing year as those appropriations lapse at year-end.

Note 2: FACTORS AFFECTING TRENDS IN AMOUNTS REPORTED IN THE PENSION SCHEDULES – POLICE STATEWIDE DEFINED BENEFIT PLAN

Information about factors that significantly affect trends in the amounts reported in the pension schedules is available in FPPA's comprehensive annual financial report which can be obtained at [www.fppaco.org/annual-reports.html](http://www.fppaco.org/annual-reports.html).

### **Other Supplementary Information**

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- General Fund – Budgetary Comparison Schedules of Revenues and Expenditures
- Combining Statements and Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Proprietary Funds

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### **Budgetary Comparison Schedules – General Fund**

The General Fund accounts for all transactions of the City not required to be accounted for in other funds. This fund represents an accounting of the City's ordinary operations financed primarily from tax dollars and intergovernmental aid. It is the most significant fund in relation to the City's overall operations. The schedules of revenues and expenditures are included to provide a greater level of detail to the reader of the financial statements.

**CITY OF BRUSH, COLORADO**  
**General Fund**  
**Budgetary Comparison Schedule - Revenues**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Taxes</b>				
Property taxes	\$ 835,950	\$ 835,950	\$ 839,153	\$ 3,203
Specific ownership taxes	100,000	100,000	97,129	(2,871)
Sales taxes	2,350,000	2,350,000	3,110,891	760,891
Use taxes	30,000	30,000	122,098	92,098
Gas and electric franchise	260,000	260,000	290,387	30,387
Phone franchise	800	800	283	(517)
TV franchise	41,000	41,000	39,538	(1,462)
<b>Total taxes</b>	<b>3,617,750</b>	<b>3,617,750</b>	<b>4,499,479</b>	<b>881,729</b>
<b>Licenses and permits</b>				
Liquor	3,500	3,500	4,673	1,173
Amusement	360	360		(360)
Building and plumbing	43,500	43,500	173,345	129,845
Animal and miscellaneous	8,400	8,400	11,398	2,998
<b>Total licenses and permits</b>	<b>55,760</b>	<b>55,760</b>	<b>189,416</b>	<b>133,656</b>
<b>Intergovernmental</b>				
Highway users tax	150,000	150,000	154,387	4,387
Severance tax	13,000	13,000	148,909	135,909
Morgan County - road fund rebate	180,000	180,000	214,544	34,544
State Highway 34 maintenance	11,200	11,200	11,194	(6)
School resource	70,000	70,000	15,893	(54,107)
<b>Total intergovernmental</b>	<b>424,200</b>	<b>424,200</b>	<b>544,927</b>	<b>120,727</b>
<b>Fines and forfeitures</b>				
Court fines	20,000	20,000	27,446	7,446
<b>Total fines and forfeitures</b>	<b>20,000</b>	<b>20,000</b>	<b>27,446</b>	<b>7,446</b>

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Charges for services				
Zoning	1,000	1,000	1,400	400
Cemetery	43,000	43,000	45,663	2,663
Swimming pool	32,000	32,000	34,449	2,449
Other recreation activities	186,450	186,450	169,998	(16,452)
Park fees	40,000	40,000	55,828	15,828
Total charges for services	302,450	302,450	307,338	4,888
Miscellaneous				
Interest on investments	7,400	7,400	78,593	71,193
Farm income	2,220	2,220	4,000	1,780
Airport rent	8,000	8,000	12,095	4,095
Lease income	18,360	18,360	18,666	306
Administrative fees	783,255	783,255	783,255	-
Local grants and donations	29,000	29,000	19,900	(9,100)
Miscellaneous	20,000	20,000	532,345	512,345
Total miscellaneous	868,235	868,235	1,448,854	580,619
Total revenues	\$ 5,288,395	\$ 5,288,395	\$ 7,017,460	\$ 1,729,065

**CITY OF BRUSH, COLORADO**  
**General Fund**  
**Budgetary Comparison Schedule - Expenditures**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
General government				
Legislative				
Council salaries	\$ 21,600	\$ 21,600	\$ 20,883	\$ 717
Employee benefits	1,805	1,805	1,594	211
Travel	11,000	11,000	5,250	5,750
Dues	300	300		300
Computer maintenance	1,200	1,200	1,200	-
Total legislative	35,905	35,905	28,927	6,978
City clerk				
Clerk's salary	72,770	72,770	83,946	(11,176)
Employee benefits	18,640	18,640	21,681	(3,041)
Supplies	4,375	4,375	3,981	394
Telephone	50	50		50
Dues	740	740	235	505
Travel	3,000	3,000	696	2,304
Elections	1,500	1,500	2,212	(712)
Records management	7,400	7,400	4,227	3,173
Miscellaneous			1,289	(1,289)
Total city clerk	108,475	108,475	118,267	(9,792)
Executive				
Mayor's salaries	7,200	7,200	7,417	(217)
Employee benefits	565	565	670	(105)
Travel	2,800	2,800	3,333	(533)
Computer maintenance	200	200		200
Total executive	10,765	10,765	11,420	(655)
City administrator				
Salaries	153,040	153,040	159,462	(6,422)
Employee benefits	65,645	65,645	60,255	5,390
Telephone	2,200	2,200	1,318	882
Dues	3,100	3,100	1,697	1,403
Travel	5,200	5,200	2,907	2,293
Fuel and oil	250	250		250
Total city administrator	229,435	229,435	225,639	3,796

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Favorable (Unfavorable)
Administration				
Salaries	287,550	287,550	294,097	(6,547)
Employee benefits	87,155	87,155	95,879	(8,724)
Supplies	18,150	18,150	21,430	(3,280)
Professional services	62,500	62,500	43,736	18,764
Pension contributions	23,945	23,945	23,873	72
Telephone	15,000	15,000	12,552	2,448
Utilities	10,000	10,000	9,864	136
Dues	5,000	5,000	3,837	1,163
Travel and training	10,000	10,000	2,835	7,165
Computer maintenance	20,000	20,000	44,659	(24,659)
Advertising	9,000	9,000	7,925	1,075
Building maintenance	12,000	12,000	15,932	(3,932)
Insurance and bonds - general	70,975	70,975	202,986	(132,011)
Contributions	46,750	46,750	37,142	9,608
Employee incentive program	25,000	25,000	14,783	10,217
Subdivision development	50,000	50,000		50,000
Fuel and oil	300	300	159	141
Repairs & maintenance - auto	100	100	1,515	(1,415)
Miscellaneous	5,000	5,000	4,526	474
Total administration	758,425	758,425	837,730	(79,305)
Community development				
Salaries	181,035	181,035	175,149	5,886
Employee benefits	54,575	54,575	64,040	(9,465)
Supplies	2,400	2,400	2,611	(211)
Professional services	120,200	120,200	48,844	71,356
Telephone	1,700	1,700	1,094	606
Utilities	4,000	4,000	3,722	278
Dues	2,500	2,500	610	1,890
Travel and training	6,500	6,500	11,398	(4,898)
Computer maintenance	9,000	9,000	17,339	(8,339)
Advertising	5,000	5,000	7,235	(2,235)
Building & radio maintenance	5,000	5,000	3,140	1,860
Safety reimbursement	250	250		250
Economic development	8,195	8,195	8,195	-
Tree board	6,000	6,000	4,930	1,070
Community outreach	4,000	4,000	2,667	1,333
Historic preservation	1,500	1,500	203	1,297

(continued)

**CITY OF BRUSH, COLORADO**  
**General Fund**  
**Budgetary Comparison Schedule - Expenditures**  
**For the Year Ended December 31, 2023**

(continued)	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Fuel and oil	900	900	1,846	(946)
Repairs & maintenance - auto	2,500	2,500	839	1,661
Community enhancement	24,000	24,000	8,388	15,612
<b>Total community development</b>	<b>439,255</b>	<b>439,255</b>	<b>362,250</b>	<b>77,005</b>
Municipal court				
Salaries	50,540	50,540	41,468	9,072
Employee benefits	29,300	29,300	20,977	8,323
Supplies	495	495	2,495	(2,000)
Legal fees	28,000	28,000	31,218	(3,218)
Telephone	50	50		50
Dues	300	300	175	125
Advertising			859	(859)
Computer maintenance	3,000	3,000	1,020	1,980
Travel and training	3,000	3,000	554	2,446
<b>Total municipal court</b>	<b>114,685</b>	<b>114,685</b>	<b>98,766</b>	<b>15,919</b>
<b>Total general government</b>	<b>1,696,945</b>	<b>1,696,945</b>	<b>1,682,999</b>	<b>13,946</b>
Public safety				
Police				
Salaries - permanent	969,520	969,520	763,431	206,089
Salaries - clerical/code enforcer	164,910	164,910	137,238	27,672
Employee benefits	495,650	495,650	348,100	147,550
Supplies	46,800	46,800	22,522	24,278
Professional services	14,500	14,500	12,577	1,923
Telephone	14,000	14,000	9,451	4,549
Utilities	7,500	7,500	5,402	2,098
Dues	1,500	1,500	1,713	(213)
Travel and training	18,000	18,000	20,319	(2,319)
Advertising	2,000	2,000	2,860	(860)
Repairs & maintenance - general	36,000	36,000	31,523	4,477
Recruiting	2,000	2,000	2,807	(807)
Animal control	7,935	7,935	3,747	4,188
Investigations	18,000	18,000	18,245	(245)
School liaison	1,700	1,700		1,700
Policing and emergency services	7,000	7,000	5,380	1,620
K-9 program	3,000	3,000	172	2,828

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable
				(Unfavorable)
Police (continued)				
SWAT	5,000	5,000	3,915	1,085
Fuel and oil	40,800	40,800	30,720	10,080
Repairs & maintenance - auto	26,000	26,000	22,173	3,827
Total police	1,881,815	1,881,815	1,442,295	439,520
Fire Department				
Fringe benefits	13,000	13,000	7,763	5,237
Supplies	45,550	45,550	111,325	(65,775)
Telephone	4,500	4,500	2,144	2,356
Utilities	9,000	9,000	4,882	4,118
Professional services	7,500	7,500	470	7,030
Dues	3,500	3,500	932	2,568
Travel and training	12,000	12,000	12,540	(540)
Building maintenance	9,000	9,000	5,225	3,775
Fireworks	9,000	9,000	11,737	(2,737)
Radio & computer maintenance	3,000	3,000	1,491	1,509
Fuel and oil	6,000	6,000	1,146	4,854
Repairs & maintenance - auto	10,750	10,750	10,529	221
Total fire department	132,800	132,800	170,184	(37,384)
Total public safety	2,014,615	2,014,615	1,612,479	402,136
Public works				
Streets				
Salaries	338,190	338,190	347,219	(9,029)
Employee benefits	202,020	202,020	208,323	(6,303)
Supplies	29,150	29,150	24,259	4,891
Professional services	3,000	3,000	6,071	(3,071)
Medical	2,000	2,000	2,490	(490)
Telephone	1,500	1,500	883	617
Electrical - street lights	120,000	120,000	125,211	(5,211)
Dues	400	400		400
Travel and training	5,000	5,000	992	4,008
Advertising	800	800	116	684

(continued)

**CITY OF BRUSH, COLORADO**  
**General Fund**  
**Budgetary Comparison Schedule - Expenditures**  
**For the Year Ended December 31, 2023**

(continued)	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Streets (continued)				
Building maintenance	3,000	3,000	1,778	1,222
Radio & computer maintenance			550	(550)
Street repair	37,000	37,000	55,183	(18,183)
Forestry	4,000	4,000	7,940	(3,940)
Snow removal	12,500	12,500	21,377	(8,877)
Alley maintenance	1,000	1,000	2,880	(1,880)
Sidewalk maintenance	7,000	7,000	531	6,469
Pest and weed abatement	42,000	42,000	24,166	17,834
Christmas lights	3,000	3,000	6,208	(3,208)
Fuel and oil	26,000	26,000	39,728	(13,728)
Repairs & maintenance - auto	64,000	64,000	32,798	31,202
Total streets	901,560	901,560	908,703	(7,143)
Airport facilities				
Supplies	6,500	6,500	298	6,202
Electric	2,000	2,000	1,176	824
Building maintenance	2,000	2,000	1,048	952
Insurance	3,000	3,000	3,209	(209)
Improvements	12,000	12,000	801	11,199
Total airport facilities	25,500	25,500	6,532	18,968
Cemetery				
Salaries	103,065	103,065	78,096	24,969
Employee benefits	42,420	42,420	36,850	5,570
Supplies	21,800	21,800	23,178	(1,378)
Medical	800	800	77	723
Telephone	2,600	2,600	1,870	730
Utilities	3,400	3,400	3,308	92
Dues	500	500		500
Travel and training	500	500	156	344
Advertising	600	600	306	294
Foundations and burial service	29,000	29,000	27,632	1,368
Fuel and oil	4,500	4,500	6,691	(2,191)
Repairs & maintenance - auto	4,500	4,500	7,081	(2,581)
Total cemetery	213,685	213,685	185,245	28,440
Total public works	1,140,745	1,140,745	1,100,480	40,265

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Culture and recreation				
Recreation department				
Salaries	384,130	384,130	349,788	34,342
Employee benefits	78,655	78,655	94,948	(16,293)
Supplies	3,150	3,150	3,247	(97)
Telephone	4,500	4,500	892	3,608
Utilities	3,500	3,500	4,004	(504)
Dues	250	250	518	(268)
Travel and training	3,500	3,500	2,247	1,253
Advertising	1,500	1,500	1,121	379
Building & field maintenance	34,000	34,000	16,908	17,092
Copy/computer maintenance	8,000	8,000	3,126	4,874
Adult programs	5,375	5,375	2,302	3,073
Youth summer programs	37,000	37,000	30,229	6,771
Youth winter programs	22,500	22,500	18,081	4,419
Swimming pool programs	35,800	35,800	50,988	(15,188)
Special events programs	93,700	93,700	84,303	9,397
Fuel and oil	1,000	1,000		1,000
Repairs & maintenance - auto	1,250	1,250	401	849
Total recreation department	717,810	717,810	663,103	54,707
Parks				
Salaries	176,555	176,555	181,823	(5,268)
Employee benefits	69,070	69,070	54,658	14,412
Supplies	52,050	52,050	38,972	13,078
Medical	800	800	300	500
Telephone	3,200	3,200	1,646	1,554
Utilities	38,500	38,500	38,472	28
Dues	500	500		500
Travel and training	2,500	2,500	24	2,476
Advertising	950	950	24	926
Insurance			3,778	(3,778)
Fuel and oil	6,000	6,000	6,327	(327)
Repairs & maintenance - auto	5,500	5,500	1,782	3,718
Total parks	355,625	355,625	327,806	27,819
Total culture and recreation	1,073,435	1,073,435	990,909	82,526

(continued)

**CITY OF BRUSH, COLORADO**  
**General Fund**  
**Budgetary Comparison Schedule - Expenditures**  
**For the Year Ended December 31, 2023**

(continued)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Capital outlay	392,500	704,430	346,798	357,632
Total expenditures	<u>\$ 6,318,240</u>	<u>\$ 6,630,170</u>	<u>\$ 5,733,665</u>	<u>\$ 896,505</u>

**Combining Statements and Budgetary Comparison Schedules –  
Nonmajor Governmental Funds**

The City reports the following nonmajor governmental funds:

Special Revenue Funds – These funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

- Special Surplus and Deficiency Fund – This fund presently accounts for the emergency reserves required under the TABOR amendment.
- Conservation Trust Fund – This fund was established by the City to provide for an accounting of those funds received through the State of Colorado Lottery Fund Program. The State requires that these funds be expended in the areas of parks and recreation development.
- Police Forfeiture and Confiscation Fund – This fund is used to account for monies collected from the sale of evidence seized by the Police department.
- Joslin-Needham Fund – This fund is established to provide for separate accountability of monies contributed to the City by the Joslin-Needham Family Foundation earmarked for particular projects.
- Cemetery Perpetual Care Fund – This fund is established to accumulate funds for the perpetual care and maintenance of the City's cemetery grounds. Current Council resolutions also allow capital purchases in this fund.

**CITY OF BRUSH, COLORADO**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**December 31, 2023**

	Special Surplus and Deficiency Fund	Conservation Trust Fund	Police Forfeiture and Confiscation Fund	Joslin Needham Fund
<b>Assets</b>				
Cash	\$ 34,866	\$ 13,262	\$ 6,418	\$ 7,538
Certificates of deposit	100,000	140,000		
Accrued interest receivable	1,873	650		
Accounts receivable				
<b>Total assets</b>	<b>\$ 136,739</b>	<b>\$ 153,912</b>	<b>\$ 6,418</b>	<b>\$ 7,538</b>
<b>Liabilities</b>				
Liabilities	\$ -	\$ -	\$ -	\$ -
<b>Fund balance</b>				
Restricted	136,739	153,912	6,418	
Committed				7,538
<b>Total fund balance</b>	<b>136,739</b>	<b>153,912</b>	<b>6,418</b>	<b>7,538</b>
<b>Total liabilities and fund balance</b>	<b>\$ 136,739</b>	<b>\$ 153,912</b>	<b>\$ 6,418</b>	<b>\$ 7,538</b>

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Cemetery Perpetual Care Fund	Total
\$ 37,213	\$ 99,297
50,000	290,000
650	3,173
850	850
<u>\$ 88,713</u>	<u>\$ 393,320</u>
\$ -	\$ -
88,713	297,069
<u>88,713</u>	<u>96,251</u>
<u>88,713</u>	<u>393,320</u>
<u>\$ 88,713</u>	<u>\$ 393,320</u>

**CITY OF BRUSH, COLORADO**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ended December 31, 2023**

	Special Surplus and Deficiency Fund	Conservation Trust Fund	Police Forfeiture and Confiscation Fund	Joslin Needham Fund
Revenues				
Intergovernmental revenue		\$ 74,144		
Charges for services				
Miscellaneous	\$ 2,051	941	\$ 14	\$ 108,498
Total revenues	2,051	75,085	14	108,498
Expenditures				
Culture and recreation		48,233		22,561
Capital outlay		21,006		228,230
Total expenditures	-	69,239	-	250,791
Excess of revenues over (under) expenditures	2,051	5,846	14	(142,293)
Other financing uses				
Transfers out				
Net change in fund balances	2,051	5,846	14	(142,293)
Fund balance at beginning of year, as originally reported	134,688	109,562	6,404	149,831
Prior period adjustment		38,504		
Fund balance at beginning of year, as restated	134,688	148,066	6,404	149,831
Fund balance at end of year	\$ 136,739	\$ 153,912	\$ 6,418	\$ 7,538

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Cemetery Perpetual Care Fund	Total
	\$ 74,144
\$ 12,890	12,890
802	112,306
13,692	199,340
	70,794
	249,236
-	320,030
13,692	(120,690)
(1,451)	(1,451)
12,241	(122,141)
76,472	476,957
	38,504
76,472	515,461
\$ 88,713	\$ 393,320

**CITY OF BRUSH, COLORADO**  
**Special Surplus and Deficiency Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2023**

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	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Interest on investments	\$ 100	\$ 100	\$ 2,051	\$ 1,951
Expenditures				-
Net change in fund balance	<u>\$ 100</u>	<u>\$ 100</u>	2,051	<u>\$ 1,951</u>
Fund balance at beginning of year			<u>134,688</u>	
Fund balance at end of year			<u>\$ 136,739</u>	

**CITY OF BRUSH, COLORADO**  
**Conservation Trust Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Colorado lottery funds	\$ 65,000	\$ 65,000	\$ 74,144	\$ 9,144
Interest on investments	50	50	941	891
Total revenues	65,050	65,050	75,085	10,035
Expenditures				
Culture and recreation				
Capital outlay - improvements	71,500	71,500	69,239	2,261
Total expenditures	71,500	71,500	69,239	2,261
Net change in fund balance	<u>\$ (6,450)</u>	<u>\$ (6,450)</u>	5,846	<u>\$ 12,296</u>
Fund balance at beginning of year, as originally reported			109,562	
Prior period adjustment			<u>38,504</u>	
Fund balance at beginning of year, as restated			<u>148,066</u>	
Fund balance at end of year			<u>\$ 153,912</u>	

**CITY OF BRUSH, COLORADO**  
**Police Forfeiture Confiscation Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Forfeitures	\$ 10	\$ 10		\$ (10)
Interest on investments	5	5	\$ 14	9
Total revenues	15	15	14	(1)
Expenditures				
Public safety				-
Total expenditures	-	-	-	-
Net change in fund balance	\$ 15	\$ 15	14	\$ (1)
Fund balance at beginning of year			6,404	
Fund balance at end of year			\$ 6,418	

**CITY OF BRUSH, COLORADO**  
**Joslin Needham Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Contributions		\$ 128,000	\$ 107,500	\$ (20,500)
Interest on investments	\$ 200	200	998	798
Total revenues	200	128,200	108,498	(19,702)
Expenditures				
Culture and recreation				
Capital outlay		267,500	250,791	16,709
Total expenditures	-	267,500	250,791	16,709
Net change in fund balance	\$ 200	\$ (139,300)	(142,293)	\$ (2,993)
Fund balance at beginning of year			149,831	
Fund balance at end of year			\$ 7,538	

**CITY OF BRUSH, COLORADO**  
**Cemetery Perpetual Care Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Perpetual care sales	\$ 14,000	\$ 14,000	\$ 12,890	\$ (1,110)
Contributions	1,000	1,000		(1,000)
Interest on investments	1,500	1,500	802	(698)
Total revenues	16,500	16,500	13,692	(2,808)
Expenditures				
Public works				
Memorial	1,000	1,000		1,000
Cemetery improvements		35,000		35,000
Total expenditures	1,000	36,000	-	36,000
Excess of revenues over (under) expenditures	15,500	(19,500)	13,692	33,192
Other financing uses				
Transfers out	(1,500)	(1,500)	(1,451)	49
Net change in fund balance	\$ 14,000	\$ (21,000)	12,241	\$ 33,241
Fund balance at beginning of year			76,472	
Fund balance at end of year			\$ 88,713	

## **Budgetary Comparison Schedules – Proprietary Funds**

The City reports the following major proprietary funds:

Enterprise Funds – These funds are used to account for operations that provide services that are financed primarily by user charges, or activities where periodic measurement of income is appropriate for capital maintenance, public policy, management control or other purposes.

- Water Fund – This fund was established to account for the operation of a City-owned and operated public water system.
- Waste Water Fund – This fund was established to account for the operation of a City-owned and operated public sewer system.
- Trash and Garbage Fund – This fund was established to provide for separate accountability of fees derived from the City-operated public trash system.
- Storm Water Fund – This fund was established to provide for separate accountability of fees derived for the use of street and storm sewer cleaning.
- Golf Course Fund – This fund was established to account for the operations of a City-owned and operated public golf course.

**CITY OF BRUSH, COLORADO**  
**Water Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable (Unfavorable)
Operating revenues				
Water services	\$ 2,002,000	\$ 2,002,000	\$ 1,721,329	\$ (280,671)
Delinquent fees	22,000	22,000	32,628	10,628
Miscellaneous	4,000	4,000	80,786	76,786
Total operating revenues	2,028,000	2,028,000	1,834,743	(193,257)
Operating expenses				
Salaries	503,455	503,455	503,770	(315)
Employee benefits	236,190	236,190	222,754	13,436
Supplies	34,250	34,250	39,394	(5,144)
Professional services	427,550	427,550	531,013	(103,463)
Lab fees	20,000	20,000	17,224	2,776
Medical	1,000	1,000	662	338
Telephone	2,000	2,000	458	1,542
Utilities	70,000	70,000	64,399	5,601
Association dues	2,000	2,000	225	1,775
Travel and training	15,000	15,000	6,204	8,796
Computer and radio maintenance	11,000	11,000	13,860	(2,860)
Advertising	1,300	1,300	1,241	59
Building maintenance	5,200	5,200	4,232	968
Insurance - general	37,385	37,385	37,383	2
Well electricity	30,000	30,000	26,774	3,226
Licenses and permits	40,000	40,000	46,102	(6,102)
Water system maintenance and materials	75,000	75,000	70,324	4,676
Line maintenance	20,000	20,000		20,000
Fuel and oil	12,000	12,000	14,831	(2,831)
Repairs & maintenance - vehicle	6,000	6,000	1,252	4,748
Noncapital outlay			56,138	(56,138)
Capital outlay	1,533,300	1,853,300	1,801,352	51,948
Total operating expenses	3,082,630	3,402,630	3,459,592	(56,962)
Operating loss	(1,054,630)	(1,374,630)	(1,624,849)	(250,219)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Nonoperating revenues (expenses)				
Interest on investments	6,000	6,000	42,402	36,402
Plant investment fee	12,000	12,000	57,673	45,673
Farm income	30,470	30,470	51,397	20,927
Rental income	5,000	5,000	7,900	2,900
DOW lease	1,440	1,440	3,240	1,800
Water rights	3,600	3,600	5,316	1,716
Easement	4,000	4,000	3,527	(473)
Convenience fee	6,000	6,000	6,139	139
Grant income			106,341	106,341
Gain on sale of assets			118,971	118,971
Farm expense			(153)	(153)
Water conservation	(100,000)	(100,000)	(600)	99,400
Total nonoperating revenues (expenses)	(31,490)	(31,490)	402,153	433,643
Net loss before transfers and capital contributions	(1,086,120)	(1,406,120)	(1,222,696)	183,424
Transfers out	(16,435)	(16,435)	(26,435)	(10,000)
Capital contributions - tap fees	6,000	6,000	11,860	5,860
Change in net position	<u>\$ (1,096,555)</u>	<u>\$ (1,416,555)</u>	(1,237,271)	<u>\$ 179,284</u>
Adjustments to GAAP Basis				
Add capital purchases			1,801,352	
Deduct depreciation			(241,084)	
Change in net position - GAAP Basis			322,997	
Net position at beginning of year			<u>9,781,233</u>	
Net position at end of year			<u><u>\$ 10,104,230</u></u>	

**CITY OF BRUSH, COLORADO**  
**Trash and Garbage Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Operating revenues				
Trash services	\$ 595,000	\$ 595,000	\$ 667,488	\$ 72,488
Sale of cans	8,000	8,000	5,941	(2,059)
Miscellaneous	15,000	15,000	26,961	11,961
Total operating revenues	618,000	618,000	700,390	82,390
Operating expenses				
Salaries	197,210	197,210	203,701	(6,491)
Employee benefits	130,940	130,940	134,339	(3,399)
Supplies	13,000	13,000	8,906	4,094
Professional services	119,610	119,610	119,610	-
Medical	800	800	609	191
Telephone	200	200	30	170
Utilities	6,000	6,000	5,462	538
Travel and training	600	600	339	261
Computer and radio maintenance	4,000	4,000	3,435	565
Building maintenance	700	700	3,098	(2,398)
Advertising	1,000	1,000		1,000
Insurance - general	1,515	1,515	2,016	(501)
Purchase of trash containers	35,000	35,000	5,232	29,768
Landfill contract	120,000	120,000	117,676	2,324
Fuel and oil	32,000	32,000	30,485	1,515
Repairs & maintenance - vehicle	22,000	22,000	13,607	8,393
Capital outlay	10,000	10,000		10,000
Total operating expenses	694,575	694,575	648,545	46,030
Operating income (loss)	(76,575)	(76,575)	51,845	128,420
Nonoperating revenues				
Interest on investments	1,500	1,500	1,397	(103)
Total nonoperating revenues	1,500	1,500	1,397	(103)
Net income (loss) before transfers	(75,075)	(75,075)	53,242	128,317

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Transfers out	(6,845)	(6,845)	(16,845)	(10,000)
Change in net position	<u>\$ (81,920)</u>	<u>\$ (81,920)</u>	36,397	<u>\$ 118,317</u>
Adjustments to GAAP Basis				
Deduct depreciation			(44,408)	
Change in net position - GAAP Basis			(8,011)	
Net position at beginning of year			406,229	
Net position at end of year			<u>\$ 398,218</u>	

**CITY OF BRUSH, COLORADO**  
**Waste Water Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Operating revenues				
Sewer fees	\$ 2,000,000	\$ 2,000,000	\$ 2,171,907	\$ 171,907
Miscellaneous	1,500	1,500	9,251	7,751
Administrative fees	75	75	75	-
Total operating revenues	2,001,575	2,001,575	2,181,233	179,658
Operating expenses				
Salaries	204,315	204,315	221,453	(17,138)
Employee benefits	83,155	83,155	102,279	(19,124)
Supplies	42,650	42,650	22,374	20,276
Professional services	482,160	482,160	458,125	24,035
Medical	1,000	1,000	220	780
Telephone	4,500	4,500	2,405	2,095
Utilities	160,000	160,000	107,518	52,482
Association dues	1,500	1,500	225	1,275
Travel and training	7,000	7,000	5,014	1,986
Computer and radio maintenance	8,500	8,500	11,696	(3,196)
Advertising	500	500	248	252
Building maintenance	400	400	880	(480)
Insurance - general	63,775	63,775	63,210	565
Permits	23,000	23,000	23,073	(73)
Repairs and maintenance	90,000	90,000	79,221	10,779
Sanitary sewer cleaning	90,000	90,000	138,237	(48,237)
Manholes	20,000	20,000		20,000
Sewer lines	20,000	20,000	17,478	2,522
Line televising	45,000	45,000	4,198	40,802
Fuel and oil	9,000	9,000	10,038	(1,038)
Repairs & maintenance - vehicle	4,000	4,000	6,870	(2,870)
Noncapital outlay			4,929	(4,929)
Capital outlay	278,300	603,300	507,933	95,367
Total operating expenses	1,638,755	1,963,755	1,787,624	176,131
Operating income	362,820	37,820	393,609	355,789

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Nonoperating revenues (expenses)				
Interest on investments	5,000	5,000	53,402	48,402
Surcharge fees	5,000	5,000	20,925	15,925
Rental income	4,800	4,800	4,800	-
Farm income	17,170	17,170	28,261	11,091
DOW lease	3,360	3,360	7,560	4,200
Plant investment fees	294,000	294,000	43,920	(250,080)
Gain on sale of assets			59,928	59,928
Farm expense	(12,000)	(12,000)	(13,172)	(1,172)
Principal paid on notes	(485,000)	(485,000)	(485,000)	-
Interest and fiscal charges	(105,400)	(105,400)	(105,400)	-
Total nonoperating revenues (expenses)	<u>(273,070)</u>	<u>(273,070)</u>	<u>(384,776)</u>	<u>(111,706)</u>
Net income (loss) before transfers and capital contributions	89,750	(235,250)	8,833	244,083
Transfers out	(19,630)	(19,630)	(29,630)	(10,000)
Capital contributions - tap fees	<u>6,000</u>	<u>6,000</u>		<u>(6,000)</u>
Change in net position	<u>\$ 76,120</u>	<u>\$ (248,880)</u>	<u>(20,797)</u>	<u>\$ 228,083</u>
Adjustments to GAAP Basis				
Add capital purchases			507,933	
Add principal paid on notes			485,000	
Add amortized premium			19,105	
Add change in accrued interest			417	
Deduct depreciation			<u>(353,744)</u>	
Change in net position - GAAP Basis			637,914	
Net position at beginning of year			<u>8,940,301</u>	
Net position at end of year			<u>\$ 9,578,215</u>	

**CITY OF BRUSH, COLORADO**  
**Storm Water Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Operating revenues				
Service fees	\$ 312,000	\$ 312,000	\$ 313,017	\$ 1,017
Storm water assessment	3,160	3,160	3,160	-
Miscellaneous	100	100	565	465
Total operating revenues	315,260	315,260	316,742	1,482
Operating expenses				
Salaries	50,905	50,905	51,248	(343)
Employee benefits	21,425	21,425	22,763	(1,338)
Supplies	3,400	3,400	1,789	1,611
Professional services	42,635	42,635	39,135	3,500
Medical	100	100	197	(97)
Telephone	200	200	29	171
Travel and training	500	500	11	489
Computer and radio maintenance	3,000	3,000	3,434	(434)
Advertising	200	200	400	(200)
Insurance - general	13,175	13,175	13,175	-
Sewer cleaning	30,000	30,000	31,333	(1,333)
Line maintenance	5,000	5,000	179	4,821
Pond maintenance	5,000	5,000		5,000
Curb and gutter maintenance	19,000	19,000	522	18,478
Assessment maintenance	5,000	5,000	642	4,358
Fuel and oil	9,000	9,000	12,238	(3,238)
Repairs & maintenance - vehicle	13,500	13,500	4,734	8,766
Capital outlay	390,000	390,000	350,435	39,565
Total operating expenses	612,040	612,040	532,264	79,776
Operating loss	(296,780)	(296,780)	(215,522)	81,258
Nonoperating revenues				
Interest on investments	1,100	1,100	9,762	8,662
Loss on sale of assets			(1,562)	(1,562)
Total nonoperating revenues	1,100	1,100	8,200	7,100
Net loss before transfers	(295,680)	(295,680)	(207,322)	88,358

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Transfers out	(2,220)	(2,220)	(12,035)	(9,815)
Change in net position	<u>\$ (297,900)</u>	<u>\$ (297,900)</u>	(219,357)	<u>\$ 78,543</u>
Adjustments to GAAP Basis				
Add capital purchases			350,435	
Deduct depreciation			(171,558)	
Change in net position - GAAP Basis			(40,480)	
Net position at beginning of year			<u>3,022,932</u>	
Net position at end of year			<u>\$ 2,982,452</u>	

**CITY OF BRUSH, COLORADO**  
**Golf Course Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable
				(Unfavorable)
Operating revenues				
Membership dues	\$ 60,000	\$ 60,000	\$ 55,239	\$ (4,761)
Cart rental fees	80,000	80,000	77,088	(2,912)
Cart storage	5,000	5,000	5,100	100
Trail and license	7,700	7,700	8,170	470
Golf course fees	84,000	84,000	93,675	9,675
Restaurant income	210,000	210,000	217,140	7,140
Bar income	150,000	150,000	141,414	(8,586)
Miscellaneous	500	500	7,578	7,078
Total operating revenues	597,200	597,200	605,404	8,204
Operating expenses				
Salaries	357,010	386,010	378,559	7,451
Employee benefits	64,985	64,985	78,436	(13,451)
Supplies	5,100	5,100	759	4,341
Ground maintenance	50,000	60,000	88,566	(28,566)
Professional services	16,500	16,500	20,712	(4,212)
Medical	2,000	2,000	192	1,808
Telephone	4,500	4,500	4,429	71
Utilities	34,700	41,800	37,699	4,101
Travel and training	5,000	5,000	1,238	3,762
Computer maintenance	2,000	2,000	11,115	(9,115)
Advertising	4,500	4,500	5,848	(1,348)
Building maintenance	4,500	4,500	762	3,738
Insurance - general	7,000	7,000	10,253	(3,253)
Licenses and permits	2,000	2,000	1,510	490
Cart repairs and rental	20,500	20,500	3,736	16,764
Restaurant	145,000	145,000	144,081	919
Bar	65,000	65,000	60,523	4,477
Fuel and oil	6,500	6,500	13,714	(7,214)
Repairs & maintenance - vehicle	7,000	7,000	642	6,358
Miscellaneous			455	(455)
Capital outlay			7,318	(7,318)
Total operating expenses	803,795	849,895	870,547	(20,652)
Operating loss	(206,595)	(252,695)	(265,143)	(12,448)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Nonoperating revenues (expenses)				
Tournament income	10,000	10,000	14,006	4,006
Golf lessons	500	500		(500)
Building and club rental	9,000	9,000	9,577	577
Merchandise sales	20,000	20,000	23,135	3,135
Handicap income	4,200	4,200	6,640	2,440
League fees	500	500		(500)
Interest on investments	50	50	33	(17)
Merchandise	(20,000)	(20,000)	(20,282)	(282)
Handicap dues	(4,000)	(4,000)	(4,399)	(399)
Principal payments	(54,315)	(54,315)	(74,866)	(20,551)
Interest and fiscal charges	(19,600)	(19,600)	(21,878)	(2,278)
Total nonoperating revenues (expenses)	<u>(53,665)</u>	<u>(53,665)</u>	<u>(68,034)</u>	<u>(14,369)</u>
Net loss before transfers and capital contributions	(260,260)	(306,360)	(333,177)	(26,817)
Transfers in	253,915	300,015	300,015	-
Capital contributions			249,040	249,040
Change in net position	<u>\$ (6,345)</u>	<u>\$ (6,345)</u>	215,878	<u>\$ (26,817)</u>
Adjustments to GAAP Basis				
Add capital purchases			7,318	
Add principal payments			74,866	
Add change in accrued interest			1,159	
Deduct depreciation			<u>(144,002)</u>	
Change in net position - GAAP Basis			155,219	
Net position at beginning of year			<u>1,385,865</u>	
Net position at end of year			<u>\$ 1,541,084</u>	

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**Colorado Department of Highways  
Local Highway Finance Report**

This calendar-year report of receipts and expenditures is required by the Colorado Department of Highways to maintain statewide accountability for moneys used for highway and street purposes. To ensure data accuracy, House Bill 1008 mandates that this report be included in the City's financial statements.

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE: COLORADO YEAR ENDING (mm/yy): 12/23
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This Information From The Records Of: City of Brush	Prepared By: Christina R. Bostron 970.842.5001
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**I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

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

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

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

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway expenditures:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ -
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 664,729.00
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ 116,757.00
2. General fund appropriations	\$ 368,546.00	b. Snow and ice removal	\$ 21,377.00
3. Other local imposts (from page 2)	\$ 778,998.00	c. Other	\$ 24,166.00
4. Miscellaneous local receipts (from page 2)	\$ 17,502.00	d. Total (a. through c.)	\$ 162,300.00
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 32,990.00
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 459,528.00
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 1,319,547.00
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 1,165,046.00	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	\$ -
<b>C. Receipts from State government (from page 2)</b>	\$ 154,501.00	2. Notes:	
<b>D. Receipts from Federal Government (from page 2)</b>	\$ -	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	\$ 1,319,547.00	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total expenditures (A.6 + B.3 + C + D)</b>	\$ 1,319,547.00

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>				\$ -
1. Bonds (Refunding Portion)				\$ -
<b>B. Notes (Total)</b>				\$ -

**V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		\$ 1,319,547.00	\$ 1,319,547.00		\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:  
 COLORADO  
 YEAR ENDING (mm/yy):  
 12/23

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	\$ 170,531.00	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	\$ 17,502.00
1. Sales Taxes	\$ 511,592.00	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	\$ 96,875.00	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 608,467.00	h. Other	
c. Total (a. + b.)	\$ 778,998.00	i. Total (a. through h.)	\$ 17,502.00
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes (from Item I.C.5.)	\$ 154,501.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations		d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ -	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 154,501.00	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs		\$ -	\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements			\$ -
(3). System Preservation		\$ -	\$ -
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ -	\$ -
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ -	\$ -
<i>(Carry forward to page 1)</i>			

Notes and Comments: