

**CITY OF BURLINGTON
BURLINGTON, COLORADO**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED
DECEMBER 31, 2023**

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FINANCIAL SECTION

CITY OF BURLINGTON, COLORADO

Management Discussion and Analysis For the Year Ended December 31, 2023

This discussion and analysis of the financial performance of the City of Burlington, Colorado (City) provides an overview of the City's financial activities for the fiscal year ended December 31, 2023. Please read it in conjunction with the financial statements.

Financial Highlights

- The City's assets exceeded its liabilities and deferred inflows of financial resources at December 31, 2023 by \$34,465,239 (Net Position).
- The City's Net Position increased by \$2,135,728 (6.9%) during 2023.
- At December 31, 2023, the City's governmental funds reported combined ending fund balances of \$3,083,834. This marked an increase of \$425,457 (13.8%) over the prior year.
- The aggregate Net Position of the City's business-type funds increased by \$866,000 (3.7%) to \$24,419,056 during 2023.
- The City spent \$1,720,246 on purchased capital asset equipment and improvements to facilities and infrastructure during 2023.

Using This Annual Report

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

Government-wide financial statements

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

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

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

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

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

Fund Financial Statements

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

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

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

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

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

Notes to Financial Statements

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

Other Information

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

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Burlington, assets exceeded liabilities by \$33,093,153 at the close of 2023.

CONDENSED STATEMENT OF NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 3,364,535	\$ 3,371,337	\$ 11,658,706	\$ 11,445,862	\$ 15,023,241	\$ 14,817,199
Capital assets, net	5,734,278	4,816,982	17,707,720	17,950,457	23,441,998	22,767,439
Total assets	<u>\$ 9,098,813</u>	<u>\$ 8,188,319</u>	<u>\$ 29,366,426</u>	<u>\$ 29,396,319</u>	<u>\$ 38,465,239</u>	<u>\$ 37,584,638</u>
Deferred outflows of resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current liabilities	\$ 247,766	\$ 299,794	\$ 487,573	\$ 1,093,420	\$ 735,339	\$ 1,393,214
Noncurrent Liabilities	148,127	145,827	4,459,797	4,749,843	4,607,924	4,895,670
Total liabilities	<u>\$ 395,893</u>	<u>\$ 445,621</u>	<u>\$ 4,947,370</u>	<u>\$ 5,843,263</u>	<u>\$ 5,343,263</u>	<u>\$ 6,288,884</u>
Deferred inflows of resources	\$ 103,660	\$ 413,166	\$ -	\$ -	\$ 103,660	\$ 413,166
Net position:						
Net investment in capital assets	\$ 5,610,888	\$ 4,753,493	\$ 13,286,673	\$ 13,230,718	\$ 18,897,561	\$ 17,984,211
Restricted	299,317	376,083	223,464	952,384	522,781	1,328,467
Unrestricted	2,689,055	2,199,956	10,908,919	9,369,954	13,597,974	11,569,910
Total net position	<u>\$ 8,599,260</u>	<u>\$ 7,329,532</u>	<u>\$ 24,419,056</u>	<u>\$ 23,553,056</u>	<u>\$ 33,018,316</u>	<u>\$ 30,882,588</u>

The City's investment in capital assets (e.g. land, buildings and improvements, infrastructure, and vehicles & equipment) represent 57.2% of the City's total net position at December 31, 2023. The city uses these capital assets to provide services; consequently, these assets are not available for future spending.

Approximately 1.6% (\$522,781) of the City's total net position at the end of 2023 represented resources that are subject to external restrictions on how they may be used. They are primarily fund balance reserves for future parks, recreation, streets, and library purposes, for water bond debt service reserves, and for emergencies. The remaining \$13,597,974 of the City's total net position at the end of 2023 represents 41.2% of total net position and may be used to meet the City's other ongoing obligations to residents, businesses, and creditors.

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

CONDENSED STATEMENT OF ACTIVITIES

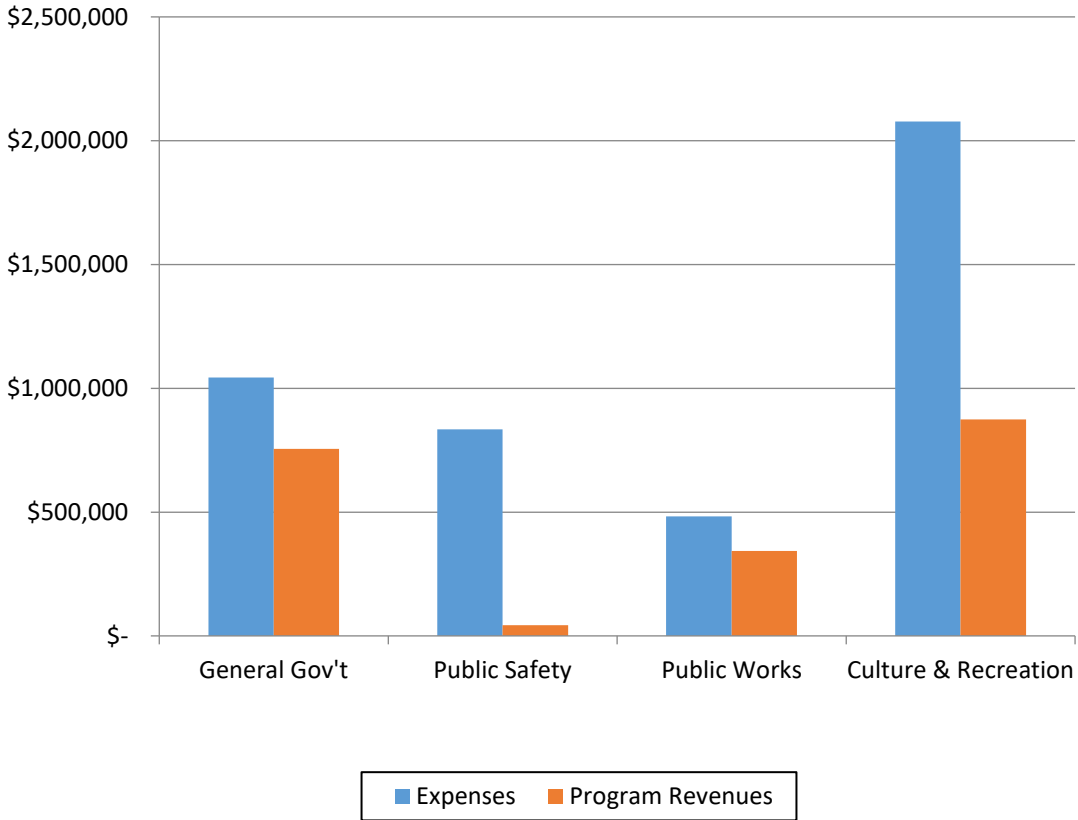
	Governmental		Business-type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Program revenues:						
Charges for services	\$ 1,331,155	\$ 1,291,605	\$ 7,456,945	\$ 7,449,958	\$ 8,788,100	\$ 8,741,563
Operating grants & contributions	601,476	687,607	-	100,000	601,476	787,607
Capital grants & contributions	82,500	-	282,835	36,874	365,335	36,874
General revenues:						
Property taxes	378,900	374,936	-	-	378,900	374,936
Sales & use taxes	2,751,434	2,268,187	-	-	2,751,434	2,268,187
Other taxes	412,189	362,245	-	-	412,189	362,245
Gain (loss) on sale of capital assets	(13,750)	(5,741)	-	(4,596)	(13,750)	(10,337)
Other general revenues	94,497	56,074	157,533	83,613	252,030	139,687
Total revenues	\$ 5,638,401	\$ 5,034,913	\$ 7,897,313	\$ 7,665,849	\$ 13,535,714	\$ 12,700,762
Program expenses:						
General government	\$ 1,044,003	\$ 981,626	\$ -	\$ -	\$ 1,044,003	\$ 981,626
Public safety	834,631	788,209	-	-	834,631	788,209
Public works	482,025	439,390	-	-	482,025	439,390
Parks and Recreation	2,077,620	1,872,005	-	-	2,077,620	1,872,005
Electric utility	-	-	4,091,045	3,789,605	4,091,045	3,789,605
Water and Sewer utility	-	-	1,455,310	1,288,360	1,455,310	1,288,360
Solid waste utility	-	-	563,031	562,567	563,031	562,567
Airport	-	-	852,321	886,105	852,321	886,105
Total expenses	\$ 4,438,279	\$ 4,081,230	\$ 6,961,707	\$ 6,526,637	\$ 11,399,986	\$ 10,607,867
Transfers In/(Out)	\$ 69,606	\$ 69,291	\$ (69,606)	\$ (69,291)	\$ -	\$ -
Increase/(decrease)in net position	\$ 1,269,728	\$ 1,022,974	\$ 866,000	\$ 1,069,921	\$ 2,135,728	\$ 2,092,895
Net Position, Beginning	7,329,532	6,306,558	23,553,056	22,483,135	30,882,588	28,789,693
Net Position, Ending	\$ 8,599,260	\$ 7,329,532	\$ 24,419,056	\$ 23,553,056	\$ 33,018,316	\$ 30,882,588

The Governmental Activities' revenues outpaced expenses by \$1,200,122 (27.0%) in 2023. This was an improvement over 2022 when revenues outpaced expenses \$953,683 (23.4%), and over 2021 when revenues outpaced expenses by \$603,689 (15.6%). The overall improvement resulted from gains in some operations and losses in others. Noteworthy comparisons between the two years include the following:

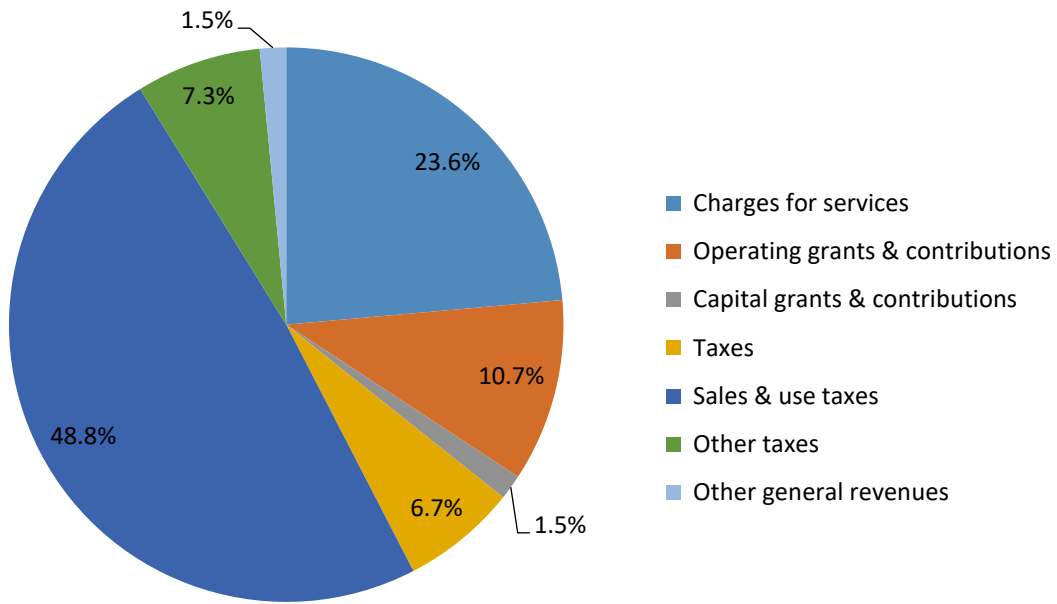
- Sales & use taxes increased by \$483,247 in 2023 due in part to new stores and in part to residents and businesses continuing to use on-line ordering and delivery to purchase goods.
- Charges for services including those charged to the utility funds stayed relatively constant with an increase of \$39,550 (3.1%) in 2023.
- Total program expenses for Governmental Activities increased by \$357,049 (8.7%), while total program expenses for Business-type Activities increased by \$435,070 (6.7%).
- The Electric Fund, Water & Sewer Fund, and Solid Waste Fund collectively transferred \$69,606 to the Tourism Promotion Fund.

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

Expenses and Program Revenues - Governmental Activities

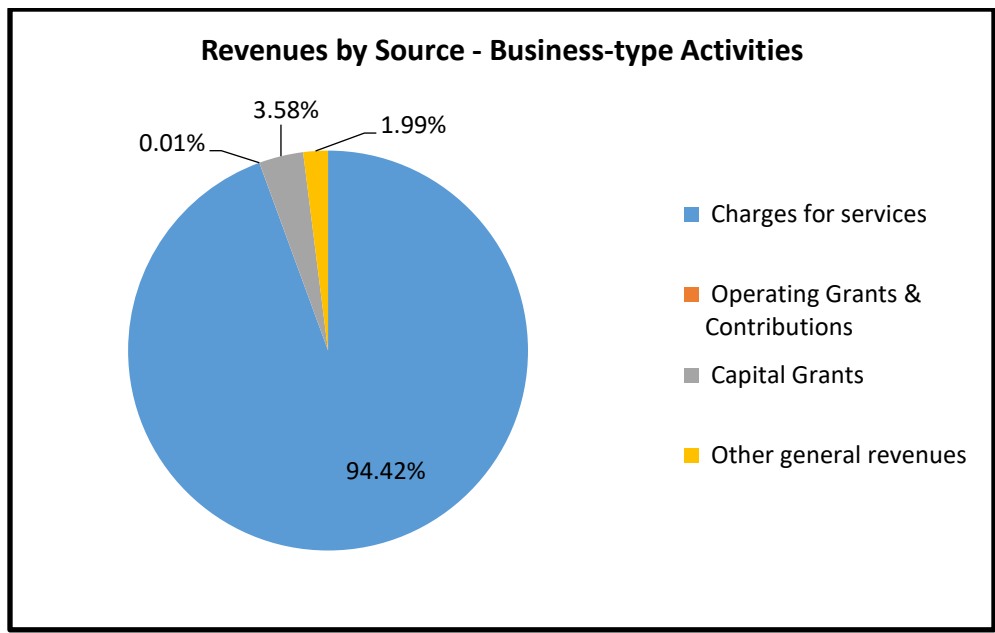
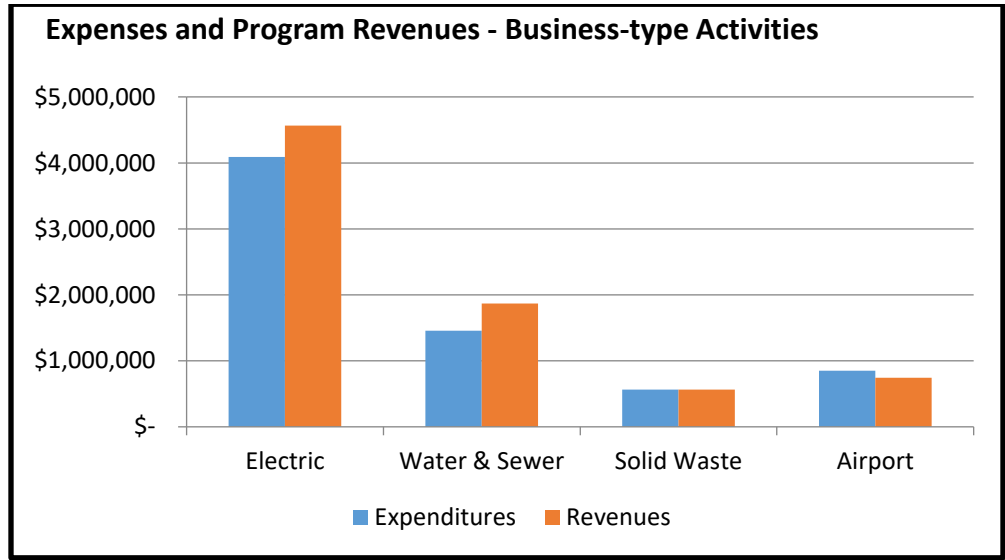


Revenues by Source - Governmental Activities



Business-type activities increased the City’s total net position by \$866,000 (3.7%) during 2023. The City’s Electric utility and its Water & Sewer utility increased their net positions by \$477,507 (4.6%) and \$408,557 (4.6%) respectively, while the Solid Waste utility and Airport Fund experienced decreases in net position of \$10,371 (-21.6%) and \$9,693 (-0.2%) respectively.

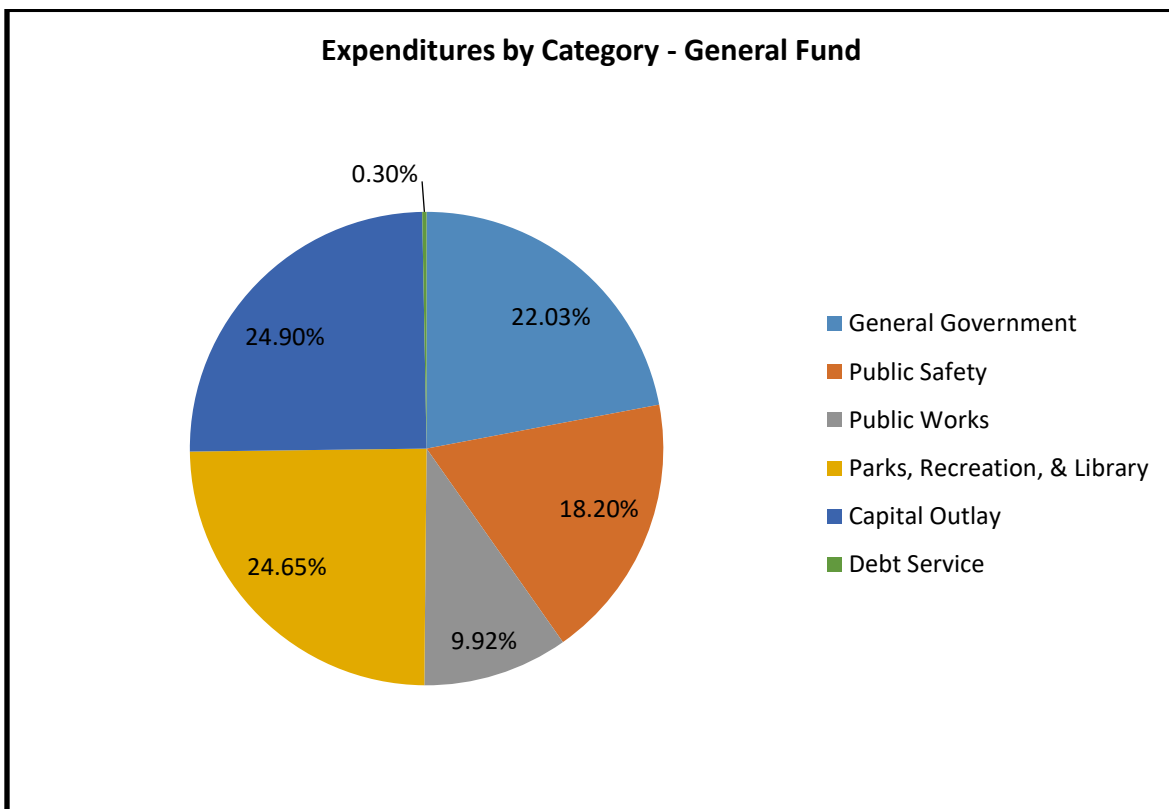
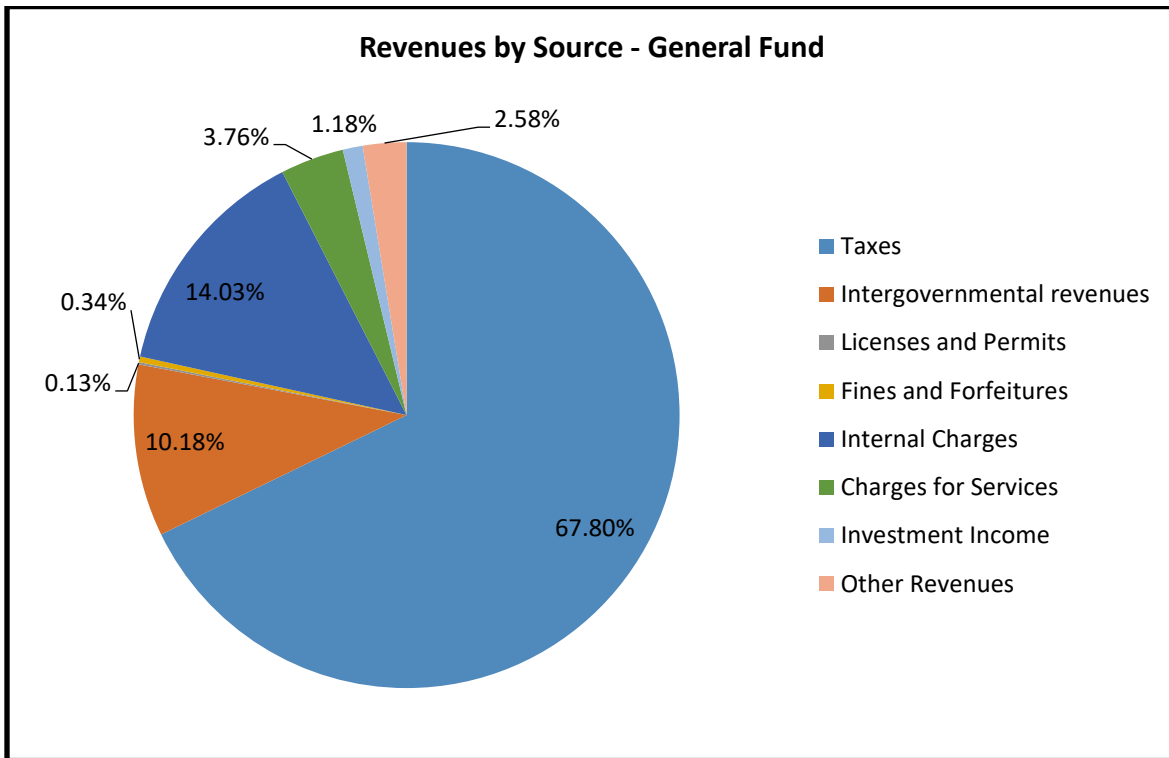
The following two charts illustrate the Business-type Activities revenues and expenses for 2023.



Financial Analysis of the City’s Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Governmental Funds utilize the modified accrual basis of accounting, and the balances of the spendable resources (unrestricted fund balance) in each fund are shown at year end. At December 31, 2023 the City’s Governmental funds reported combined fund balances of \$3,083,834. These funds are discussed below.

General Fund. The General Fund is the chief operating fund of the City of Burlington. It accounts for all the general services provided by the City. At the end of 2023, the fund balance of the General Fund totaled \$2,787,205 which equates to 57.7% of fund revenues for the year. This was a \$454,806 (19.5%) increase over 2022, the third year in a row that the General Fund balance increased by over \$450,000 dollars. Management will continue to evaluate the revenues and expenditures of the General Fund during the annual budget process. The following two tables illustrate General Fund revenues and expenditures during 2023.



Tourism Promotion Fund. This fund is utilized to account for the costs and revenues associated with promoting tourism, advertising the community, and attracting tourist and other visitor business to the City. A lodger's tax and various user charges and fees associated with tourism are collected in this fund. The City operates various tourist attractions and events including an Old Town museum with seasonal western shows. During 2023, total fund expenditures exceeded fund revenues by \$69,530 (8.9%). Transfers of \$45,431, \$18,425, and \$5,750 from the Electric Fund, Water & Sewer Fund, and Solid Waste Fund respectively were made to help cover losses of \$354,917 in the Old Town operation. Lodging taxes of \$267,323 increased 10.4% over 2022. Management will continue to evaluate the revenues and expenditures of the Tourism Promotion Fund during the annual budget process.

Proprietary funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. At December 31, 2023, total net position of the proprietary funds was \$24,419,056 of which \$13,286,673 were invested in capital assets, \$223,464 were restricted, and \$10,908,919 were unrestricted. The total net position of the proprietary funds increased by \$866,000 (3.7%) during 2023. Other significant factors concerning the finances of the proprietary funds can be found in the discussion of the City's business-type activities above.

Electric Fund. At December 31, 2023 the net position of the Electric Fund was \$10,951,549. This was an increase of \$477,507 (4.6%) over 2022. Utility charges enabled the Electric Fund to record Operating Income of \$475,411 during 2023.

Waste & Sewer Fund. At December 31, 2023 the net position of the Water & Sewer Fund was \$9,253,369. This was an increase of \$408,557 (4.6%) over 2022. Utility charges enabled the Water & Sewer Fund to record Operating Income of \$488,933 during 2023.

Solid Waste Fund. At December 31, 2023 the net position of the Solid Waste Fund was \$37,637. This was a decrease of \$10,371 (-21.6%) from 2022. Utility charges enabled the Solid Waste Fund to record Operating Income of \$1,339 during 2023. The decrease in net position was due to the transfers to the Tourism Promotion Fund and the Airport Fund totaling \$11,500.

Airport Fund. At December 31, 2023 the net position of the Airport Fund was \$4,176,501. All but \$60,985 of the Net Position was invested in Capital Assets. Net position decreased by \$9,693 (-0.2%) in 2023 primarily due to depreciation of capital assets. The Fund had an Operating Loss of \$379,968 during 2023. Operating revenues covered 85.1% of operating expenses not including depreciation. The fund also received transfers from the other proprietary funds totaling \$101,535.

Capital Asset and Debt Administration

Capital Assets

As shown in Note 5 of the financial statements, at December 31, 2023 the City had invested in a range of capital assets totaling \$23,371,272 (net of accumulated depreciation) including land, buildings and improvements, vehicles, office equipment, utility systems, park equipment, and a general aviation airport. During 2023, the City made additions to its buildings, equipment, and infrastructure totaling \$1,720,246. Depreciation expenses of \$1,102,606 on total assets were recorded during 2023.

Governmental Capital Assets Summary

	Balance <u>12/31/2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/2023</u>
Capital assets not being depreciated				
Land	\$ 337,017	\$ -	\$ -	\$ 337,017
Old Town Donations	101,406	-	-	101,406
Construction in Progress	2,251	-	(2,251)	-
Total capital assets not being depreciated	\$ 440,674	\$ -	\$ (2,251)	\$ 438,423
Capital assets being depreciated				
Infrastructure	1,314,823	781,840	-	2,096,663
Buildings	4,549,654	48,520	-	4,598,174
Improvements other than buildings	1,916,232	298,369	(25,000)	2,189,601
Equipment	2,195,269	36,200	(59,510)	2,171,959
Vehicles	700,152	-	-	700,152
Total capital assets being depreciated	\$ 10,676,130	\$ 1,164,929	\$ (84,510)	\$ 11,756,549
Accumulated depreciation				
Infrastructure	(603,228)	(42,539)	-	(645,767)
Buildings	(2,248,872)	(95,753)	-	(2,344,625)
Improvements other than buildings	(1,229,476)	(61,962)	11,250	(1,280,188)
Equipment	(1,604,012)	(68,574)	59,510	(1,613,076)
Vehicles	(614,234)	(33,530)	-	(647,764)
Total accumulated depreciation	\$ (6,299,822)	\$ (302,358)	\$ 70,760	\$ (6,531,420)
Net capital assets	\$ 4,816,982	\$ 862,571	\$ (16,001)	\$ 5,663,552

Business-type Capital Assets Summary

	Balance <u>12/31/2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/2023</u>
Capital assets not being depreciated				
Land	\$ 609,915	\$ -	\$ -	\$ 609,915
Water rights	2,918,032	-	-	2,918,032
Construction in progress	15,419	425,822	-	441,241
Total capital assets not being depreciated	\$ 3,543,366	\$ 425,822	\$ -	\$ 3,969,188
Capital assets being depreciated				
System	17,978,838	86,394	(74,540)	17,990,692
Buildings	1,079,540	-	-	1,079,540
Improvements other than buildings	6,440,000	-	-	6,440,000
Equipment	1,151,509	45,352	(9,250)	1,187,611
Vehicles	684,433	-	-	684,433
Total capital assets being depreciated	\$ 27,334,320	\$ 131,746	\$ (83,790)	\$ 27,382,276
Accumulated depreciation				
System	(7,471,074)	(456,342)	74,540	(7,852,876)
Buildings	(499,111)	(25,888)	-	(524,999)
Improvements other than buildings	(3,528,618)	(247,700)	-	(3,776,318)
Equipment	(922,471)	(49,002)	9,250	(962,223)
Vehicles	(505,955)	(21,373)	-	(527,328)
Total accumulated depreciation	\$ (12,927,229)	\$ (800,305)	\$ 83,790	\$ (13,643,744)
Net capital assets	\$ 17,950,457	\$ (242,737)	\$ -	\$ 17,707,720

Debt Administration

The following changes in long-term debt from borrowing occurred during 2023. Note 6 of the financial statements provides additional information regarding the City's long-term debt, including accrued liabilities for compensated absences.

	Balance			Balance	Current
	<u>12/31/2022</u>	<u>Advances/Refundings</u>	<u>Repayments</u>	<u>12/31/2023</u>	<u>Portion</u>
<u>Governmental Activities</u>					
2021 Capital Leases Payable	63,489	-	10,825	52,664	11,098
Total Noncurrent Liabilities	<u>\$ 63,489</u>	<u>\$ -</u>	<u>\$ 10,825</u>	<u>\$ 52,664</u>	<u>\$ 11,098</u>
<u>Business-type Activities</u>					
2016 CWRPDA Note Payable	893,637	-	32,361	861,276	32,685
2017 CWRPDA Note Payable	212,124	-	7,681	204,443	7,758
2020 BOK Note Payable	3,487,000	-	237,000	3,250,000	238,000
2021 Capital Leases Payable	126,978	-	21,650	105,328	22,195
Total Noncurrent Liabilities	<u>\$ 4,719,739</u>	<u>\$ -</u>	<u>\$ 298,692</u>	<u>\$ 4,421,047</u>	<u>\$ 300,638</u>

Economic Factors and Next Year's Budget

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

Federal spending, unemployment insurance policies, restrictions on domestic energy production, and considerable expansion of the monetary supply is causing significant inflation throughout all sectors of the economy. The full economic impact these state- and federally-imposed policies and restrictions on the Town's 2024 and future budgets has yet to be determined.

Requests for Information

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

Mayberry & Company, LLC

Certified Public Accountants

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

City Council
City of Burlington
Burlington, Colorado

Independent Auditors' Report

Opinion

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City of Burlington as of December 31, 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 Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibility for the Audit of the Financial Statements

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

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

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

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

Report on Summarized Comparative Information

We have previously audited the City of Burlington's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 12, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

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

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

Supplementary Information

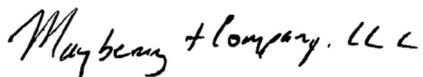
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Burlington's basic financial statements. The combining nonmajor and individual fund financial statements are presented for purposes of additional analysis and are not a required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

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

Report on Other Legal and Regulatory Requirements

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

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



Englewood, Colorado
September 24, 2024

BASIC FINANCIAL STATEMENTS

CITY OF BURLINGTON

STATEMENT OF NET POSITION
DECEMBER 31, 2023

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash	\$ 2,660,414	\$ 9,178,378	\$ 11,838,792
Restricted Cash and Investments	134,317	223,464	357,781
Receivables			
Utility Receivable	-	1,184,624	1,184,624
Cash with Fiscal Agent	30,241	-	30,241
Accounts Receivable	17,564	27,963	45,527
Other Receivables	472,048	-	472,048
Inventory	44,756	969,325	1,014,081
Prepaid Expenses	5,195	74,952	80,147
Total Current Assets	<u>3,364,535</u>	<u>11,658,706</u>	<u>15,023,241</u>
Noncurrent Assets			
Capital Assets not being Depreciated	438,423	3,969,188	4,407,611
Capital Assets being Depreciated	11,756,549	27,382,276	39,138,825
Accumulated Depreciation	(6,531,420)	(13,643,744)	(20,175,164)
Lease Receivable	70,726	-	70,726
Total Noncurrent Assets	<u>5,734,278</u>	<u>17,707,720</u>	<u>23,441,998</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 9,098,813</u>	<u>\$ 29,366,426</u>	<u>\$ 38,465,239</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 228,948	\$ 389,817	\$ 618,765
Accrued Salaries and Benefits	12,888	4,692	17,580
Deposits and Escrow	4,955	79,588	84,543
Accrued Interest Payable	-	13,476	13,476
Unearned Revenue	975	-	975
Total Current Liabilities	<u>247,766</u>	<u>487,573</u>	<u>735,339</u>
Noncurrent Liabilities			
Due within one year	20,644	304,515	325,159
Due in more than one year	127,483	4,155,282	4,282,765
Total Noncurrent Liabilities	<u>148,127</u>	<u>4,459,797</u>	<u>4,607,924</u>
TOTAL LIABILITIES	<u>395,893</u>	<u>4,947,370</u>	<u>5,343,263</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
Other Deferred Inflows	103,660	-	103,660
TOTAL DEFERRED INFLOWS	<u>103,660</u>	<u>-</u>	<u>103,660</u>
NET POSITION			
Net Investment in Capital Assets	5,610,888	13,286,673	18,897,561
Restricted Net Position	299,317	223,464	522,781
Unrestricted Net Position	2,689,055	10,908,919	13,597,974
TOTAL NET POSITION	<u>8,599,260</u>	<u>24,419,056</u>	<u>33,018,316</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 9,098,813</u>	<u>\$ 29,366,426</u>	<u>\$ 38,465,239</u>

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

CITY OF BURLINGTON

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS
FUNCTIONS/PROGRAMS				
Governmental Activities				
Current:				
General Government	\$ 1,044,003	\$ 714,221	\$ 40,737	\$ -
Public Safety	834,631	16,678	26,623	-
Public Works	482,025	3,860	339,190	-
Culture and Recreation	<u>2,077,620</u>	<u>596,396</u>	<u>194,926</u>	<u>82,500</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>4,438,279</u>	<u>1,331,155</u>	<u>601,476</u>	<u>82,500</u>
Business-type Activities				
Current:				
Electric	4,091,045	4,563,896	-	3,500
Water & Sewer	1,455,310	1,856,326	-	10,600
Solid Waste	563,031	564,370	-	-
Airport	<u>852,321</u>	<u>472,353</u>	<u>-</u>	<u>268,735</u>
TOTAL BUSINESS-TYPE ACTIVITIES	<u>6,961,707</u>	<u>7,456,945</u>	<u>-</u>	<u>282,835</u>
TOTAL GOVERNMENT	<u>\$ 11,399,986</u>	<u>\$ 8,788,100</u>	<u>\$ 601,476</u>	<u>\$ 365,335</u>
GENERAL REVENUES				
Property Taxes				
Specific Ownership Taxes				
Sales and Use Taxes				
Franchise Taxes				
Other Taxes				
Interest Income				
Gain (Loss) on Disposal of Capital Assets				
Insurance Proceeds				
Other Revenues				
TRANSFERS				
TOTAL GENERAL REVENUES AND TRANSFERS				
CHANGE IN NET POSITION				
NET POSITION - BEGINNING				
NET POSITION - ENDING				

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

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

GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITIES	TOTAL
\$ (289,045)	\$ -	\$ (289,045)
(791,330)	-	(791,330)
(138,975)	-	(138,975)
<u>(1,203,798)</u>	<u>-</u>	<u>(1,203,798)</u>
<u>(2,423,148)</u>	<u>-</u>	<u>(2,423,148)</u>
-	476,351	476,351
-	411,616	411,616
-	1,339	1,339
-	<u>(111,233)</u>	<u>(111,233)</u>
-	<u>778,073</u>	<u>778,073</u>
<u>(2,423,148)</u>	<u>778,073</u>	<u>(1,645,075)</u>
378,900	-	378,900
41,428	-	41,428
2,751,434	-	2,751,434
96,977	-	96,977
273,784	-	273,784
57,612	156,874	214,486
(13,750)	-	(13,750)
4,418	659	5,077
32,467	-	32,467
<u>69,606</u>	<u>(69,606)</u>	<u>-</u>
<u>3,692,876</u>	<u>87,927</u>	<u>3,780,803</u>
1,269,728	866,000	2,135,728
<u>7,329,532</u>	<u>23,553,056</u>	<u>30,882,588</u>
\$ 8,599,260	\$ 24,419,056	\$ 33,018,316

CITY OF BURLINGTON

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

With Comparative Totals for December 31, 2022

	SPECIAL REVENUE FUNDS		
	GENERAL	TOURISM	NONMAJOR
	FUND	PROMOTION	CONSERVATION
	FUND	FUND	TRUST
			FUND
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash	\$ 2,478,120	\$ 182,294	\$ -
Restricted Cash and Investments	80	-	134,237
Receivables			
Property Tax Receivable	-	-	-
Intergovernmental Receivables	-	-	-
Cash with Fiscal Agent	30,241	-	-
Accounts Receivable	-	17,564	-
Other Receivables	472,048	-	-
Inventory	44,756	-	-
Prepaid Expenses	5,195	-	-
Lease Receivable	5,771	64,955	-
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 3,036,211</u>	<u>\$ 264,813</u>	<u>\$ 134,237</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 193,172	\$ 35,776	\$ -
Accrued Salaries and Benefits	11,198	1,690	-
Deposits and Escrow	4,955	-	-
Unearned Revenue	975	-	-
TOTAL LIABILITIES	<u>210,300</u>	<u>37,466</u>	<u>-</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
Deferred Property Taxes	-	-	-
Other Deferred Inflows	38,705	64,955	-
TOTAL DEFERRED INFLOWS	<u>38,705</u>	<u>64,955</u>	<u>-</u>
FUND BALANCE			
Nonspendable Fund Balance	34,038	-	-
Restricted Fund Balance	165,080	-	134,237
Committed Fund Balance	-	162,392	-
Unassigned Fund Balance	2,588,088	-	-
TOTAL FUND BALANCE	<u>2,787,206</u>	<u>162,392</u>	<u>134,237</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 3,036,211</u>	<u>\$ 264,813</u>	<u>\$ 134,237</u>

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

TOTAL

<u>2023</u>	<u>2022</u>
\$ 2,660,414	\$ 2,206,572
134,317	212,788
-	380,227
-	5,000
30,241	36,377
17,564	14,142
472,048	471,948
44,756	43,258
5,195	1,025
70,726	-
<u>\$ 3,435,261</u>	<u>\$ 3,371,337</u>

\$ 228,948	\$ 117,532
12,888	79,237
4,955	4,845
975	98,180
<u>247,766</u>	<u>299,794</u>
-	380,227
103,660	32,939
<u>103,660</u>	<u>413,166</u>

34,038	44,283
299,317	376,083
162,392	194,359
<u>2,588,088</u>	<u>2,043,652</u>
<u>3,083,835</u>	<u>2,658,377</u>
<u>\$ 3,435,261</u>	<u>\$ 3,371,337</u>

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CITY OF BURLINGTON

**RECONCILIATION OF GOVERNMENTAL FUND BALANCE
TO GOVERNMENTAL ACTIVITIES NET POSITION
DECEMBER 31, 2023**

Fund Balance - Governmental Funds			\$ 3,083,835
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds			
Capital assets, not being depreciated	\$	438,423	
Capital assets, being depreciated		11,756,549	
Accumulated depreciation		<u>(6,531,420)</u>	5,663,552
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.			
Capital leases payable		(52,664)	
Accrued compensated absences		<u>(95,463)</u>	<u>(148,127)</u>
Total Net Position - Governmental Activities			<u>\$ 8,599,260</u>

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

CITY OF BURLINGTON

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 With Comparative Totals for the Year Ended December 31, 2022**

	SPECIAL REVENUE FUNDS				
	GENERAL	TOURISM PROMOTION	NONMAJOR CONSERVATION TRUST	TOTAL	
				FUND	FUND
REVENUES					
Taxes	\$ 3,275,200	\$ 267,323	\$ -	\$ 3,542,523	\$ 3,005,368
Intergovernmental Revenues	491,900	-	43,533	535,433	633,665
Licenses and Permits	6,439	-	-	6,439	15,894
Fines and Forfeits	16,203	-	-	16,203	20,309
Internal Charges	677,882	-	-	677,882	670,103
Charges for Services	181,766	448,864	-	630,630	585,300
Investment Earnings	57,008	602	2	57,612	2,004
Other Revenues	124,642	60,787	-	185,429	108,011
TOTAL REVENUES	<u>4,831,040</u>	<u>777,576</u>	<u>43,535</u>	<u>5,652,151</u>	<u>5,040,654</u>
EXPENDITURES					
Current:					
General Government	963,961	31,426	-	995,387	935,775
Public Safety	796,495	-	-	796,495	740,155
Public Works	434,089	-	-	434,089	399,469
Parks, Recreation and Other	1,078,582	815,680	3	1,894,265	1,694,906
Capital Outlay	1,089,721	-	72,957	1,162,678	363,445
Debt Service	13,385	-	-	13,385	12,397
TOTAL EXPENDITURES	<u>4,376,233</u>	<u>847,106</u>	<u>72,960</u>	<u>5,296,299</u>	<u>4,146,147</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	<u>454,807</u>	<u>(69,530)</u>	<u>(29,425)</u>	<u>355,852</u>	<u>894,507</u>
OTHER FINANCING SOURCES (USES)					
Transfers (In)	-	69,606	-	69,606	69,291
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>69,606</u>	<u>-</u>	<u>69,606</u>	<u>69,291</u>
CHANGE IN FUND BALANCE	454,807	76	(29,425)	425,458	963,798
FUND BALANCE, BEGINNING	<u>2,332,399</u>	<u>162,316</u>	<u>163,662</u>	<u>2,658,377</u>	<u>1,694,579</u>
FUND BALANCE, ENDING	<u>\$ 2,787,206</u>	<u>\$ 162,392</u>	<u>\$ 134,237</u>	<u>\$ 3,083,835</u>	<u>\$ 2,658,377</u>

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

CITY OF BURLINGTON

**RECONCILIATION OF GOVERNMENTAL FUNDS CHANGE IN FUND BALANCE
TO GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023**

Change in Fund Balance - Governmental Funds		\$	425,458
Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level			
Capitalized Asset Purchases	\$ 1,162,678		
Depreciation Expense	(302,358)		
Gain (Loss) on Asset Disposals	<u>(13,750)</u>		846,570
Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level			
Principal payments on capital leases	10,825		
Change in accrued compensated absences	<u>(13,125)</u>		<u>(2,300)</u>
Change in Net Position - Governmental Activities		\$	<u>1,269,728</u>

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

CITY OF BURLINGTON

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

DECEMBER 31, 2023

With Comparative Totals for December 31, 2022

	BUSINESS - TYPE ACTIVITIES			
	ELECTRIC	WATER & SEWER	SOLID WASTE	AIRPORT
	FUND	FUND	FUND	FUND
ASSETS AND DEFERRED OUTFLOWS				
ASSETS				
Current Assets				
Cash and Investments				
Cash	\$ 6,188,097	\$ 2,940,230	\$ (18,974)	\$ 69,025
Restricted Cash and Investments	-	223,464	-	-
Receivables				
Utility Receivable	797,707	284,271	102,646	-
Accounts Receivable	-	-	-	27,963
Inventory	746,676	190,897	-	31,752
Prepaid Expenses	-	74,952	-	-
Total Current Assets	<u>7,732,480</u>	<u>3,713,814</u>	<u>83,672</u>	<u>128,740</u>
Noncurrent Assets				
Capital Assets not being depreciated	210,150	2,933,144	-	825,894
Capital Assets being depreciated	8,053,922	11,283,773	-	8,044,581
Accumulated Depreciation	<u>(4,653,666)</u>	<u>(4,235,119)</u>	<u>-</u>	<u>(4,754,959)</u>
Total Noncurrent Assets	<u>3,610,406</u>	<u>9,981,798</u>	<u>-</u>	<u>4,115,516</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 11,342,886	\$ 13,695,612	\$ 83,672	\$ 4,244,256
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 243,413	\$ 38,926	\$ 46,035	\$ 61,443
Accrued Salaries and Benefits	1,931	1,954	-	807
Deposits and Escrow	79,054	534	-	-
Accrued Interest Payable	-	13,476	-	-
Total Current Liabilities	<u>324,398</u>	<u>54,890</u>	<u>46,035</u>	<u>62,250</u>
Noncurrent Liabilities				
Due within one year	12,526	291,438	-	551
Due in more than one year	<u>54,413</u>	<u>4,095,915</u>	<u>-</u>	<u>4,954</u>
Total Noncurrent Liabilities	<u>66,939</u>	<u>4,387,353</u>	<u>-</u>	<u>5,505</u>
TOTAL LIABILITIES	391,337	4,442,243	46,035	67,755
DEFERRED INFLOWS OF FINANCIAL RESOURCES				
NET POSITION				
Net Investment in Capital Assets	3,557,742	5,613,415	-	4,115,516
Restricted Net Position	-	223,464	-	-
Unrestricted Net Position	<u>7,393,807</u>	<u>3,416,490</u>	<u>37,637</u>	<u>60,985</u>
TOTAL NET POSITION	10,951,549	9,253,369	37,637	4,176,501
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 11,342,886	\$ 13,695,612	\$ 83,672	\$ 4,244,256

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

TOTAL

2023	2022
\$ 9,178,378	\$ 9,019,948
223,464	218,926
1,184,624	1,180,634
27,963	-
969,325	949,354
<u>74,952</u>	<u>77,000</u>
<u>11,658,706</u>	<u>11,445,862</u>
3,969,188	3,543,366
27,382,276	27,334,320
<u>(13,643,744)</u>	<u>(12,927,229)</u>
<u>17,707,720</u>	<u>17,950,457</u>
\$ 29,366,426	\$ 29,396,319
\$ 389,817	\$ 981,301
4,692	23,844
79,588	73,879
<u>13,476</u>	<u>14,396</u>
<u>487,573</u>	<u>1,093,420</u>
304,515	301,702
<u>4,155,282</u>	<u>4,448,141</u>
<u>4,459,797</u>	<u>4,749,843</u>
<u>4,947,370</u>	<u>5,843,263</u>
13,286,673	13,230,718
223,464	218,926
<u>10,908,919</u>	<u>10,103,412</u>
<u>24,419,056</u>	<u>23,553,056</u>
\$ 29,366,426	\$ 29,396,319

CITY OF BURLINGTON

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2023

With Comparative Totals for the Year Ended December 31, 2022

	BUSINESS - TYPE ACTIVITIES			
	ELECTRIC	WATER & SEWER	SOLID WASTE	AIRPORT
	FUND	FUND	FUND	FUND
OPERATING REVENUES				
Utility Charges	\$ 4,504,633	\$ 1,846,603	\$ 564,370	\$ -
Airport Charges	-	-	-	442,222
Other Charges for Services	59,263	9,723	-	30,131
TOTAL REVENUES	<u>4,563,896</u>	<u>1,856,326</u>	<u>564,370</u>	<u>472,353</u>
OPERATING EXPENSES				
Airport	-	-	-	555,003
Management Fees	454,310	184,250	39,322	-
Solid Waste Collection	-	-	523,709	-
Electric Production	2,818,556	-	-	-
Electric Distribution	461,970	-	-	-
Water Treatment and Distribution	-	521,687	-	-
Sewer Collection and Treatment	-	313,258	-	-
Administration	116,171	82,634	-	55
Depreciation Expense	237,478	265,564	-	297,263
TOTAL EXPENDITURES	<u>4,088,485</u>	<u>1,367,393</u>	<u>563,031</u>	<u>852,321</u>
Operating Income (Loss)	<u>475,411</u>	<u>488,933</u>	<u>1,339</u>	<u>(379,968)</u>
OTHER INCOME (EXPENSE)				
Intergovernmental Revenue	-	-	-	-
Investment Earnings	114,184	42,895	(210)	5
Other Revenue	550	109	-	-
Interest Expense	(2,560)	(87,917)	-	-
Gain (Loss) on Sale of Assets	-	-	-	-
TOTAL OTHER INCOME (EXPENSE)	<u>112,174</u>	<u>(44,913)</u>	<u>(210)</u>	<u>5</u>
Net Income (Loss) before Transfers	587,585	444,020	1,129	(379,963)
TRANSFERS				
Transfers In	-	-	-	101,535
Transfers (Out)	(113,578)	(46,063)	(11,500)	-
NET INCOME (LOSS)	<u>474,007</u>	<u>397,957</u>	<u>(10,371)</u>	<u>(278,428)</u>
CONTRIBUTED CAPITAL				
Plant Investment Fees	3,500	10,600	-	-
Intergovernmental Revenue	-	-	-	268,735
TOTAL CONTRIBUTED CAPITAL	<u>3,500</u>	<u>10,600</u>	<u>-</u>	<u>268,735</u>
CHANGE IN NET POSITION	477,507	408,557	(10,371)	(9,693)
NET POSITION - BEGINNING	<u>10,474,042</u>	<u>8,844,812</u>	<u>48,008</u>	<u>4,186,194</u>
NET POSITION - ENDING	<u>\$ 10,951,549</u>	<u>\$ 9,253,369</u>	<u>\$ 37,637</u>	<u>\$ 4,176,501</u>

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

TOTAL

<u>2023</u>	<u>2022</u>
\$ 6,915,606	\$ 6,927,517
442,222	445,437
<u>99,117</u>	<u>77,004</u>
<u>7,456,945</u>	<u>7,449,958</u>
555,003	581,012
677,882	670,104
523,709	523,268
2,818,556	2,714,926
461,970	284,077
521,687	404,023
313,258	253,848
198,860	196,738
<u>800,305</u>	<u>804,425</u>
<u>6,871,230</u>	<u>6,432,421</u>
<u>585,715</u>	<u>1,017,537</u>
-	100,000
156,874	21,225
659	62,388
(90,477)	(94,216)
<u>-</u>	<u>(4,596)</u>
<u>67,056</u>	<u>84,801</u>
652,771	1,102,338
101,535	69,291
<u>(171,141)</u>	<u>(138,582)</u>
<u>583,165</u>	<u>1,033,047</u>
14,100	36,874
<u>268,735</u>	<u>-</u>
<u>282,835</u>	<u>36,874</u>
866,000	1,069,921
<u>23,553,056</u>	<u>22,483,135</u>
<u>\$ 24,419,056</u>	<u>\$ 23,553,056</u>

CITY OF BURLINGTON

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023
With Comparative Totals for the Year Ended December 31, 2022**

	BUSINESS - TYPE ACTIVITIES			
	ELECTRIC	WATER & SEWER	SOLID WASTE	AIRPORT
	FUND	FUND	FUND	FUND
Cash Flows From Operating Activities:				
Cash Received from Customers	\$ 4,572,290	\$ 1,852,467	\$ 561,553	\$ 444,390
Cash Paid to Suppliers	(3,835,286)	(620,335)	(525,886)	(430,902)
Cash Paid for Interfund Services	(454,310)	(184,250)	(39,322)	-
Cash Paid to Employees	(233,770)	(258,071)	-	(108,704)
Net Cash Provided by Operating Activities	<u>48,924</u>	<u>789,811</u>	<u>(3,655)</u>	<u>(95,216)</u>
Cash Flows From Capital and Related Financing Activities:				
Tap Fees Received	3,500	10,600	-	-
Debt Principal Payments	(10,825)	(287,867)	-	-
Grant Proceeds	-	-	-	268,735
Interest Payments	(2,560)	(88,837)	-	-
Acquisition of Capital Assets	(167,433)	(86,394)	-	(303,742)
Cash Flows Used by Capital and Related Financing Activities	<u>(177,318)</u>	<u>(452,498)</u>	<u>-</u>	<u>(35,007)</u>
Cash Flows (Uses) From Noncapital Financing Activities:				
Cash (to) from Other Funds	(113,578)	(46,063)	(11,500)	101,535
Other Revenues (Expense)	550	109	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(113,028)</u>	<u>(45,954)</u>	<u>(11,500)</u>	<u>101,535</u>
Cash Flows (Uses) From Investing Activities:				
Interest Received	<u>114,184</u>	<u>42,895</u>	<u>(210)</u>	<u>5</u>
Net Increase (Decrease) in Cash	(127,238)	334,254	(15,365)	(28,683)
Cash - Beginning	<u>6,315,335</u>	<u>2,829,440</u>	<u>(3,609)</u>	<u>97,708</u>
Cash - Ending	<u>\$ 6,188,097</u>	<u>\$ 3,163,694</u>	<u>\$ (18,974)</u>	<u>\$ 69,025</u>
Cash	\$ 6,188,097	\$ 2,940,230	\$ (18,974)	\$ 69,025
Restricted Cash and Investments	-	223,464	-	-
Total	<u>\$ 6,188,097</u>	<u>\$ 3,163,694</u>	<u>\$ (18,974)</u>	<u>\$ 69,025</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:				
Operating Income (Loss)	\$ 475,411	\$ 488,933	\$ 1,339	\$ (379,968)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	237,478	265,564	-	297,263
Changes in Assets and Liabilities Related to Operations:				
(Increase) Decrease in:				
Utility Receivable	2,719	(3,893)	(2,817)	-
Accounts Receivable	-	-	-	(27,963)
Inventory	(35,571)	39,424	-	(23,825)
Prepaid Expenses	1,024	1,024	-	-
(Increase) Decrease in:				
Accounts Payable	(636,813)	5,304	(2,177)	42,206
Accrued Salaries and Benefits	(4,835)	(10,276)	-	(4,041)
Deposits and Escrow	5,675	34	-	-
Accrued Compensated Absences	3,836	3,697	-	1,112
Total Adjustments	<u>(426,487)</u>	<u>300,878</u>	<u>(4,994)</u>	<u>284,752</u>
Net Cash Used for Operating Activities	<u>\$ 48,924</u>	<u>\$ 789,811</u>	<u>\$ (3,655)</u>	<u>\$ (95,216)</u>

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

TOTAL	
2023	2022
\$ 7,430,700	\$ 7,403,823
(5,412,409)	(3,892,197)
(677,882)	(670,104)
<u>(600,545)</u>	<u>(520,775)</u>
<u>739,864</u>	<u>2,320,747</u>
14,100	36,874
(298,692)	(290,762)
268,735	100,000
(91,397)	(95,110)
<u>(557,569)</u>	<u>(370,814)</u>
<u>(664,823)</u>	<u>(619,812)</u>
(69,606)	(69,291)
<u>659</u>	<u>62,388</u>
<u>(68,947)</u>	<u>(6,903)</u>
<u>156,874</u>	<u>21,225</u>
162,968	1,715,257
<u>9,238,874</u>	<u>7,523,617</u>
\$ <u>9,401,842</u>	\$ <u>9,238,874</u>
\$ 9,178,378	\$ 9,019,948
<u>223,464</u>	<u>218,926</u>
\$ <u>9,401,842</u>	\$ <u>9,238,874</u>
\$ 585,715	\$ 1,017,537
800,305	804,425
(3,991)	(43,285)
(27,963)	-
(19,972)	(110,906)
2,048	-
(591,480)	658,872
(19,152)	(4,202)
5,709	(2,850)
<u>8,645</u>	<u>1,156</u>
<u>154,149</u>	<u>1,303,210</u>
\$ <u>739,864</u>	\$ <u>2,320,747</u>

CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

HISTORY AND FUNCTION OF ORGANIZATION

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

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

REPORTING ENTITY

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

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

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

CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

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

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

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

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

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

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

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

CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

General Fund

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

Special Revenue Funds:

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

Tourism Promotion Fund

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

Conservation Trust Fund (Nonmajor)

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

Proprietary Funds

The City also reports the following major proprietary funds:

Electric, Water and Sewer, Solid Waste and Airport Funds

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

PROPERTY TAXES

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

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

**CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ACCUMULATED UNPAID LEAVE (COMPENSATED ABSENCES)

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

ACCOUNTS RECEIVABLE

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

INVENTORY

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

PREPAID ITEMS

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

CAPITAL ASSETS

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

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

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

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

The City has elected to not retroactively report infrastructure.

CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows related to taxes levied in 2023 to be collected in 2024.

NET POSITION/FUND BALANCES

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

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

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

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

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

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

CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

NET POSITION/FUND EQUITY FLOW ASSUMPTIONS

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

CASH FLOW STATEMENT

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

COMPARATIVE DATA

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

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

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

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

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

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

**CITY OF BURLINGTON, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2023**

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

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

NOTE 3: CASH AND INVESTMENTS

A summary of deposits and investments as of December 31, 2023 is as follows:

Cash Deposits	\$ 9,715,944
Investments	2,478,656
Cash on Hand	<u>1,973</u>
Total Cash and Investments	<u>\$ 12,196,573</u>

This balance is presented in the financial statements as follows:

Cash and Investments	\$ 11,823,872
Restricted Cash and Investments	<u>372,701</u>
Total Cash and Investments	<u>\$ 12,196,573</u>

DEPOSITS

Custodial Credit Risk - Deposits

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

Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2023, all of the City's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 3: CASH AND INVESTMENTS (Continued)

DEPOSITS

Deposits at December 31, 2023 were as follows:

	<u>Bank Balance</u>	<u>Book Balance</u>
FDIC Insured	\$ 609,663	\$ 609,663
Collateralized under PDPA (Not in Entity's Name)	9,230,812	9,106,280
Petty Cash	-	1,973
Total Cash and Investments	<u>\$ 9,840,475</u>	<u>\$ 9,717,916</u>

INVESTMENTS

Credit Risk

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

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

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

Credit Risk

For the year ended December 31, 2023, the City had invested \$2,478,656 in the Colorado Government Liquid Asset Trust (COLOTRUST); investment vehicles established for local government entities in Colorado to pool surplus funds and are registered with the State Securities Commissioner. The pools operated similarly to a money market fund and each share value is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities. Colotrust is rated AAAM by Standard and Poor's.

Concentration of Credit Risk

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

**CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023**

NOTE 3: CASH AND INVESTMENTS (Continued)

INVESTMENTS (Continued)

Interest Rate Risk

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

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2023, the City’s custodial credit risk is related to the investments in Colotrust.

RESTRICTED CASH

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

Restricted Cash

Restricted for Library (General)	\$	15,000	
Restricted for Parks (CTF)		<u>134,237</u>	
Included in Restricted Fund Balance			149,237
Restricted O & M Reserve (Restricted Net Position)			<u>223,464</u>
Total Restricted Cash			<u><u>\$ 372,701</u></u>

NOTE 4: LEASE RECEIVABLES

Changes in governmental activities lease receivable are as follows:

	<u>Balance</u> <u>12/31/2022</u>	<u>Advances</u>	<u>Receipts</u>	<u>Balance</u> <u>12/31/2023</u>	<u>Due within</u> <u>One Year</u>	<u>Interest</u> <u>Income</u>
<u>Governmental-type Activities</u>						
2019 Building Lease	\$ -	\$ 17,207	\$ 11,436	\$ 5,771	\$ 5,771	\$ 602
2018 Building Lease	-	<u>79,481</u>	<u>14,526</u>	<u>64,955</u>	<u>12,621</u>	<u>299</u>
Total	<u>\$ -</u>	<u>\$ 96,688</u>	<u>\$ 25,962</u>	<u>\$ 70,726</u>	<u>\$ 18,392</u>	<u>\$ 901</u>

In 2018 the City entered into a building lease agreement. The lease requires annual payments of \$1,259 to be received starting October 2018 through September 2028 and bears an estimated interest of 4.20%.

**CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023**

NOTE 4: LEASE RECEIVABLES (Continued)

Future lease receivable payments are as follows

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 12,621	\$ 2,487	\$ 15,108
2025	13,161	1,947	15,108
2026	13,725	1,383	15,108
2027	14,313	795	15,108
2028	11,135	196	11,331
Total	\$ 64,955	\$ 6,808	\$ 71,763

In 2019, the City entered into a building lease agreement. The lease requires annual payments of \$975 to be received starting July 2019 through June 2024 and bears an estimated interest of 2.50%. Future lease receivable payments are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 5,771	\$ 42	\$ 5,813

NOTE 5: CAPITAL ASSETS

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

	<u>Balance 1/1/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2023</u>
Capital assets not being depreciated				
Land	\$ 337,017	\$ -	\$ -	\$ 337,017
Construction in progress	2,251	-	(2,251)	-
Old Town Donations/Collection	101,406	-	-	101,406
Total capital assets not being depreciated	440,674	-	(2,251)	438,423
Capital assets being depreciated				
Infrastructure	1,314,823	781,840	-	2,096,663
Buildings	4,549,654	48,520	-	4,598,174
Improvements other than buildings	1,916,232	298,369	(25,000)	2,189,601
Equipment	2,195,269	36,200	(59,510)	2,171,959
Vehicles	700,152	-	-	700,152
Total capital assets being depreciated	10,676,130	1,164,929	(84,510)	11,756,549
Accumulated depreciation				
Infrastructure	(603,228)	(42,539)	-	(645,767)
Buildings	(2,248,872)	(95,753)	-	(2,344,625)
Improvements other than buildings	(1,229,476)	(61,962)	11,250	(1,280,188)
Equipment	(1,604,012)	(68,574)	59,510	(1,613,076)
Vehicles	(614,234)	(33,530)	-	(647,764)
Total accumulated depreciation	(6,299,822)	(302,358)	70,760	(6,531,420)
Net Capital Assets	\$ 4,816,982	\$ 862,571	\$ (16,001)	\$ 5,663,552

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

General Government	\$ 35,491
Public Safety	38,136
Public Works	45,376
Culture and Recreation	183,355
Total Depreciation	\$302,358

**CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023**

NOTE 5: CAPITAL ASSETS (Continued)

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

	Balance 1/1/2023	Additions	Deletions	Balance 12/31/2023
Capital assets not being depreciated				
Land	\$ 609,915	\$ -	\$ -	\$ 609,915
Water rights	2,918,032	-	-	2,918,032
Construction in progress	15,419	425,822	-	441,241
Total capital assets not being depreciated	3,543,366	425,822	-	3,969,188
Capital assets being depreciated				
System	17,978,838	86,394	(74,540)	17,990,692
Buildings	1,079,540	-	-	1,079,540
Other improvements	6,440,000	-	-	6,440,000
Equipment	1,151,509	45,352	(9,250)	1,187,611
Vehicles	684,433	-	-	684,433
Total capital assets being depreciated	27,334,320	131,746	(83,790)	27,382,276
Accumulated depreciation				
System	(7,471,074)	(456,342)	74,540	(7,852,876)
Buildings	(499,111)	(25,888)	-	(524,999)
Other improvements	(3,528,618)	(247,700)	-	(3,776,318)
Equipment	(922,471)	(49,002)	9,250	(962,223)
Vehicles	(505,955)	(21,373)	-	(527,328)
Total accumulated depreciation	(12,927,229)	(800,305)	83,790	(13,643,744)
Net Capital Assets	\$17,950,457	\$(242,737)	\$ -	\$17,707,720

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

Electric	\$ 237,478
Water	195,920
Sewer	69,644
Airport	297,263
Total Depreciation	\$ 800,305

NOTE 6: LONG-TERM DEBT

GOVERNMENTAL ACTIVITIES

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

Governmental Activities	Balance 12/31/2022	Advances	Repayments	Balance 12/31/2023	Due within One Year
2021 Capital Lease Obligations	\$ 63,489	\$ -	\$ 10,825	\$ 52,664	\$ 11,098
Accrued Compensated Absences	82,338	13,125	-	95,463	9,546
Total Noncurrent Liabilities	\$ 145,827	\$ 13,125	\$ 10,825	\$ 148,127	\$ 20,644

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

The City has capitalized assets with a remaining basis of \$27,262 related to this lease, the lease payments have been equally distributed among the General, Electric and Water & Sewer Funds. Upon default, the lessor will have all rights and remedies available under applicable law. In addition, all lease payments may be declared due or become due during the fiscal year in which the event of default occurs, lessor may repossess the unit, lessor may cancel any extended warranty agreement on behalf of the lessee and receive the refund of the extended warranty agreement fees that were financed but had not received from the lessee as of the date of the event of default.

CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 6: LONG-TERM DEBT

GOVERNMENTAL ACTIVITIES (Continued)

Scheduled payments on the lease are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 4,236	\$ 493	\$ 4,729
2025	4,343	386	4,729
2026	13,086	200	13,286
Total	\$ 21,665	\$ 1,079	\$ 22,744

In May 2021, the City entered into a capital lease arrangement for the purchase of a Loader. The lease was for \$139,132 and requires monthly payments of \$1,890 and a final payment of \$36,960 including interest at a rate of 2.49% with payments starting September, 2021 through August, 2026. The City has capitalized assets with a remaining basis of \$40,580 related to this lease, the lease payments have been equally distributed among the General, Electric and Water & Sewer Funds. Upon default, the lessor will have all rights and remedies available under applicable law. In addition, all lease payments may be declared due or become due during the fiscal year in which the event of default occurs, lessor may repossess the unit, lessor may cancel any extended warranty agreement on behalf of the lessee and receive the refund of the extended warranty agreement fees that were financed but had not received from the lessee as of the date of the event of default.

Scheduled payments on the lease are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 6,862	\$ 697	\$ 7,559
2025	7,034	524	7,558
2026	17,103	255	17,358
Total	\$ 30,999	\$ 1,476	\$ 32,475

BUSINESS-TYPE ACTIVITIES

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

	<u>Balance</u>	<u>Advances/</u>		<u>Balance</u>	<u>Due within</u>	<u>Accrued</u>	<u>Interest</u>
	<u>12/31/2022</u>	<u>Refundings</u>	<u>Repayments</u>	<u>12/31/2023</u>	<u>One Year</u>	<u>Interest</u>	<u>Expense</u>
Business-type Activities							
2016 CWRPDA Note Payable	\$ 893,637	\$ -	\$ 32,361	\$ 861,276	\$ 32,685	\$ 1,435	\$ 8,802
2017 CWRPDA Note Payable	212,124	-	7,681	204,443	7,758	341	2,089
2020 BOK Note Payable	3,487,000	-	237,000	3,250,000	238,000	11,700	74,466
2021 Capital Leases Payable	126,978	-	21,650	105,328	22,195	-	2,924
Accrued Compensated Absences	30,104	8,646	-	38,750	3,875	-	-
Total Noncurrent Liabilities	\$ 4,749,843	\$ 8,646	\$ 298,692	\$ 4,459,797	\$ 304,513	\$ 13,476	\$ 88,281

CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 6: LONG-TERM DEBT (Continued)

BUSINESS-TYPE ACTIVITIES (Continued)

In November 2016, the City entered into a \$2,250,000 loan agreement through the Colorado Water Resource and Power Development Authority (“CWRPDA”) in the Water & Sewer Fund at a rate of 1% for a term of 30 years for facilities of the water system. Principal and interest payments are due on May 1 and November 1 of each year. CWRPDA forgave \$330,900 of principal during 2017. The loan requires the maintenance of an operations and maintenance reserve account in the amount of three months of budgeted operations, or \$223,464 as of December 31, 2023. The loan also contains a requirement that net revenues as defined exceed 110% of the maximum annual debt service of the outstanding and parity loans bonds. The City has set aside funds to meet the operations and maintenance reserve requirements as described above.

Scheduled payments on the loan are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 32,685	\$ 8,531	\$ 41,216
2025	33,012	8,204	41,216
2026	33,343	7,873	41,216
2027	33,678	7,538	41,216
2028	34,015	7,201	41,216
2029-2033	175,261	30,819	206,080
2034-2038	184,222	21,858	206,080
2039-2043	193,644	12,436	206,080
2044-2047	141,416	2,846	144,262
Total	\$ 861,276	\$ 107,306	\$ 968,582

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

Scheduled payments on the loan are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 7,758	\$ 2,025	\$ 9,783
2025	7,836	1,947	9,783
2026	7,915	1,868	9,783
2027	7,994	1,789	9,783
2028	8,074	1,709	9,783
2029-2033	41,602	7,316	48,918
2034-2038	43,729	5,188	48,917
2039-2043	45,965	2,952	48,917
2044-2047	33,570	674	34,244
Total	\$ 204,443	\$ 25,468	\$ 229,911

CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 6: LONG-TERM DEBT (Continued)

BUSINESS-TYPE ACTIVITIES (Continued)

In June 2020, the City issued \$4,133,000 of Series 2020A revenue bonds in the Water & Sewer Fund at a 2.16% rate (2.16% yield) for a term of 15 years for the purpose of refinancing the City’s Series 2014 Revenue Bonds. Interest payments are due on May 1 and November 1 of each year and principal payments were due on November 1 of each year, except for the final principal payment due May 1, 2035. The bonds can be called at any time subject to a yield maintenance agreement requiring payment of the present value difference between scheduled interest and yields based on defined market rates at the date of the call. The bond requires the maintenance of a reserve account equal to the lesser of 10% of the issuance, 100% of the maximum annual debt service on the bonds and parity debt, or 125% of the average annual debt service of the bonds and parity debt. For December 31, 2023 that amount was determined to be the maximum annual debt service of \$363,493 occurring in 2031. The bonds also contain a revenue pledge. The City recognized a charge on refunding of \$88,713 that will be amortized over the life of the new bonds. The City realized a net present value cash flow savings of \$759,089 on the refunding not including the required upfront cash payment of \$390,708 upon closing.

Scheduled payments on the bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 238,000	\$ 70,200	\$ 308,200
2025	249,000	65,059	314,059
2026	249,000	59,681	308,681
2027	255,000	54,302	309,302
2028	260,000	48,794	308,794
2029-2033	1,396,000	156,742	1,552,742
2034-2035	603,000	16,330	619,330
Total	<u>\$ 3,250,000</u>	<u>\$ 471,108</u>	<u>\$ 3,721,108</u>

In May 2021, the City entered into a capital lease arrangement for the purchase of a Backhoe. The lease was for \$93,472 and requires monthly payments of \$1,182 and a final payment of \$31,582 including interest at a rate of 2.49% with payments starting September, 2021 through August, 2026. The City has capitalized assets with a remaining basis of \$54,524 related to this lease, the lease payments have been equally distributed among the General, Electric and Water & Sewer Funds. Upon default, the lessor will have all rights and remedies available under applicable law. In addition, all lease payments may be declared due or become due during the fiscal year in which the event of default occurs, lessor may repossess the unit, lessor may cancel any extended warranty agreement on behalf of the lessee and receive the refund of the extended warranty agreement fees that were financed but had not received from the lessee as of the date of the event of default.

CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 6: LONG-TERM DEBT (Continued)

BUSINESS-TYPE ACTIVITIES (Continued)

Scheduled payments on the lease as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 8,472	\$ 985	\$ 9,457
2025	8,685	772	9,457
2026	26,173	399	26,572
Total	\$ 43,330	\$ 2,156	\$ 45,486

In May 2021, the City entered into a capital lease arrangement for the purchase of a Loader. The lease was for \$139,132 and requires monthly payments of \$1,890 and a final payment of \$36,960 including interest at a rate of 2.49% with payments starting September, 2021 through August, 2026. The City has capitalized assets with a remaining basis of \$81,160 related to this lease, the lease payments have been equally distributed among the General, Electric and Water & Sewer Funds. Upon default, the lessor will have all rights and remedies available under applicable law. In addition, all lease payments may be declared due or become due during the fiscal year in which the event of default occurs, lessor may repossess the unit, lessor may cancel any extended warranty agreement on behalf of the lessee and receive the refund of the extended warranty agreement fees that were financed but had not received from the lessee as of the date of the event of default.

Scheduled payments on the lease are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 13,723	\$ 1,393	\$ 15,116
2025	14,069	1,047	15,116
2026	34,206	511	34,717
Total	\$ 61,998	\$ 2,951	\$ 64,949

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

	<u>Balance</u> <u>12/31/2022</u>	<u>Advances/</u> <u>Refundings</u>	<u>Repayments</u>	<u>Balance</u> <u>12/31/2023</u>	<u>Due within</u> <u>One Year</u>
Deferred Outflows					
2020 BOK Note Payable					
Charge on Refunding	\$ (65,349)	\$ -	\$ (9,008)	\$ (56,341)	\$ (8,395)

CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 6: LONG-TERM DEBT (Continued)

BUSINESS-TYPE ACTIVITIES (Continued)

RATE MAINTENANCE COVERAGE

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

Gross Charges for Services	\$ 1,856,326
Other Charges	43,004
Plant Investment Fees	<u>10,600</u>
Gross Revenue	<u>1,909,930</u>
Water Treatment and Distribution	521,687
Sewer Collection and Treatment	313,258
Administration	82,634
Transfers Out	<u>46,063</u>
Operations and Maintenance Expenses	<u>963,642</u>
Net Revenues	946,288
Maximum Annual Debt Service - FY2031	363,493
Rate Maintenance Coverage	<u>115%</u>
Required Rate Maintenance Net Revenue	<u>418,017</u>
Excess Coverage (Deficiency)	<u>\$ 528,271</u>

NOTE 7: PENSION PLANS

INTERNAL REVENUE CODE SECTION 457 PLAN

The City has established and Internal Revenue Code Section 457 Plan for the benefit of employees. A 457 plan allows an employee to contribute pretax dollars towards retirement. All amounts contributed are fully vested. The City has contributed \$100,821, or up to 5% of employee payroll, in the form of an employee match for the current fiscal year.

**CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023**

NOTE 8: FUND BALANCE/NET POSITION RESERVES/RESTRICTIONS

TAX SPENDING AND DEBT LIMITATIONS

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

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

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

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

The Article requires an emergency reserve be set aside for 2023 in the amount of 3% or more of its fiscal year spending. At December 31, 2023, the City has reserved/restricted the following for emergencies:

General Fund	<u>\$ 165,000</u>
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OTHER COMMITMENTS AND RESTRICTIONS

The City has committed or restricted other funds as summarized in Note 3.

NOTE 9: COMMITMENTS AND CONTINGENCIES

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

CITY OF BURLINGTON, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 10: RISK MANAGEMENT

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

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

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

The City has not materially changed its coverage from previous years. Based on the lack of previous loss occurrences, the City has not recorded any liability for unpaid claims at December 31, 2023.

NOTE 11: TRANSFERS

The City made the following routine transfers:

	Transfers In	Transfers Out
Electric Fund	\$ -	\$ 113,578
Water and Sewer Fund	-	46,063
Airport Fund	101,535	-
Tourism Promotional Fund	69,606	-
Solid Waste Fund	-	11,500
Net Transfers	<u>\$ 171,141</u>	<u>\$ 171,141</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BURLINGTON

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

With Comparative Totals for the Year Ended December 31, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL & FINAL BUDGET	ACTUAL		
REVENUES				
Taxes				
Property Taxes	\$ 380,327	\$ 378,900	\$ (1,427)	\$ 374,936
Specific Ownership Taxes	25,000	41,428	16,428	24,343
Sales and Use Taxes	2,490,500	2,751,434	260,934	2,268,187
Franchise Taxes	76,200	96,977	20,777	91,028
Other Taxes	5,800	6,461	661	4,637
Total Tax Revenue	<u>2,977,827</u>	<u>3,275,200</u>	<u>297,373</u>	<u>2,763,131</u>
Intergovernmental Revenues				
Cigarette Taxes	6,000	8,413	2,413	5,343
Highway Users	126,648	130,567	3,919	132,619
Road and Bridge	200,000	208,623	8,623	204,568
Clerk/Motor Vehicle Fees	8,000	-	(8,000)	13,372
Severance Tax	7,500	15,619	8,119	7,046
Federal Grants	279,031	113,721	(165,310)	189,448
State Grants	100,000	14,957	(85,043)	6,247
Other Intergovernmental	-	-	-	2,929
Total Intergovernmental Revenue	<u>727,179</u>	<u>491,900</u>	<u>(235,279)</u>	<u>561,572</u>
Licenses and Permits				
Liquor Licenses	2,500	1,854	(646)	2,828
Building Permits	10,000	3,860	(6,140)	12,391
Animal Licenses	800	475	(325)	675
Other Licenses	-	250	250	-
Total Licenses and Permits	<u>13,300</u>	<u>6,439</u>	<u>(6,861)</u>	<u>15,894</u>
Fines and Forfeits				
	<u>22,750</u>	<u>16,203</u>	<u>(6,547)</u>	<u>20,309</u>
Internal Charges				
Administrative/Management Fees	<u>675,360</u>	<u>677,882</u>	<u>2,522</u>	<u>670,103</u>
Charges for Services				
Recreation/Comm Ctr/Library Charges	138,900	162,037	23,137	144,732
Rents	18,300	18,001	(299)	18,300
Other Charges for Services	-	1,728	1,728	7,829
Total Charges for Services	<u>157,200</u>	<u>181,766</u>	<u>24,566</u>	<u>170,861</u>
Investment Earnings				
	<u>1,000</u>	<u>57,008</u>	<u>56,008</u>	<u>1,978</u>
Other Revenues				
Reimbursements and Refunds	20,000	18,475	(1,525)	18,475
Donations	170,464	87,756	(82,708)	1,707
Insurance Proceeds/Recoveries	-	4,418	4,418	29,738
Sale of Capital Assets	5,000	-	(5,000)	-
Other Miscellaneous Revenue	5,000	13,993	8,993	5,856
Total Other Revenue	<u>200,464</u>	<u>124,642</u>	<u>(75,822)</u>	<u>55,776</u>
TOTAL REVENUES	<u>4,775,080</u>	<u>4,831,040</u>	<u>55,960</u>	<u>4,259,624</u>

See accompanying Independent Auditors' Report.

CITY OF BURLINGTON

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

With Comparative Totals for the Year Ended December 31, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL & FINAL BUDGET	ACTUAL		
(Continued)				
EXPENDITURES				
General Government				
Personnel Services	421,151	420,776	375	392,852
Contract labor	103,500	95,761	7,739	92,686
Fuel and Automotive	100	-	100	-
Insurance	152,250	158,362	(6,112)	146,336
Professional Fees	94,200	95,018	(818)	106,028
Repairs and Maintenance	2,000	29,689	(27,689)	289
Supplies	26,580	37,467	(10,887)	38,801
Telephone and Utilities	18,030	16,527	1,503	16,625
Travel and Training	10,000	9,955	45	7,441
Other Expenses	103,574	100,407	3,167	115,195
Total General Government	<u>931,385</u>	<u>963,962</u>	<u>(32,577)</u>	<u>916,253</u>
Public Safety				
Personnel Services	766,624	577,522	189,102	531,984
Fuel and Automotive	20,000	13,368	6,632	16,371
Insurance	-	1,347	(1,347)	1,193
Professional Fees	54,800	55,175	(375)	51,749
Repairs and Maintenance	21,600	42,830	(21,230)	22,762
Supplies	25,900	25,044	856	22,220
Telephone and Utilities	20,900	24,146	(3,246)	22,508
Travel and Training	23,250	7,228	16,022	3,676
Other Expenses	65,000	62,659	2,341	67,692
Total Public Safety	<u>998,074</u>	<u>809,319</u>	<u>188,755</u>	<u>740,155</u>
Public Works				
Personnel Services	312,639	277,874	34,765	288,906
Fuel and Automotive	7,500	14,844	(7,344)	7,549
Professional Fees	23,135	31,496	(8,361)	26,298
Repairs and Maintenance	125,000	90,677	34,323	57,126
Supplies	13,300	7,749	5,551	8,138
Telephone and Utilities	6,500	6,338	162	6,662
Travel and Training	500	338	162	808
Other Expenses	4,850	4,773	77	3,982
Total Public Works/Comm Devel	<u>493,424</u>	<u>434,089</u>	<u>59,335</u>	<u>399,469</u>
Parks, Recreation and Other				
Personnel Services	777,849	702,096	75,753	640,683
Fuel and Automotive	8,650	8,101	549	9,305
Insurance	-	890	(890)	1,951
Professional Fees	4,925	3,471	1,454	4,128
Repairs and Maintenance	33,300	85,974	(52,674)	38,076
Supplies	73,400	77,274	(3,874)	86,825
Telephone and Utilities	76,550	89,383	(12,833)	84,424
Travel and Training	1,825	1,888	(63)	1,661
Other Expenses	99,845	109,503	(9,658)	107,605
Total Parks, Recreation & Other	<u>1,076,344</u>	<u>1,078,580</u>	<u>(2,236)</u>	<u>974,658</u>

CITY OF BURLINGTON

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023
With Comparative Totals for the Year Ended December 31, 2022

	2023			2022
	ORIGINAL & FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
(Continued)				
Capital Outlay				
General Government Capital Outlay	50,000	-	50,000	19,139
Public Safety Capital Outlay	27,000	5,178	21,822	-
Public Works Capital Outlay	790,000	815,789	(25,789)	5,585
Parks, Recreation and Other Capital Outlay	<u>136,105</u>	<u>255,932</u>	<u>(119,827)</u>	<u>140,153</u>
Total Capital Outlay	<u>1,003,105</u>	<u>1,076,899</u>	<u>(73,794)</u>	<u>164,877</u>
Debt Service				
Principal	4,773	5,167	(394)	4,030
Interest	<u>7,558</u>	<u>8,218</u>	<u>(660)</u>	<u>8,367</u>
Total Debt Service	<u>12,331</u>	<u>13,385</u>	<u>(1,054)</u>	<u>12,397</u>
Contingency Reserve				
TOTAL EXPENDITURES	<u>4,597,163</u>	<u>4,376,234</u>	<u>220,929</u>	<u>3,207,809</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ 177,917</u>	454,806	<u>\$ 276,889</u>	1,051,815
FUND BALANCE - BEGINNING		<u>2,332,399</u>		<u>1,280,584</u>
FUND BALANCE - ENDING		<u>\$ 2,787,205</u>		<u>\$ 2,332,399</u>

See accompanying Independent Auditors' Report.

CITY OF BURLINGTON

BUDGETARY COMPARISON SCHEDULE

TOURISM AND PROMOTION FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

With Comparative Totals for the Year Ended December 31, 2022

	2023			VARIANCE WITH FINAL	2022
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
REVENUES					
Taxes					
Other Taxes	\$ 230,000	\$ 230,000	\$ 267,323	\$ 37,323	242,237
Intergovernmental Revenues					
Federal Grants	-	-	-	-	31,588
Charges for Services					
Recreation/Comm Ctr/Library Charges	417,250	417,250	434,609	17,359	398,776
Sales of Goods	300	300	(251)	(551)	558
Rents	15,105	15,105	14,506	(599)	15,105
Total Charges for Services	432,655	432,655	448,864	16,209	414,439
Other Revenues					
Donations	35,050	35,050	60,787	25,737	52,235
TOTAL REVENUES	697,705	697,705	777,576	79,871	740,499
EXPENDITURES					
General Government					
Contract labor	600	600	717	(117)	636
Insurance	-	-	604	(604)	552
Professional Fees	9,600	9,600	9,600	-	9,600
Repairs and Maintenance	3,000	3,000	13,439	(10,439)	1,666
Telephone and Utilities	6,500	6,500	7,066	(566)	7,068
Total General Government	19,700	19,700	31,426	(11,726)	19,522
Public Works					
Parks, Recreation and Other					
Personnel Services	340,312	340,312	323,384	16,928	259,898
Fuel and Automotive	1,250	1,250	957	293	1,387
Insurance	-	-	8,765	(8,765)	13,044
Professional Fees	87,550	87,550	79,649	7,901	97,290
Repairs and Maintenance	30,900	59,900	63,609	(3,709)	30,024
Supplies	105,250	135,250	153,647	(18,397)	133,455
Telephone and Utilities	52,500	52,500	53,535	(1,035)	57,239
Travel and Training	3,050	3,050	5,167	(2,117)	3,753
Other Expenses	87,200	136,200	126,967	9,233	124,122
Total Parks, Recreation & Other	708,012	816,012	815,680	332	720,212
Capital Outlay					
Parks, Recreation and Other Capital Outlay	36,000	36,000	-	36,000	52,683
TOTAL EXPENDITURES	763,712	871,712	847,106	24,606	792,417
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURE	(66,007)	(174,007)	(69,530)	104,477	(51,918)
OTHER FINANCING SOURCES (USES)					
Transfers In	69,606	69,606	69,606	-	69,291
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ 3,599	\$ (104,401)	76	\$ 104,477	17,373
FUND BALANCE - BEGINNING			162,316		144,943
FUND BALANCE - ENDING			<u>\$ 162,392</u>		<u>\$ 162,316</u>

See accompanying Independent Auditors' Report.

OTHER SUPPLEMENTARY INFORMATION

CITY OF BURLINGTON

BUDGETARY COMPARISON SCHEDULE
NONMAJOR CONSERVATION TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2023
With Comparative Totals for the Year Ended December 31, 2022

	<u>2023</u>				<u>2022</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	
	<u>BUDGET</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>WITH FINAL</u>	<u>BUDGET</u>
REVENUES					
Intergovernmental Revenues					
Conservation Trust Fund	\$ 35,000	\$ 35,000	\$ 43,533	\$ 8,533	\$ 40,505
Investment Earnings	<u>25</u>	<u>25</u>	<u>2</u>	<u>(23)</u>	<u>26</u>
TOTAL REVENUES	<u>35,025</u>	<u>35,025</u>	<u>43,535</u>	<u>8,510</u>	<u>40,531</u>
EXPENDITURES					
Parks, Recreation and Other					
Repairs and Maintenance	40	40	3	37	36
Parks, Recreation and Other Capital Outlay	<u>47,500</u>	<u>73,500</u>	<u>72,957</u>	<u>543</u>	<u>145,885</u>
TOTAL EXPENDITURES	<u>47,540</u>	<u>73,540</u>	<u>72,960</u>	<u>580</u>	<u>145,921</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ (12,515)</u>	<u>\$ (38,515)</u>	<u>(29,425)</u>	<u>\$ 9,090</u>	<u>(105,390)</u>
FUND BALANCE - BEGINNING			<u>163,662</u>		<u>269,052</u>
FUND BALANCE - ENDING			<u>\$ 134,237</u>		<u>\$ 163,662</u>

See accompanying Independent Auditors' Report.

CITY OF BURLINGTON

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
ELECTRIC FUND
FOR THE YEAR ENDED DECEMBER 31, 2023
With Comparative Totals for the Year Ended December 31, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022	
	FINAL BUDGET	ACTUAL		ACTUAL	
OPERATING REVENUE					
Utility Charges	\$ 4,450,000	\$ 4,504,633	\$ 54,633	\$ 4,500,585	
Other Charges for Services	53,600	59,263	5,663	58,476	
TOTAL REVENUES	<u>4,503,600</u>	<u>4,563,896</u>	<u>60,296</u>	<u>4,559,061</u>	
OPERATING EXPENSES					
Management Fees	454,310	454,310	-	449,360	
Electric Production	2,761,919	2,818,556	(56,637)	2,714,926	
Electric Distribution	511,594	461,970	49,624	284,077	
Administration	112,696	116,171	(3,475)	110,316	
Other Capital Outlay	300,000	167,433	132,567	689,068	
TOTAL EXPENDITURES	<u>4,140,519</u>	<u>4,018,440</u>	<u>122,079</u>	<u>4,247,747</u>	
Operating Income (Loss)	<u>363,081</u>	<u>545,456</u>	<u>182,375</u>	<u>311,314</u>	
OTHER INCOME (EXPENSES)					
Investment Earnings	-	114,184	114,184	14,317	
Other Revenue	20,000	550	(19,450)	55,944	
Debt Service	(12,331)	(13,385)	(1,054)	(12,287)	
TOTAL OTHER INCOME (EXPENSES)	<u>7,669</u>	<u>101,349</u>	<u>93,680</u>	<u>57,974</u>	
Net Income (Loss) before Transfers	370,750	646,805	276,055	369,288	
TRANSFERS					
Transfers Out	(113,578)	(113,578)	-	(89,872)	
Net Income (Loss), Budget Basis	<u>257,172</u>	<u>533,227</u>	<u>276,055</u>	<u>279,416</u>	
CONTRIBUTED CAPITAL					
Plant Investment Fees	4,500	3,500	(1,000)	29,349	
Change in Net Position (Budget Basis)	<u>\$ 261,672</u>	<u>536,727</u>	<u>\$ 275,055</u>	<u>308,765</u>	
BUDGET TO GAAP RECONILIATION					
Principal Paid		10,825		10,559	
Depreciation Expense		(237,478)		(229,198)	
Capital Outlay		167,433		689,068	
CHANGE IN NET POSITION (BUDGET BASIS)		477,507		779,194	
NET POSITION - BEGINNING		<u>10,474,042</u>		<u>9,694,848</u>	
NET POSITION - ENDING		<u>\$ 10,951,549</u>		<u>\$ 10,474,042</u>	

See accompanying Independent Auditors' Report.

CITY OF BURLINGTON

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

BUDGET AND ACTUAL

WATER & SEWER FUND

FOR THE YEAR ENDED DECEMBER 31, 2023

With Comparative Totals for the Year Ended December 31, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022	
	FINAL BUDGET	ACTUAL		ACTUAL	ACTUAL
OPERATING REVENUES					
Utility Charges	\$ 1,820,000	\$ 1,846,603	\$ 26,603	\$ 1,864,157	
Other Charges for Services	4,000	9,723	5,723	4,757	
TOTAL REVENUES	<u>1,824,000</u>	<u>1,856,326</u>	<u>32,326</u>	<u>1,868,914</u>	
OPERATING EXPENSES					
Management Fees	184,250	184,250	-	181,445	
Water Treatment and Distribution	529,999	521,687	8,312	404,023	
Sewer Collection and Treatment	341,253	313,258	27,995	253,848	
Administration	84,719	82,634	2,085	86,422	
Other Capital Outlay	75,000	86,395	(11,395)	15,398	
TOTAL EXPENDITURES	<u>1,215,221</u>	<u>1,188,224</u>	<u>26,997</u>	<u>941,136</u>	
Operating Income (Loss)	<u>608,779</u>	<u>668,102</u>	<u>59,323</u>	<u>927,778</u>	
OTHER INCOME (EXPENSES)					
Investment Earnings	-	42,895	42,895	6,849	
Other Revenue	-	109	109	-	
Debt Service	(375,825)	(375,784)	41	(372,691)	
TOTAL OTHER INCOME (EXPENSES)	<u>(375,825)</u>	<u>(332,780)</u>	<u>43,045</u>	<u>(365,842)</u>	
Net Income (Loss) before Transfers	232,954	335,322	102,368	561,936	
TRANSFERS					
Transfers Out	(46,063)	(46,063)	-	(36,290)	
Net Income (Loss), Budget Basis	186,891	289,259	102,368	525,646	
CONTRIBUTED CAPITAL					
Plant Investment Fees	15,000	10,600	(4,400)	7,525	
CHANGE IN NET POSITION (BUDGET BASIS)	<u>\$ 201,891</u>	299,859	<u>\$ 97,968</u>	533,171	
BUDGET TO GAAP RECONCILIATION					
Principal Paid		287,867		280,203	
Depreciation Expense		(265,564)		(270,134)	
Gain (Loss) on Sale of Assets		-		(4,596)	
Capital Outlay		86,395		15,398	
CHANGE IN NET POSITION - GAAP BASIS		408,557		554,042	
NET POSITION - BEGINNING		<u>8,844,812</u>		<u>8,290,770</u>	
NET POSITION - ENDING		<u>\$ 9,253,369</u>		<u>\$ 8,844,812</u>	

See accompanying Independent Auditors' Report.

CITY OF BURLINGTON

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

BUDGET AND ACTUAL

Solid Waste Fund

FOR THE YEAR ENDED DECEMBER 31, 2023

With Comparative Totals for the Year Ended December 31, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	FINAL BUDGET	ACTUAL		
Operating Revenues				
Utility Charges	\$ 575,000	\$ 564,370	\$ (10,630)	\$ 562,775
Operating Expenses				
Management Fees	39,000	39,322	(322)	39,299
Solid Waste Collection	524,200	523,709	491	523,268
Total Expenditures	563,200	563,031	169	562,567
Operating Income (Loss)	11,800	1,339	(10,461)	208
Other Income (Expense)				
Investment Earnings	10	(210)	(220)	1
Net Income (Loss) before Transfers	11,810	1,129	(10,681)	209
Transfers				
Transfers Out	(11,500)	(11,500)	-	(12,420)
Change in Net Position (Budget Basis)	\$ 310	(10,371)	\$ (10,681)	(12,211)
Net Position, Beginning		48,008		60,219
Net Position, Ending		\$ 37,637		\$ 48,008

See accompanying Independent Auditors' Report.

CITY OF BURLINGTON

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL

Airport Fund

FOR THE YEAR ENDED DECEMBER 31, 2023

With Comparative Totals for the Year Ended December 31, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022	
	FINAL BUDGET	ACTUAL		BUDGET	ACTUAL
Operating Revenues					
Airport Charges	\$ 431,800	\$ 442,222	\$ 10,422	\$ 445,437	
Other Charges for Services	43,837	30,131	(13,706)	13,771	
Total Revenues	<u>475,637</u>	<u>472,353</u>	<u>(3,284)</u>	<u>459,208</u>	
Operating Expenses					
Airport	580,724	555,003	25,721	581,012	
Administration	45	55	(10)	-	
Other Capital Outlay	600,000	303,742	296,258	10,882	
Total Expenditures	<u>1,180,769</u>	<u>858,800</u>	<u>321,969</u>	<u>591,894</u>	
Operating Income (Loss)	<u>(705,132)</u>	<u>(386,447)</u>	<u>318,685</u>	<u>(132,686)</u>	
Other Income (Expense)					
Intergovernmental Revenue	65,000	-	(65,000)	100,000	
Investment Earnings	50	5	(45)	58	
Other Revenue	-	-	-	6,444	
Gain (Loss) on Sale of Assets	2,000	-	(2,000)	-	
Total Other Income (Expense)	<u>67,050</u>	<u>5</u>	<u>(67,045)</u>	<u>106,502</u>	
Net Income (Loss) before Transfers	<u>(638,082)</u>	<u>(386,442)</u>	<u>251,640</u>	<u>(26,184)</u>	
Transfers					
Transfers In	101,535	101,535	-	69,291	
Contributed Capital					
Intergovernmental Revenue	<u>540,000</u>	<u>268,735</u>	<u>(271,265)</u>	<u>-</u>	
Change in Net Position (Budget Basis)	<u>\$ 3,453</u>	<u>(16,172)</u>	<u>\$ (19,625)</u>	<u>43,107</u>	
Budget to GAAP Reconciliation					
Depreciation Expense		(297,263)		(305,093)	
Capital Outlay		303,742		10,882	
Change in Net Position - GAAP Basis		(9,693)		(251,104)	
Net Position, Beginning		<u>4,186,194</u>		<u>4,437,298</u>	
Net Position, Ending		<u>\$ 4,176,501</u>		<u>\$ 4,186,194</u>	

See accompanying Independent Auditors' Report.

STATE COMPLIANCE

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

LOCAL HIGHWAY FINANCE REPORT	City or County: City of Burlington
	YEAR ENDING : December 2023

This Information From The Records Of City of Burlington, Colorado	Prepared By: Lorraine Trotter, Prof'l Mgmt Solutions Phone: 303-910-9197
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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. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	779,589
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	352,170
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	6,338
2. General fund appropriations	147,368	b. Snow and ice removal	78,904
3. Other local imposts (from page 2)	945,073	c. Other	
4. Miscellaneous local receipts (from page 2)	214,828	d. Total (a. through c.)	85,242
5. Transfers from toll facilities		4. General administration & miscellaneous	32,877
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	188,072
a. Bonds - Original Issues		6. Total (1 through 5)	1,437,951
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest & Costs of Issuance	
7. Total (1 through 6)	1,307,269	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	144,067	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	2,560
E. Total receipts (A.7 + B + C + D)	1,451,336	b. Redemption	10,825
		c. Total (a. + b.)	13,385
		3. Total (1.c + 2.c)	13,385
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	1,451,336

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)	63,489	0	10,825	52,664

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	1,451,336	1,451,336	0	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2023

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	6,205
1. Sales Taxes	917,145	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	27,928	g. Other Misc. Receipts	
6. Total (1. through 5.)	945,073	h. Other County Road & Bridge Tax	208,623
c. Total (a. + b.)	945,073	i. Total (a. through h.)	214,828
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	130,567	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	13,500	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	13,500	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	144,067	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			
(3). System Preservation			0
(4). System Enhancement & Operation		779,589	779,589
(5). Total Construction (1) + (2) + (3) + (4)	0	779,589	779,589
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	779,589	779,589
			(Carry forward to page 1)

Notes and Comments: