
**CITY OF CRIPPLE CREEK,
COLORADO**
FINANCIAL STATEMENTS
DECEMBER 31, 2023



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Independent Auditors' Report

Honorable Mayor and
Members of the City Council
City of Cripple Creek, Colorado

Report On Audit Of The Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the City as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities Of Management For The Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities For The Audit Of The Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages I through V, budgetary comparison information on pages 44 - 45 and 48, the schedule of the City's proportionate share of the net pension liability (asset) and the schedule of the City's contributions to the pension plan and related ratios on pages 46 and 47 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by GASB, which 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 GAAS, 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's basic financial statements. The comparative fund financial statements, the budgetary comparison schedule for the Water and Sewer Fund and the Local Highway Finance Report 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Matter

Report On Comparative Information

We have previously audited the City's 2022 financial statements, and we expressed unmodified audit opinions on those audited financial statements in our report dated July 26, 2023. In our opinion, the 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.

RubinBrown LLP

June 5, 2024

CITY OF CRIPPLE CREEK, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS for Year Ended December 31, 2023

Our discussion and analysis of the City of Cripple Creek's financial performance provides an overview of the city's financial activities for the fiscal year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our basic financial statements to better understand the financial position of the City of Cripple Creek.

A. FINANCIAL HIGHLIGHTS

- The city's assets exceed liabilities and deferred inflows by \$43,356,024 (i.e., net position) at the end of the year, an increase of \$1,351,253, or 3.2%, from the prior year.
- Governmental activities reported unrestricted net position of \$9,701,402 an increase of \$1,836,511, an increase of 23.4%, in comparison to the prior year.
- The city's unassigned fund balance for the General Fund was \$9,447,274 an increase of \$1,918,555, an increase of 25.5%, in comparison to prior year.
- The city's total long-term liabilities were \$1,083,658, an decrease of \$5,932, or one half of one percent, at the end of year. This debt is primarily associated with the water and wastewater system.

B. 2023 HIGHLIGHTS

- Affordable Housing: In 2021, the city began offering incentives to attract builders to the community. Significant interest has been shown, leading to new homes being built in 2022 and 2023.
- The gaming industry had a mixed year in 2023. Coin-In/Table Drop were down 2.1% and Adjusted Gross Proceeds (AGP) were up two tenths of one percent.

C. OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private sector business. The statement of net position presents information on all assets, liabilities, and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether financial position is improving or deteriorating. The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. Both government-wide financial statements distinguish functions 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). Governmental activities include general government, public safety, streets and highways, culture and recreation and historic preservation. The business type activities include sewer and water.

Fund financial statements. A fund is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate

compliance with finance-related legal requirements. The city's funds 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, which focus on how money flows into and out of those funds and the balances left at year end that is available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the city's General Fund and Historic Preservation Fund operations and the basic services they provide. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the city's programs. The relationship or differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are described in a reconciliation statement.

Proprietary Funds. Proprietary funds are maintained as follows: the Enterprise Fund is used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The city reports its water and sewer operations as an Enterprise Fund.

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.

D. GOVERNMENT-WIDE FINANCIAL ANALYSIS

On December 31, 2023, total net position was \$43,356,024, an increase of \$1,351,253, or 3.2%, from the prior year. The increase was largely due to increases in investments as the city rebuilt its fund balances after being reduced significantly in 2020 by COVID revenue losses. A large portion of the net position is the investment in capital assets (net of related debt) which accounts for 66.6% of total net position. This amount reflects the investment in all capital assets less any related outstanding debt used to acquire those assets. These capital assets are used to provide services to citizens and are not available for future spending. Unrestricted net position, the part of net position that can be used to finance day to day operations without constraints, represents 24.8% of total net position. The restricted net position includes historic preservation (92%), labor emergency set aside (8%) and debt service (0%).

The following table summarizes the Town's net position (Assets/Liabilities):

City of Cripple Creek's Summary of Net Position

	Governmental	Governmental	Business	Business	Total	Total
	Activities	Activities	Activities	Activities		
	2023	2022	2023	2022		
Assets:						
Current assets	\$13,825,210	\$11,482,734	\$1,134,939	\$967,026	\$14,960,149	\$12,449,760
Long-term assets	-	470,307	104,375	97,376	104,375	567,683
Capital assets	15,714,415	16,134,175	14,265,873	16,086,797	29,980,288	32,220,972
Total Assets	29,539,625	28,087,216	15,505,187	17,151,199	45,044,812	45,238,415
Deferred Outflows of Resources						
Deferred loss on refunding	-	-	7,983	8,696	7,983	8,696
Deferred pension outflow (Note 7)	623,384	356,336	-	-	623,384	356,336
Total Deferred Outflows of Resources	623,384	356,336	7,983	8,696	631,367	356,336
Liabilities:						
Current liabilities	825,936	781,558	146,134	157,095	972,070	938,653
Long-term liabilities	362,772	302,661	720,886	786,929	1,083,658	1,089,590
Total Liabilities	1,188,708	1,084,219	867,020	944,024	2,055,728	2,028,243
Deferred Inflows of Revenues:						
Property tax revenue	207,665	149,598	-	-	207,665	149,598
Leases	20,440	27,253	-	-	-	-
Deferred pension inflow (Note 7)	36,232	328,806	-	-	36,232	328,806
Total Deferred Inflows of Resources	264,337	505,657	-	-	243,897	478,404
Net Position:						
Net investment in capital assets	15,595,110	15,977,322	13,503,851	14,185,276	29,098,961	30,162,598
Restricted	3,413,452	3,011,463	104,375	99,080	3,517,827	3,110,543
Unrestricted	9,701,402	7,864,891	1,037,834	866,739	10,739,236	8,731,630
Total Net Position	\$28,709,964	\$26,853,676	\$14,646,060	\$15,151,095	\$43,356,024	\$42,004,771

The following table summarizes the Town's changes in net position (Revenue/Expense):

City of Cripple Creek's Change in Net Position

	Governmental	Governmental	Business-Type	Business-Type	Total	Total
	Activities	Activities	Activities	Activities		
	2023	2022	2023	2022	2023	2022
Revenues:						
<i>Program Revenues:</i>						
Charges for Service	\$1,020,000	\$1,059,630	\$1,449,809	\$1,273,532	\$2,469,809	\$2,333,162
Grants, contributions, etc.	\$741,990	974,026	-	-	-	974,026
Total Program Revenues	1,761,990	2,033,656	1,449,809	1,273,532	2,469,809	3,307,188
<i>General Revenues:</i>						
Property Taxes	151,044	126,627	-	-	151,044	126,627
Sales & Lodging Taxes	1,971,627	1,599,152	-	-	1,971,627	1,599,152
Gaming Taxes	3,073,322	3,370,527	-	-	3,073,322	3,370,527
Other Taxes	24,596	26,088	-	-	24,596	26,088
Device Fees	4,041,727	3,570,140	-	-	4,041,727	3,570,140
Investment Earnings	550,206	146,788	42,121	13,745	592,327	160,533
Miscellaneous	317,055	290,870	89,158	68,878	406,213	359,748
Transfers	9,500	9,500	(9,500)	(9,500)	-	-
Total General Revenues	10,139,077	9,139,692	121,779	73,123	10,260,856	9,212,815
Total Revenues	11,901,067	11,173,348	1,571,588	1,346,655	12,730,665	12,520,003
Expenses:						
General Government	4,044,156	3,965,413	-	-	4,044,156	3,965,413
Public Safety	3,496,652	3,289,717	-	-	3,496,652	3,289,717
Streets	1,482,840	922,375	-	-	1,482,840	922,375
Culture and Recreation	1,012,797	983,409	-	-	1,012,797	983,409
Interest	8,334	-	-	-	8,334	-
Water and Sewer	-	-	2,335,481	2,365,931	2,335,481	2,365,931
Total Expenses	10,044,779	9,160,914	2,335,481	2,365,931	12,380,260	11,526,845
Change in Net Position	1,856,288	3,997,121	(505,035)	(1,019,276)	1,351,253	2,977,845
Beginning Net Position	26,853,676	22,856,555	15,151,095	16,170,371	42,004,771	39,026,926
Ending Net Position	\$28,709,964	\$26,853,676	\$14,646,060	\$15,151,095	\$43,356,024	\$42,004,771

E. FINANCIAL ANALYSIS OF GOVERNMENT FUNDS

Governmental funds. The focus of government funds is to provide information on near term inflows, outflows, and balances of spendable resources. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2023, the city's governmental funds reported combined ending fund balance of \$12,860,726, an increase of \$2,320,544, or 22%, over the prior year. Of the combined ending fund balance for all governmental funds, 73.4% of this amount, or \$9,447,274, constitutes unassigned fund balance, which is available for appropriation at the city's discretion. The city has two governmental funds. They are General and Historic Preservation Funds.

The General Fund is the primary operating fund for the City of Cripple Creek. At the end of 2023, the unassigned fund balance for the General Fund was \$9,447,274. This unassigned fund balance is approximately 111% of the total 2023 expenditures of the General Fund.

The Historic Preservation Fund accounts for all revenue and expenses related to the city's historic preservation efforts, both physical and cultural. At the end of 2023, the Historic Preservation (restricted) Fund balance available for expenditure was \$3,153,814, an increase of \$376,168, or 13.5%. These funds are labeled as restricted because they can only be used for historic preservation purposes.

Proprietary funds. The city has one Enterprise Fund which accounts for sewer and water operations. Year-end unrestricted net position of the sewer and water fund amounted to \$1,037,834 in 2023, an increase of \$171,095, or 19.7%. The increase was primarily related to increased revenues in 2023. Year-end total net position amounted to \$14,646,060 in 2023, a decrease of \$505,035, or 3.3%, was primarily due to depreciation expense.

F. BUDGETARY HIGHLIGHTS

During the year, the city received grants of \$600,000 from the State Revolving Fund (SRF) and \$400,000 from the Department of Local Affairs (DOLA) for a total of \$1 million. These funds are being used for engineering water and sewer capital projects.

G. CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The City of Cripple Creek showed an decrease of \$2,240,684, or 7%, in capital assets for its governmental and business type activities in 2023, this was due to depreciation expense.

Long-term Debt. At the end of 2023, the total outstanding long-term debt (principal and interest) of the city was \$893,037, a decrease of \$93,235, or 9.5% from 2022. The debt is attributable to business-type activities (water/sewer).

H. ECONOMIC CONDITIONS AFFECTING THE CITY

- The City of Cripple Creek continues to maintain strong reserve balances in order to be able to weather general economic downturns and more specifically economic changes in the gaming industry.
- The reduction of the number of gaming devices in the town is of significant concern to the city. The number of devices has still not recovered and is down 777 machines, or 22%, from the pre pandemic first quarter of 2020 to the fourth quarter of 2023. Device fees are the city's single largest source of revenue.
- Gaming tax distributions to the General Fund decreased by \$323,173, or 13.2%, due to the negative impact of SB22-216. The Historic Preservation Fund's tax distribution increased \$25,968, or 2.8%, compared to 2022. Gaming Taxes are the city's second largest source of revenue.
- Work on the Full House Casino's Chamonix hotel project helped increase sales tax significantly in 2023, which rose by \$360,019, or 28%, compared to 2022. Lodging taxes increased \$12,456, or 4%, over 2022, as tourism and gaming visits rebounded.

I. REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the city's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City's finance director at (719) 689-2502.

CITY OF CRIPPLE CREEK, COLORADO

STATEMENT OF NET POSITION

December 31, 2023

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Assets			
Current Assets			
Cash and cash equivalents	\$ 682,935	\$ 349,434	\$ 1,032,369
Investments	12,414,142	437,087	12,851,229
Receivables:			
Accounts	499,790	348,418	848,208
Property taxes	207,665	—	207,665
Leases	20,678	—	20,678
Capital Assets			
Nondepreciable capital assets	8,623,210	2,955,980	11,579,190
Depreciable capital assets, net	7,091,205	11,309,893	18,401,098
Other Long-Term Assets			
Restricted investments	—	104,375	104,375
Total Assets	29,539,625	15,505,187	45,044,812
Deferred Outflows Of Resources			
Deferred loss on refunding	—	7,893	7,893
Deferred pension outflows	623,384	—	623,384
Total Deferred Outflows Of Resources	623,384	7,893	631,277
Liabilities			
Current Liabilities			
Accounts payable	292,482	38,365	330,847
Accrued expenses	127,680	11,925	139,605
Accrued interest	1,153	4,327	5,480
Unearned revenues	316,217	22,524	338,741
Compensated absences payable, current	49,767	3,993	53,760
Vehicle note payable, current	38,637	—	38,637
Bonds payable, current	—	65,000	65,000
Long-Term Liabilities			
Vehicle note payable	80,668	—	80,668
Compensated absences payable	199,070	15,971	215,041
Bonds payable	—	685,000	685,000
Bond premium	—	19,915	19,915
Net pension liability	83,034	—	83,034
Total Liabilities	1,188,708	867,020	2,055,728
Deferred Inflows Of Resources			
Property tax revenue	207,665	—	207,665
Leases	20,440	—	20,440
Deferred pension inflows	36,232	—	36,232
Total Deferred Inflows Of Resources	264,337	—	264,337
Net Position			
Net investment in capital assets	15,595,110	13,503,851	29,098,961
Restricted for:			
Emergencies	259,638	—	259,638
Historic preservation	3,153,814	—	3,153,814
Debt service	—	104,375	104,375
Unrestricted	9,701,402	1,037,834	10,739,236
Total Net Position	\$ 28,709,964	\$ 14,646,060	\$ 43,356,024

CITY OF CRIPPLE CREEK, COLORADO

STATEMENT OF ACTIVITIES For The Year Ended December 31, 2023

Function/Program	Program Revenues			Net Revenue (Expenses) And Changes In Net Position			
	Expenses	Charges For Services And Sales	Operating Grants And Contributions	Capital Grants And Contributions	Primary Government Business-Type Activities		Total
		Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities	Governmental Activities	
Primary Government							
Governmental Activities							
General government	\$ 4,044,156	\$ 598,115	\$ 88,752	\$ —	\$ (3,357,289)	\$ —	\$ (3,357,289)
Public safety	3,496,652	6,266	297,512	—	(3,192,874)	—	(3,192,874)
Streets	1,482,840	—	312,374	—	(1,170,466)	—	(1,170,466)
Culture and recreation	1,012,797	415,619	43,352	—	(553,826)	—	(553,826)
Interest	8,334	—	—	—	(8,334)	—	(8,334)
Total Governmental Activities	10,044,779	1,020,000	741,990	—	(8,282,789)	—	(8,282,789)
Business-Type Activities							
Water and sewer	2,335,481	1,449,809	—	258,858	—	(626,814)	(626,814)
Total - Primary Government	\$ 12,380,260	\$ 2,469,809	\$ 741,990	\$ 258,858	(8,282,789)	(626,814)	(8,909,603)
General revenues:							
Property taxes					151,044	—	151,044
Sales and lodging taxes					1,971,627	—	1,971,627
Gaming taxes					3,073,322	—	3,073,322
Other taxes					24,596	—	24,596
Device fees					4,041,727	—	4,041,727
Investment earnings					550,206	42,121	592,327
Miscellaneous					317,055	89,158	406,213
Transfers					9,500	(9,500)	—
Total General Revenues					10,139,077	121,779	10,260,856
Changes In Net Position					1,856,288	(505,035)	1,351,253
Net Position, Beginning Of Year					26,853,676	15,151,095	42,004,771
Net Position, End Of Year					\$ 28,709,964	\$ 14,646,060	\$ 43,356,024

See the notes to financial statements.

CITY OF CRIPPLE CREEK, COLORADO

BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2023

	Assets		
	General	Historic Preservation	Total Governmental Funds
Cash and cash equivalents	\$ 594,107	\$ 88,828	\$ 682,935
Investments	9,285,529	3,128,613	12,414,142
Receivables:			
Accounts	293,944	17,570	311,514
Property taxes	395,941	—	395,941
Leases	20,678	—	20,678
Total Assets	\$ 10,590,199	\$ 3,235,011	\$ 13,825,210

Liabilities, Deferred Inflows Of Resources And Fund Balance

Liabilities

Accounts payable	\$ 218,525	\$ 73,957	\$ 292,482
Accrued expenditures	120,440	7,240	127,680
Unearned grant revenue	316,217	—	316,217
Total Liabilities	655,182	81,197	736,379

Deferred Inflows Of Resources

Property tax revenue	207,665	—	207,665
Leases	20,440	—	20,440
Total Deferred Inflows Of Resources	228,105	—	228,105

Fund Balance

Restricted	259,638	3,153,814	3,413,452
Unassigned	9,447,274	—	9,447,274
Total Fund Balance	9,706,912	3,153,814	12,860,726

**Total Liabilities, Deferred Inflows Of
Resources And Fund Balance**

	\$ 10,590,199	\$ 3,235,011	\$ 13,825,210
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CITY OF CRIPPLE CREEK, COLORADO

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

Total Governmental Fund Balances	\$	12,860,726
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Nondepreciable capital assets		8,623,210
Depreciable capital assets	\$ 46,311,985	
Less: Accumulated depreciation	<u>(39,220,780)</u>	7,091,205
Pension plan accounts, such as deferred inflows/outflows and net pension liability, are not receivable or payable in the current period and, therefore, are not reported in the funds.		
Net pension liability		(83,034)
Deferred outflows of resources		623,384
Deferred inflows of resources		(36,232)
Vehicle notes payable and related balances are not due and payable in the current period and, therefore, are not reported in the funds.		
Vehicle note principal		(119,305)
Accrued interest payable		(1,153)
Compensated absences are not reported in the funds statements until due, but are reported in the statement of net position when the liability is incurred.		
		<u>(248,837)</u>
Net Position Of Governmental Activities	\$	<u>28,709,964</u>

CITY OF CRIPPLE CREEK, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For The Year Ended December 31, 2023

	General	Historic Preservation	Total Governmental Funds
Revenues			
Property taxes	\$ 151,044	\$ —	\$ 151,044
Sales taxes	1,645,148	—	1,645,148
Lodging taxes	326,479	—	326,479
Gaming taxes	2,122,967	950,355	3,073,322
Other taxes	24,596	—	24,596
Device fees	4,041,727	—	4,041,727
Intergovernmental	788,139	—	788,139
Licenses and permits	212,056	—	212,056
Charges for service	296,784	—	296,784
Fines and forfeitures	5,586	—	5,586
Investment earnings	418,290	131,916	550,206
Rental income	89,275	8,923	98,198
Operating grants, contributions and interest	—	27,069	27,069
Ticket and retail sales	680	406,696	407,376
Miscellaneous	276,306	40,749	317,055
Total Revenues	10,399,077	1,565,708	11,964,785
Expenditures			
Current:			
General government	3,302,884	627,134	3,930,018
Public safety	3,213,746	—	3,213,746
Streets	928,642	—	928,642
Culture and recreation	419,677	530,253	949,930
Capital outlay	579,523	7,153	586,676
Debt service:			
Principal retirements	37,548	—	37,548
Interest payments	7,181	—	7,181
Total Expenditures	8,489,201	1,164,540	9,653,741
Other Financing Sources (Uses)			
Transfers in (out)	34,500	(25,000)	9,500
Net Change In Fund Balances	1,944,376	376,168	2,320,544
Fund Balances, Beginning Of Year	7,762,536	2,777,646	10,540,182
Fund Balances, End Of Year	\$ 9,706,912	\$ 3,153,814	\$ 12,860,726

CITY OF CRIPPLE CREEK, COLORADO

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

Net Change In Fund Balances - Total Governmental Funds		\$ 2,320,544
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:</p>		
Depreciation expense	\$ (967,187)	
Capital outlay	<u>547,427</u>	(419,760)
<p>Pension amounts do not use current financial resources and, therefore, are not reported in the governmental funds.</p>		
		6,283
<p>Some revenues in the statement of activities do not provide current financial resources and, therefore, are deferred inflows in the governmental funds</p>		
		(73,218)
<p>Repayment of vehicle note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the government-wide statement of net position.</p>		
		37,548
<p>Interest is accrued on outstanding bonds in the statement of activities whereas in the governmental funds, an interest expenditure is reported when due.</p>		
		(1,153)
<p>Compensated absences reported in the government-wide statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:</p>		
Liability at December 31, 2023	(248,837)	
Liability at December 31, 2022	<u>234,881</u>	
Changes in compensated absences		<u>(13,956)</u>
Change In Net Position Of Governmental Activities		<u>\$ 1,856,288</u>

CITY OF CRIPPLE CREEK, COLORADO

STATEMENT OF NET POSITION - WATER AND SEWER FUND

December 31, 2023

(With Comparative Financial Information

As Of December 31, 2022)

Assets

	2023	2022
Current Assets		
Cash and cash equivalents	\$ 349,434	\$ 222,809
Investments	437,087	700,260
Accounts receivable	348,418	50,753
Total Current Assets	1,134,939	973,822
Noncurrent Assets		
Restricted assets:		
Investments	104,375	99,080
Capital assets:		
Nondepreciable capital assets	2,955,980	2,631,269
Depreciable capital assets, net	11,309,893	12,382,252
Total Noncurrent Assets	14,370,248	15,112,601
Total Assets	15,505,187	16,086,423
Deferred Outflows Of Resources		
Deferred loss on refunding	7,893	8,696

Liabilities And Net Position

Current Liabilities		
Accounts payable	38,365	54,357
Accrued wages	11,925	15,592
Accrued interest	4,327	4,327
Unearned revenues	22,524	14,072
Compensated absences payable	3,993	3,747
Bonds payable, current portion	65,000	65,000
Total Current Liabilities	146,134	157,095
Long-Term Liabilities		
Compensated absences payable	15,971	14,988
Bonds payable	685,000	750,000
Bond premium	19,915	21,941
Total Long-Term Liabilities	720,886	786,929
Total Liabilities	867,020	944,024
Net Position		
Net investment in capital assets	13,503,851	14,185,276
Restricted - debt service	104,375	99,080
Unrestricted	1,037,834	866,739
Total Net Position	\$ 14,646,060	\$ 15,151,095

CITY OF CRIPPLE CREEK, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - WATER AND SEWER FUND

For The Year Ended December 31, 2023
(With Comparative Financial Information
For The Year Ended December 31, 2022)

	2023	2022
Operating Revenues		
Water fees	\$ 1,038,885	\$ 937,223
Sewer fees	381,264	334,309
Tap fees	29,660	2,000
Miscellaneous	89,158	68,878
Total Operating Revenues	1,538,967	1,342,410
Operating Expenses		
Professional services	104,129	198,953
Supplies	37,255	33,314
Personnel services	537,140	474,495
Maintenance and repairs	159,696	225,792
Utilities and telephone	237,406	212,895
Depreciation	1,147,108	1,139,587
Other	88,010	55,211
Total Operating Expenses	2,310,744	2,340,247
Operating Loss	(771,777)	(997,837)
Nonoperating Revenues (Expenses)		
Interest and fiscal charges	(24,737)	(25,684)
Interest earnings	42,121	13,745
Total Nonoperating Revenues (Expenses)	17,384	(11,939)
Income Before Capital Contributions And Transfers	(754,393)	(1,009,776)
Capital Contributions And Transfers		
Capital contributions	258,858	—
Transfers out	(9,500)	(9,500)
Change In Net Position	(505,035)	(1,019,276)
Net Position, Beginning Of Year	15,151,095	16,170,371
Net Position, End Of Year	\$ 14,646,060	\$ 15,151,095

CITY OF CRIPPLE CREEK, COLORADO

STATEMENT OF CASH FLOWS - WATER AND SEWER FUND

For The Year Ended December 31, 2023

(With Comparative Financial Information

For The Year Ended December 31, 2022)

	2023	2022
Cash Flows From Operating Activities		
Cash received from customers	\$ 1,249,754	\$ 1,323,005
Cash payments to employees for personnel services	(539,578)	(475,966)
Cash payments for goods and services	(642,488)	(701,008)
Net Cash Provided By Operating Activities	67,688	146,031
Cash Flows Used In Noncapital Financing Activities		
Transfer to general fund	(9,500)	(9,500)
Cash Flows From Capital And Related Financing Activities		
Capital contribution	258,858	—
Principal paid on revenue bonds	(65,000)	(65,000)
Interest paid on capital financing	(25,960)	(27,358)
Payments for capital asset acquisitions	(399,460)	(66,312)
Net Cash Used In Capital And Related Financing Activities	(231,562)	(158,670)
Cash Flows From Investing Activities		
Investment earnings	42,121	13,745
Purchases of investments	257,878	(13,746)
Net Cash Provided By (Used In) Investing Activities	299,999	(1)
Net Increase (Decrease) In Cash And Cash Equivalents	126,625	(22,140)
Cash And Equivalents - Beginning Of Year	222,809	244,949
Cash And Equivalents - End Of Year	\$ 349,434	\$ 222,809
Reconciliation Of Operating Loss To Net Cash Used In Operating Activities		
Operating loss	\$ (771,777)	\$ (997,837)
Adjustments		
Depreciation	1,147,108	1,139,588
(Increase) decrease in assets:		
Accounts receivable	(297,665)	(16,905)
Due from other funds	—	11
Increase (decrease) in liabilities:		
Accounts payable	(15,992)	25,156
Accrued wages	(3,667)	4,538
Unearned revenue	8,452	(2,511)
Compensated absences payable	1,229	(6,009)
Net Cash Provided By Operating Activities	\$ 67,688	\$ 146,031

CITY OF CRIPPLE CREEK, COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2023

1. Summary Of Significant Accounting Policies

The financial statements of City of Cripple Creek, Colorado (the City), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the City's accounting policies are described below.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization or (2) the City is legally entitled to or can otherwise access the organization's resources or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization or the City is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the City in that the City approves the budget, levies their taxes or issues their debt. Based upon these criteria, the City is the total reporting entity, and no component units are included.

Basis Of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Government-Wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. Individual funds are not displayed, but the statements distinguish governmental activities, generally supported by taxes and grants and the City's general revenues, from business-type activities, generally financed in whole or in part with user fees charged to external customers. The effect of interfund activity has been eliminated from the government-wide financial statements.

The statement of net position presents the financial position of the governmental and business-type activities of the City at year end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each identifiable activity of the business-type activities of the City. Direct expenses are those that are specifically associated with a function and, therefore, clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income and (3) capital grants and contributions which fund the acquisition, construction or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which function the revenues are restricted. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City. Other revenue sources not properly included with program revenues are reported as general revenues of the City.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Fund Financial Statements - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns.

Fund Accounting - The City uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City uses two categories of funds: governmental and proprietary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may, or must, be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between governmental fund assets and deferred outflows, and liabilities and deferred inflows, as fund balance. The following are the City's major governmental funds:

The General Fund - The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund's balance is available to the City for any purpose, provided it is expended or transferred according to the general laws of Colorado.

Historic Preservation Fund - This fund is used to account for resources received from gaming taxes and various charges for services, which are to be used to rebuild and promote the City and the community through the preservation and protection of the City's historic environment and its National Historic Landmark District status.

Proprietary Fund - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary fund is classified as a major enterprise fund, consisting of the following:

Water and Sewer Fund - This fund is used to account for resources received from water and sewer fees to provide water and sewer services to City residents.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balance reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, the enterprise fund is accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of changes in net position present increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Basis Of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. The enterprise fund uses the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue and in the presentation of expenses versus expenditures.

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

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Revenues - Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the phrase “available for exchange transactions” means expected to be received within 60 days of year end.

Revenues - Nonexchange Transactions - Nonexchange transactions, in which the City receives value without directly giving equal value in return, include sales taxes, property taxes, gaming taxes, device fees, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Property taxes are assessed in one year for the subsequent year’s budget. Therefore, at December 31, in the government-wide financial statements, the City reports property taxes receivable and an equal amount of deferred inflows of resources. On a modified accrual basis, revenue from nonexchange transactions also must be available (i.e., collected within 60 days) before it can be recognized on the governmental funds statement of revenues, expenditures and changes in fund balances. If not collected within 60 days of year end, the property tax receivable is recorded as a deferred inflow of resources.

Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used, or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, device fees, gaming taxes, interest and federal and state grants.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred inflows of resources (i.e., they are measurable but not available) rather than as revenue.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as unearned revenue or as deferred inflows of resources.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Cash, Cash Equivalents And Investments

For the purpose of presentation on the statement of cash flows, cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. Investments are stated at fair value based on quoted market prices.

Receivables

All trade, notes and property tax receivables are reported net of an allowance for uncollectables, where applicable.

Property Taxes

Property taxes are levied on December 15 of each year and attach as an enforceable lien on the property as of January 1 of the following year. Taxes are payable in full on April 30, or in two installments on February 28 and June 15. Liens are attached to the assessed property if taxes become delinquent.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Capital Assets

Governmental capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The City reports these assets in the governmental activities column of the government-wide statement of net position, but does not report these assets in the City fund financial statements. Capital assets used by the enterprise fund are reported both in the business-type activities column of the government-wide statement of net position and in the enterprise fund statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The City maintains a capitalization threshold of \$5,000.

The City's infrastructure includes roads, bridges, storm sewers, sidewalks, curbs and gutters, intersections, street lights, parks, street signs and water and sewer lines. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets are depreciated except for land, water rights and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities' Estimated Lives	Business-Type Activities' Estimated Lives
Buildings	25 years	25 - 40 years
Machinery and equipment	5 years	4 - 10 years
Vehicles	5 - 20 years	4 - 10 years
Reservoir, plant and systems	—	15 - 60 years
Infrastructure	3 - 35 years	—

Deferred Outflows/Inflows Of Resources

In addition to assets, the statement of net position and the governmental fund balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has recognized deferred outflows of resources in the government-wide financial statements in accordance with presentation requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, as well as deferred loss amounts related to debt refunding transactions.

In addition to liabilities, the statement of net position and governmental fund balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Property tax revenue that is related to a future period is recorded as deferred inflows. These amounts are deferred and will be recognized as an inflow of resources in the government-wide financial statements in the period that the amounts were levied for. The City has also recognized deferred inflows of resources in the government-wide financial statements in accordance with presentation requirements of GASB 68.

Compensated Absences

Vacation benefits are accrued as a liability, as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits do not vest and therefore are not accrued. All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements for both governmental activities and the business-type activities. The enterprise fund also reports the total compensated absence liability at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "when due."

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Leases

For arrangements where the City is a lessee, a lease liability and a right-to-use (RTU) intangible asset are recognized at the commencement of the lease term. RTU assets represent the City's right to use an underlying asset for the lease term and lease liabilities represent the City's obligation to make lease payments arising from the lease. RTU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of the lease payments over the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The RTU asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. and is amortized on a straight-line basis over its useful life. RTU assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position. As of December 31, 2023, the City has no leases, where the City was a lessee, that met the requirements of analysis and calculation under GASB 87.

For arrangements in which the City is the lessor, a lease receivable and a deferred inflow of resources is recognized at the commencement of the lease term, on both the fund which is expected to receive the lease payments, and on the government-wide statement. The deferred inflows of resources are measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relates to future periods.

Key estimates and judgements related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term and (3) lease payments:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate, that represents the rate at which it could borrow funds for a term equivalent to the lease agreements, as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Any lease determined to have a noncancellable period shorter than 12 months at its inception is a short-term lease, and is not required analysis and calculation under the provisions of GASB 87.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Debt premiums and discounts and deferred amounts on refunding, if any, are deferred and amortized over the life of the debt instrument using the straight-line method. Outstanding debt instruments are reported net of the applicable premiums and discounts.

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

Pensions

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

Fund Equity

Fund equity at the governmental fund financial reporting level is classified as fund balance. Fund equity for all other reporting is classified as net position.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Fund Balance - Generally, fund balance represents the difference between current assets, deferred outflows, current liabilities and deferred inflows. Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. The City restricts amounts that have limitations imposed by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. Committed fund balance is reported pursuant to resolutions passed by the City Council, the City's highest level of decision-making authority. Committed fund balance includes amounts that can only be used for specific purposes. Commitments may be modified or rescinded only through resolutions approved by the City Council. Assigned fund balance includes amounts constrained for a specific purpose by the governing body or a committee or official that has been designated authority by the City Council to assign amounts. The Finance Director is designated as the person to determine fund balance amounts that will be reported as assigned on the City's year-end financial statements. Unassigned fund balance indicates that portion of fund balance that is available for appropriation in future periods.

In the case where there are various components of fund balance available to be spent for a specific purpose, the City's policy is to spend the most restricted funds first.

Net Position - Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net positions are reported as unrestricted.

Operating Revenues And Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for water and sewer services. Operating expenses are necessary costs incurred to provide these services.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Contributions Of Capital

Contributions of capital in enterprise fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system or from grants or outside contributions of resources restricted to capital acquisition and construction.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another, without a requirement for repayment, are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the nonoperating revenues/expenses section in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are also eliminated.

Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Summarized Comparative Data

The basic financial statements include certain prior-year summarized comparative information in total, but not at the level of detail required for a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

Stewardship, Compliance And Accountability

Budgetary Information - The City adopts an annual operating budget for the General Fund, each special revenue fund and the enterprise fund. The budget resolution reflects the total of each department's appropriation in each fund.

The governmental fund budgets are adopted on a basis consistent with GAAP. The budget for the enterprise fund is adopted on a non-GAAP, modified accrual budgetary basis.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget is the individual fund level. Any change in total to a fund appropriation requires approval of the City Council.

The Finance Director may approve budget transfers between departments and/or functions. During the year, the Finance Director approved minor budget revisions within each department. All unexpended annual appropriations lapse at year end.

New Accounting Pronouncements

As of January 1, 2023, the City adopted GASB Statement No. 96, *Subscription Based Information Technology Arrangements*. The standards sets new requirements for the recognition and recording of long-term software and related technology agreements. The City did not have any agreements or arrangements which had material impact on these financial statements as a result of the implementation.

2. Cash And Investments

Deposits

The Colorado Public Deposit Protection Act (PDPA) of 1989 requires that all units of local government deposit cash in eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by PDPA. PDPA allows the institution to create a single collateral pool for all public funds. 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 State Regulatory Commission for banks and financial services is required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

Custodial Credit Risk - This is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. As of December 31, 2023, the City's deposits were not exposed to custodial credit risk, as all deposits were insured by the Federal Deposit Insurance Corporation or collateralized in accordance with PDPA. At December 31, 2023, the City had bank deposits of \$901,359 collateralized with securities held by the financial institution's agent but not in the City's name. The City does not have a deposit policy for custodial credit risk beyond Colorado State Statute requirements.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Restricted Investments

The Water and Sewer Fund (an enterprise fund) is required to establish a bond reserve account related to the 2019 refunding bonds, restricted for the payment of the bonds and related interest. As of December 31, 2023, the Bond Reserve Account held a balance of \$104,375 to meet the requirement. The City holds the investment in a Colorado Government Liquid Asset Trust (COLOTRUST or the Trust) account.

Investments

Colorado State Statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest, which include the following:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of 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

As of December 31, 2023, the City's investments had the following maturities:

Investment Type For The City	Fair Value	Up To 120 Days	Credit Rating
<u>COLOTRUST</u>	<u>\$ 12,955,604</u>	<u>\$ 12,955,604</u>	<u>AAAm</u>
<u>Total Investments Controlled By The City</u>	<u>\$ 12,955,604</u>	<u>\$ 12,955,604</u>	

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (Continued)

The City has invested \$12,955,604 in COLOTRUST at December 31, 2023. The Trust is an investment vehicle established by state statute for local government entities in Colorado to pool surplus funds for investment purposes. The State Securities Commission administers and enforces all state statutes governing public investment pools. The investment is an external investment pool that reports at the fair value per share of the pool’s underlying portfolio. The unit of account is each share held, and the value of the position is the fair value of the pool’s share price multiplied by the number of shares held. For pricing and redeeming shares, COLOTRUST maintains a stable net asset value (NAV) of \$1 per share, which approximates fair value. The government-investor does not “look through” the pool to report a pro rata share of the pool’s investments, receivables and payables. All COLOTRUST investments are reported at NAV. COLOTRUST offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+, which are both rated AAAM by Standard & Poor’s. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. Financial statements and information about the pool for COLOTRUST may be obtained through its website at www.colotrust.com. COLOTRUST may, without the necessity of a formal meeting of their Board, temporarily suspend the right of redemption or postpone the date of payment for redeemed shares under certain specific conditions described in their trust indenture, and during any financial emergency when it is not reasonably practicable because of substantial losses which might be incurred.

Total Cash, Cash Equivalents And Investments

Total cash and cash equivalents	\$ 1,032,369
Total investments and restricted investments	<u>12,955,604</u>
Total Cash, Cash Equivalents And Investments	<u>\$ 13,987,973</u>

Interest Rate Risk - Beyond Colorado State Statute requirements, the City has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. No investment may be purchased with a final maturity of greater than five years.

Credit Risk - State law limits investments to the above-mentioned investment vehicles to the top two ratings issued by nationally recognized statistical rating organizations. The City has an investment policy that would further limit its investment choices, which allows only investments with a credit rating of AA- or better.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Custodial Credit Risk - The City places certain limits, ranging from 10% to 50% of its total portfolio, on the amount that may be invested in any one issuer, except for investments in money market mutual funds or local government investment pools, which are unrestricted investment types per the City's investment policy.

Concentration Risk - The City has 100% of its total investments with COLOTRUST. However, GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, and the City's investment policy do not recognize investments in external investment pools as being an exposure to concentration risk.

3. Receivables

Receivables at December 31, 2023 consisted of taxes, fees and billings for user charges, leases and other grant reimbursements outstanding. Receivables are recorded on the City's financial statements to the extent that the amounts are determined to be material and substantiated, not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation and collectability. As the City determined all receivables to be collectible, no allowance for doubtful accounts was recorded as of December 31, 2023.

Lease Receivables

On November 9, 2022, the City entered into an office space lease with UCHealth. The initial term of the lease is for four years, with no option periods. Lease principal and interest received during the year ended December 31, 2023 was \$6,575 and \$625, respectively.

Principal and interest expected to maturity of this lease receivable is as follows:

Year	Principal	Interest	Total
2024	\$ 6,697	\$ 503	\$ 7,200
2025	6,891	309	7,200
2026	7,090	109	7,199
Total	\$ 20,678	\$ 921	\$ 21,599

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (Continued)

4. Capital Assets

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

	Balance December 31, 2022	Additions	Deductions	Balance December 31, 2023
Government Activities				
Capital assets not being depreciated:				
Land	\$ 8,010,941	\$ 108,321	\$ —	\$ 8,119,262
Construction in process	2,197,122	70,750	1,763,924	503,948
Total Capital Assets Not Being Depreciated	10,208,063	179,071	1,763,924	8,623,210
Other Capital Assets				
Buildings	15,084,036	—	190,891	14,893,145
Equipment	2,913,285	71,937	—	2,985,222
Roads	15,801,919	—	—	15,801,919
Storm sewers	2,334,281	—	—	2,334,281
Sidewalks, curbs and gutters	1,440,448	1,763,927	—	3,204,375
Intersections	737,362	—	—	737,362
Street lights	1,092,679	—	—	1,092,679
Bridges	377,594	—	—	377,594
Vehicles	3,631,155	287,916	—	3,919,071
Parks	888,670	8,500	—	897,170
Street signs	69,167	—	—	69,167
Total Other Capital Assets	44,370,596	2,132,280	190,891	46,311,985
Total Cost	54,578,659	2,311,351	1,954,815	54,935,195
Accumulated Depreciation				
Buildings	12,060,102	334,695	190,891	12,203,906
Equipment	2,614,661	128,731	—	2,743,392
Roads	14,749,973	117,987	—	14,867,960
Storm sewers	1,667,887	66,694	—	1,734,581
Sidewalks, curbs and gutters	1,406,343	90,819	—	1,497,162
Intersections	736,572	—	—	736,572
Street lights	1,050,220	23,149	—	1,073,369
Bridges	302,076	15,104	—	317,180
Vehicles	3,031,990	159,292	—	3,191,282
Parks	755,495	30,716	—	786,211
Street signs	69,165	—	—	69,165
Total Accumulated Depreciation	38,444,484	967,187	190,891	39,220,780
Governmental Activities				
Capital Assets, Net	\$ 16,134,175	\$ 1,344,164	\$ 1,763,924	\$ 15,714,415

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (Continued)

Governmental activities depreciation expenses were allocated as follows:

	<u>2023</u>
General government	\$ 60,933
Public safety	289,189
Streets	554,198
Culture and recreation	<u>62,867</u>
Total Governmental Activities Depreciation	<u>\$ 967,187</u>

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

	<u>Balance December 31, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2023</u>
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 973,015	\$ —	\$ —	\$ 973,015
Construction in progress	—	324,711	—	324,711
Water rights	1,658,254	—	—	1,658,254
Total Capital Assets Not Being Depreciated	<u>2,631,269</u>	<u>324,711</u>	<u>—</u>	<u>2,955,980</u>
Other Capital Assets				
Land improvements	12,271,155	—	—	12,271,155
Water system	14,716,536	38,495	—	14,755,031
Sewer system	2,382,547	—	—	2,382,547
Sewer plant	2,471,376	6,956	—	2,478,332
Equipment	1,626,116	29,298	—	1,655,414
Total Other Capital Assets	<u>33,467,730</u>	<u>74,749</u>	<u>—</u>	<u>33,542,479</u>
Total Capital Asset Cost	<u>36,098,999</u>	<u>399,460</u>	<u>—</u>	<u>36,498,459</u>
Accumulated Depreciation				
Land improvements	3,859,077	293,399	—	4,152,476
Water system	8,472,111	375,584	—	8,847,695
Sewer system	1,667,304	60,471	—	1,727,775
Sewer plant	1,060,456	38,946	—	1,099,402
Equipment	6,026,530	378,708	—	6,405,238
Total Accumulated Depreciation	<u>21,085,478</u>	<u>1,147,108</u>	<u>—</u>	<u>22,232,586</u>
Business-Type Activities Capital Assets, Net	<u>\$ 15,013,521</u>	<u>\$ (747,648)</u>	<u>\$ —</u>	<u>\$ 14,265,873</u>

5. Long-Term Debt

The City reports long-term debt related to its governmental and business-type activities.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (Continued)

Business-Type Activities - Water Revenue Refunding Bonds

In 2019, the City issued the Series 2019A Water Revenue Refunding Bonds in the amount of \$1,050,000 at an interest rate ranging from 2.00 - 3.50%. The bonds require semi-annual payments. Annual debt service requirements to amortize water and sewer bonds outstanding as of December 31, 2023 follow:

2019A Series Water Refunding Bonds			
Year	Principal	Interest	Total
2024	\$ 65,000	\$ 24,562	\$ 89,562
2025	70,000	23,100	93,100
2026	70,000	21,525	91,525
2027	75,000	19,075	94,075
2028	75,000	16,450	91,450
2029 - 2032	395,000	38,325	433,325
Total	\$ 750,000	\$ 143,037	\$ 893,037

Pledged Revenue Requirements

The City has issued revenue bonds to fund capital projects and infrastructure of its water and sewer system, which has pledged “net revenue” (all income and revenues directly or indirectly derived by the City less operation and maintenance expenses) toward the repayment of the revenue bonds noted above. Revenues are pledged until the bonds are paid off in full or refunded in full. Pledged net revenues recognized for the year ended December 31, 2023 were \$375,331. Debt service payments for the year ended December 31, 2023 were \$89,737.

Governmental Activities - Vehicle Note Payable

In 2022, the City acquired a vehicle financed by a note payable in the amount \$198,950 at an interest rate of 2.90%. The note requires annual payments, with the asset serving as collateral. Annual debt service requirements to maturity of the note payable outstanding as of December 31, 2023 are as follows:

Vehicle Note Payable			
Year	Principal	Interest	Total
2024	\$ 38,637	\$ 3,460	\$ 42,097
2025	39,757	2,340	42,097
2026	40,911	1,186	42,097
Total	\$ 119,305	\$ 6,986	\$ 126,291

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Changes In Long-Term Liabilities

Changes in the City's long-term obligations consisted of the following for the year ended December 31, 2023:

Governmental Activities	Beginning December 31, 2022	Additions To Principal	Reductions To Principal	Ending December 31, 2023	Due In One Year
Vehicle note payable	\$ 156,853	\$ —	\$ 37,548	\$ 119,305	\$ 38,637
Compensated absences	234,881	13,956	—	248,837	49,767
Total Governmental Activities	\$ 391,734	\$ 13,956	\$ 37,548	\$ 368,142	\$ 88,404

Business-Type Activities	Ending December 31, 2022	Additions To Principal	Reductions To Principal	Ending December 31, 2023	Due In One Year
Water revenue refunding bonds 2019A	\$ 815,000	\$ —	\$ 65,000	\$ 750,000	\$ 65,000
Premium on bond	21,941	—	2,026	19,915	2,025
Compensated absences	18,735	1,229	—	19,964	3,993
Total Business-Type Activities	\$ 855,676	\$ 1,229	\$ 67,026	\$ 789,879	\$ 71,018

Principal and interest payments related to the water revenue refunding bonds will be paid by the enterprise fund. Principal and interest payments relating to the vehicle note payable will be paid by the General Fund.

The compensated absences liability will be paid from the fund from which the employees' salaries are paid.

6. Defined Contribution Pension Plan

General Employees Retirement

City employees are covered under a 401(a) defined contribution plan maintained and administered through Colorado Retirement Association (CRA). The plan is established and amended under Colorado State Statute. Under the terms of the defined contribution plan, participants are required to contribute 8% of annual compensation with a matching amount from the City. Vesting begins immediately upon participation with 100% vesting occurring after 5 years of credited service or age 62, whichever is earlier. Defined contribution plans are not required to have actuarial valuations performed. The contributions made by the City totaled \$268,779, and the employees contributed an equal amount. In addition, employees can contribute additional funds into CRA's 457 plan.

Police Department Employees Retirement

The City's Police Department participates in the CRA plan and contributes to Social Security and Medicare monthly. Police Department employees are not able to participate in the State of Colorado's Fire and Police Pension Association (FPPA) because they were enrolled in Social Security and did not elect to become members of FPPA in 1982.

7. FPPA Statewide Cost-Sharing Defined Benefit Pension Plan (SWDB)

FPPA SWDB Plan Description

Eligible employees of the City are provided with pensions through SWDB, a cost-sharing multiple-employer defined benefit pension plan administered by FPPA. SWDB, along with the Statewide Hybrid Plan (SWH), are both individual components that together make up FPPA's Statewide Retirement Plan (SRP). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

Benefits Provided

SWDB provides retirement and disability, annual increases and death benefits for members or their beneficiaries. A member is eligible for a normal retirement pension once the member has completed 25 years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2% of the average of the member's highest 3 years' pensionable earnings for each year of credited service up to 10 years, plus 2.5% for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to SWDB. Benefits paid to retired members are evaluated and may be redetermined every October 1. The amount of any increase is at the FPPA Board of Directors' discretion and can range from 0% to the higher of 3% or the Consumer Price Index for Urban Wage Earners and Clerical Workers.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

A member is eligible for an early retirement at age 50 or after 30 years of service, with at least 5 years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5% as interest, returned as a lump sum distribution. Alternatively, a member with at least 5 years of accredited service may leave contributions with SWDB and remain eligible for a retirement pension at age 55 equal to 2% of the member's average highest 3-years' base salary for each year of credited service up to 10 years, plus 2.5% for each year of service thereafter.

Contributions

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

In 2014, the members elected to increase the member contribution rate to SWDB beginning in 2015. Member contribution rates increased 0.5% annually through 2022 to a total of 12% of pensionable earnings. Employer contributions increase 0.5% annually beginning in 2021 through 2030 to a total of 13% of pensionable earnings. In 2022, members of the SWDB and their employers are contributing at the rate of 12% and 9%, respectively, of pensionable earnings for a total contribution rate of 21%.

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

The contribution rate for members and employers of affiliated Social Security employers is 6% and 4.5%, respectively, of pensionable earnings for a total contribution rate of 10.5% in 2022. Per the 2014 member election, members of the affiliate Social Security group had their required contribution rate increase 0.25% annually beginning in 2015 through 2022 to a total of 6% of pensionable earnings. Employer contributions will increase 0.25% annually beginning in 2021 through 2030 to a total of 6.5% of pensionable earnings.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Employer contributions are recognized by SWDB in the period in which the compensation becomes payable to the member and the City is statutorily committed to pay the contributions to SWDB. Employer contributions recognized by SWDB from the City were \$81,598 for the year ended December 31, 2023.

Pension Assets, Pension Benefit, Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To Pensions

At December 31, 2023, the City reported a net pension liability of \$83,034 for its proportionate share of the plan's net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability was determined by an actuarial valuation as of January 1, 2023. The City's proportion of the net pension liability was based on City contributions to SWDB for the calendar year 2022, relative to the total contributions of participating employers.

At December 31 2022, the City's portion was 0.0935%, which was an increase of 0.0068% from its portion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized pension expense of \$75,316. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Governmental Activities
Deferred Outflows Of Resources	
Changes of assumptions	\$ 106,378
Net difference between projected and actual earnings on pension plan investments	187,903
Changes in proportion and differences between contributions and proportionate share of contributions	67,765
Differences between actual and expected experience	179,740
Contributions subsequent to measurement date	81,598
Total Deferred Outflows Of Resources	\$ 623,384
Deferred Inflows Of Resources	
Changes in proportion and differences between contributions and proportionate share of contributions	\$ 26,039
Differences between expected and actual experience	10,193
Total Deferred Inflows Of Resources	\$ 36,232

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

The amount of \$81,598 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an increase of the net pension asset in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For The Year Ended December 31,	Amount
2024	\$ 53,279
2025	88,669
2026	121,373
2027	162,407
2028	37,877
Thereafter	41,949
Total	\$ 505,554

Actuarial Assumptions

The January 1, 2023 actuarial valuation for SWDB was used to determine the total pension liability at December 31, 2022 and actuarially determined contributions for the fiscal year ended December 31, 2023. The valuations used the following actuarial assumption and other inputs:

	Actuarial Assumptions	Actuarially Determined Contributions
Valuation date	January 1, 2023	January 1, 2022
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	N/A	Level % Payroll, Open
Remaining amortization period	N/A	30 Years
Actuarial assumptions:		
Investment rate of return*	7.0%	7.0%
Projected salary increases*	4.25% - 11.25%	4.25% - 11.25%
Cost of living adjustments	0.0%	0.0%
* Includes inflation at:	2.5%	2.5%

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

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

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

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate Of Return</u>
Global equity	35%	8.93%
Equity long/short	6%	7.47%
Private markets	34%	10.31%
Fixed income - rates	10%	5.45%
Fixed income - credit	5%	6.90%
Absolute return	9%	6.49%
Cash	1%	3.92%
Total	100%	

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Discount Rate

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the FPPA's Board of Directors' funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

For the purpose of the valuation, the expected rate of return on pension plan investments is 7.00%, the municipal bond rate is 1.84% (based on the weekly rate closest to but not later than the measurement date of the state and local bonds rate from Federal Reserve statistical release (H.15)) and the resulting single discount rate is 7.00%.

Sensitivity Of The City's Proportionate Share Of The Net Pension Liability (Asset) To Changes In The Discount Rate

Regarding the sensitivity of the net pension liability (asset) to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.00%, as well as what the plan's net pension asset would be if it were calculated using a single discount rate that is one percent lower (6.00%) or one percent higher (8.00%):

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability (asset)	\$ 572,425	\$ 83,034	\$ (299,031)

Other Information

During 2022, House Bill 22-1034 was signed into law. This legislation combines the assets and liabilities of SWDB and SWH to form SRP effective January 1, 2023. SRP became the Defined Benefit Component of SRP.

Pension Plan Fiduciary Net Position

Detailed information about SWDB's fiduciary net position is available in FPPA's comprehensive annual financial report, which can be obtained on FPPA's website at <http://www.fppaco.org>.

8. Defined Contribution Other Post-Employment Benefit Plan (OPEB)

FPPA Statewide Death And Disability Plan

Plan Description - The City's full-time firefighters participate in FPPA's Statewide Death And Disability Plan (the Plan), a cost-sharing, multi-employer defined benefit death and disability plan.

Contributions to the Plan are used solely for the payment of death and disability benefits. The Plan was established in 1980 pursuant to Colorado Revised Statutes and can be amended through such statutes.

Contributions - Prior to 1997, the Plan was primarily funded by the State of Colorado, whose contributions were established by Colorado Statute. The state made a one-time contribution in 1997 of \$39,000,000 to fund the past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further state contributions are anticipated. Members hired on or after January 1, 1997 contribute a percentage of the payroll based on actuarial experience. This represented 3.2% for 2023. The City contributed \$29,197 to the Plan during 2023.

Benefits - If a member dies prior to retirement, the surviving spouse is entitled to a benefit equal to 40% of the member's monthly base salary. Dependent children are also entitled to benefits according to an established scale. Benefit entitlement continues until death or remarriage of the spouse and death, marriage or other termination of dependency of children.

A member who becomes disabled prior to retirement shall be eligible for disability benefits. The benefit is 70% of base salary for cases of total disability and 50% for cases of occupational disability, reduced by the amount of certain other benefits received.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Benefits paid to members are evaluated and may be redetermined on October 1 of each year. Any increase in the level of benefits cannot exceed the lesser of the increase in the Consumer Price Index or 3%.

OPEB Liabilities, OPEB Expense And Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To OPEBs - The City has no requirement to contribute to the plan and does not receive contributions from a nonemployer entity. Therefore, the City does not report a net OPEB liability, or deferred outflows of resources and deferred inflows of resources related to OPEB.

OPEB Plan Fiduciary Net Position - Detailed information about the plan's fiduciary net position is available in FPPA's separately issued financial report, which may be obtained at www.fppaco.org.

9. Net Position And Fund Balance

The net investment in capital assets on the government-wide statement of net position as of December 31, 2023 was computed as follows:

	Governmental Activities	Business- Type Activities
Net investment in capital assets:		
Cost of capital assets	\$ 54,935,195	\$ 36,498,459
Less: Accumulated depreciation	39,220,780	22,232,586
Book value	15,714,415	14,265,873
Less: Capital-related debt amounts	119,305	762,022
Net Investment In Capital Assets	\$ 15,595,110	\$ 13,503,851

The table below delineates the City's December 31, 2023 ending fund balances for the governmental funds:

Fund Balances	General Fund	Historic Preservation Fund	Total
Restricted:			
Emergencies	\$ 259,638	\$ —	\$ 259,638
Historic preservation	—	3,153,814	3,153,814
Unassigned	9,447,274	—	9,447,274
Total Fund Balance	\$ 9,706,912	\$ 3,153,814	\$ 12,860,726

10. Risk Management

The City is exposed to various risks of loss related to employees while on the job, property and casualty losses. The City has purchased commercial insurance with various levels of deductibles to cover these losses. Claims have not exceeded coverage in any of the past three years.

11. Contingent Liabilities And Uncertainties

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the City believes such disallowances, if any, will be immaterial.

As of December 31, 2023, there were a number of pending claims and lawsuits involving the City. The outcome of these matters is currently unknown; however, the City's legal counsel has reviewed all such litigation and claims and is of the opinion that any outstanding claims not covered by insurance would not materially affect the City's financial position.

12. Tax, Spending And Debt Limitations

Colorado voters passed an Amendment to the State Constitution, Article X, Section 20 (the Taxpayer Bill of Rights, otherwise known as TABOR), which has several limitations, including revenue raising, spending abilities and other specific requirements of the state and local governments. The City, through the election process, has exempted certain revenues, not including property tax revenue, from TABOR. TABOR is complex and subject to judicial interpretation. The City recorded \$259,638 for emergency reserves in the General Fund, which it believes maintains compliance with TABOR.

13. Economic Dependency

The City derives a large percentage of its revenues from gaming tax and device fees. The financial position of the City would be significantly different without those revenues.

14. Interfund Transactions

The Historic Preservation Fund made a transfer to the General Fund of \$25,000, which will not be paid back. The \$25,000 was used for marketing.

The Water and Sewer Fund made a transfer to the General Fund of \$9,500, which will not be paid back. The \$9,500 was used for City Council compensation.

Required Supplementary Information
(Unaudited)

CITY OF CRIPPLE CREEK, COLORADO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND For The Year Ended December 31, 2023

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property tax	\$ 149,848	\$ 151,044	\$ 1,196
Sales tax	900,000	1,645,148	745,148
Lodging taxes	386,000	326,479	(59,521)
Gaming taxes	2,156,390	2,122,967	(33,423)
Other taxes	24,000	24,596	596
Device fees	4,055,573	4,041,727	(13,846)
Intergovernmental	993,989	788,139	(205,850)
Licenses and permits	148,355	212,056	63,701
Charges for service	340,025	296,784	(43,241)
Fines and forfeitures	13,750	5,586	(8,164)
Investment earnings	60,000	418,290	358,290
Rental income	14,700	89,275	74,575
Ticket and retail sales	400	680	280
Miscellaneous	198,150	276,306	78,156
Total Revenues	9,441,180	10,399,077	957,897
Expenditures			
General government	4,056,721	3,302,884	753,837
Public safety	3,937,244	3,213,746	723,498
Streets	916,611	928,642	(12,031)
Culture and recreation	491,163	419,677	71,486
Capital outlay	500,009	579,523	(79,514)
Debt service:			
Principal retirements	100,000	37,548	62,452
Interest and fiscal charges	—	7,181	(7,181)
Total Expenditures	10,001,748	8,489,201	1,512,547
Other Financing Sources (Uses)			
Transfers in	34,500	34,500	—
Net Changes In Fund Balance	\$ (526,068)	1,944,376	\$ 2,470,444
Fund Balance, Beginning Of Year		7,762,536	
Fund Balance, End Of Year		\$ 9,706,912	

CITY OF CRIPPLE CREEK, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - HISTORIC PRESERVATION FUND
For The Year Ended December 31, 2023**

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Gaming taxes	\$ 938,808	\$ 950,355	\$ 11,547
Investment earnings	23,000	131,916	108,916
Rental income	—	8,923	8,923
Operating grants, contributions and interest	13,800	27,069	13,269
Ticket and retail sales	313,000	406,696	93,696
Miscellaneous	45,050	40,749	(4,301)
Total Revenues	1,333,658	1,565,708	232,050
Expenditures			
General government	674,587	627,134	47,453
Culture and recreation	647,269	530,253	117,016
Capital outlay	15,000	7,153	7,847
Total Expenditures	1,336,856	1,164,540	172,316
Other Financing Uses			
Transfer out	(25,000)	(25,000)	—
Net Changes In Fund Balance	\$ (28,198)	376,168	\$ 404,366
Fund Balance, Beginning Of Year		<u>2,777,646</u>	
Fund Balance, End Of Year		<u>\$ 3,153,814</u>	

CITY OF CRIPPLE CREEK, COLORADO

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE
OF THE NET PENSION (ASSET) LIABILITY**

**For The Year Ended December 31, (Measurement Date)
Employee Pension Plan
Year Nine⁽¹⁾**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's portion of the net pension (asset) liability	0.0935%	0.0868%	0.0939%	0.0999%	0.1124%	0.1246%	0.1336%	0.1504%	0.1423%
City's proportionate share of the net pension (asset) liability	\$ 83,034	\$ (470,307)	\$ (204,023)	\$ (56,537)	\$ 142,084	\$ (179,273)	\$ 48,279	\$ (2,651)	\$ (160,592)
City's covered payroll	\$ 813,874	\$ 742,288	\$ 724,138	\$ 764,813	\$ 677,421	\$ 731,112	\$ 709,191	\$ 729,600	\$ 710,738
City's proportionate share of the net pension (asset) liability as a percentage of its payroll	10.20%	-63.36%	-28.17%	-7.39%	20.97%	-24.52%	6.81%	-0.36%	-22.60%
Plan fiduciary net position as a percentage of the total pension (asset) liability	97.60%	116.20%	106.70%	101.90%	95.20%	106.30%	98.21%	100.10%	106.80%

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for those years for which information is available.

CITY OF CRIPPLE CREEK, COLORADO
SCHEDULE OF THE CITY'S CONTRIBUTIONS
TO THE PENSION PLAN
For The Year Ended December 31,
Employee Pension Plan
Year Nine⁽¹⁾

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 81,598	\$ 73,249	\$ 59,383	\$ 57,931	\$ 61,185	\$ 54,194	\$ 58,489	\$ 56,735	\$ 58,368
Contributions in relation to the contractually required contribution	81,598	73,249	59,383	57,931	61,185	58,016	58,489	56,735	58,368
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (3,822)	\$ —	\$ —	\$ —
City's covered payroll	\$ 860,563	\$ 813,874	\$ 742,288	\$ 724,138	\$ 764,813	\$ 677,421	\$ 731,112	\$ 709,191	\$ 729,600
Contributions as a percentage of covered-employee payroll	9.48%	9.00%	8.00%	8.00%	8.00%	8.56%	8.00%	8.00%	8.00%

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for those years for which information is available.

CITY OF CRIPPLE CREEK, COLORADO

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2023

1. **Budgetary Information**

Budgets for major governmental funds are adopted on the modified accrual basis where capital outlays are treated as expenditures and depreciation is not budgeted. Proceeds from debt financing and the sale of general fixed assets are accounted for as other financing sources. In addition, debt service principal payments are included as expenditures in the budget. The operating budget includes proposed expenditures and the means of financing them. The City Council must approve transfers between funds or increases to a fund's budget.

Colorado's budget law requires that expenditures and transfers for a department or fund cannot exceed the appropriations for that department or fund. Appropriations for a department or fund may be increased, provided unanticipated resources offset them.

The budget is controlled at the category line item level within each division within each fund. However, the legal level of appropriation is at the fund level. If the division expenditures exceed the division budget by more than \$500, then the expenditures are deemed to be in excess of the appropriations.

Supplementary Information

CITY OF CRIPPLE CREEK, COLORADO
COMPARATIVE BALANCE SHEET - GENERAL FUND
December 31, 2023
(With Comparative Financial Information
As Of December 31, 2022)

Assets

	2023	2022
Cash and cash equivalents	\$ 594,107	\$ 183,906
Investments	9,285,529	6,992,864
Receivables:		
Accounts	293,944	1,319,230
Property taxes	395,941	149,598
Leases	20,678	27,253
Total Assets	\$ 10,590,199	\$ 8,672,851

Liabilities, Deferred Inflows Of Resources And Fund Balance

Liabilities

Accounts payable	\$ 218,525	\$ 134,288
Accrued expenditures	120,440	114,251
Retainage payable	—	95,492
Unearned grant revenue	316,217	316,217
Total Liabilities	655,182	660,248

Deferred Inflows Of Resources

Property tax revenue	207,665	149,598
Unavailable revenue	—	73,216
Leases	20,440	27,253
Total Deferred Inflows Of Resources	228,105	250,067

Fund Balance

Restricted	259,638	233,817
Unassigned	9,447,274	7,528,719
Total Fund Balance	9,706,912	7,762,536

**Total Liabilities, Deferred Inflows Of Resources
And Fund Balance**

	\$ 10,590,199	\$ 8,672,851
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CITY OF CRIPPLE CREEK, COLORADO

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GENERAL FUND

For The Year Ended December 31, 2023

(With Comparative Financial Information
For The Year Ended December 31, 2022)

	2023	2022
Revenues		
Property tax	\$ 151,044	\$ 126,627
Sales tax	1,645,148	1,285,129
Lodging tax	326,479	314,023
Gaming taxes	2,122,967	2,446,140
Other taxes	24,596	26,088
Device fees	4,041,727	3,570,140
Intergovernmental	788,139	2,825,747
Licenses and permits	212,056	378,207
Charges for service	296,784	284,181
Fines and forfeitures	5,586	13,543
Investment earnings	418,290	107,563
Rental income	89,275	66,867
Ticket and retail sales	680	288
Miscellaneous	276,306	228,614
Total Revenues	10,399,077	11,673,157
Expenditures		
General government	3,302,884	3,227,640
Public safety	3,213,746	3,132,948
Streets	928,642	404,406
Culture and recreation	419,677	440,676
Capital outlay	579,523	2,414,294
Debt service:		
Principal retirements	37,548	42,097
Interest and fiscal charges	7,181	—
Total Expenditures	8,489,201	9,662,061
Excess Of Revenues Over Expenditures	1,909,876	2,011,096
Other Financing Sources		
Transfers in	34,500	59,500
Proceeds from vehicle note	—	198,950
Other Financing Sources	34,500	258,450
Net Changes In Fund Balance	1,944,376	2,269,546
Fund Balance, Beginning Of Year	7,762,536	5,492,990
Fund Balance, End Of Year	\$ 9,706,912	\$ 7,762,536

CITY OF CRIPPLE CREEK, COLORADO

COMPARATIVE BALANCE SHEET - HISTORIC PRESERVATION FUND

December 31, 2023

(With Comparative Financial Information

As Of December 31, 2022)

Assets

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 88,828	\$ 132,100
Investments	3,128,613	2,671,697
Receivables:		
Accounts	17,570	6,086
Total Assets	\$ 3,235,011	\$ 2,809,883

Liabilities And Fund Balance

Liabilities

Accounts payable	\$ 73,957	\$ 23,459
Accrued expenditures	7,240	8,778
Total Liabilities	81,197	32,237

Fund Balance

Restricted	3,153,814	2,777,646
Total Liabilities And Fund Balance	\$ 3,235,011	\$ 2,809,883

CITY OF CRIPPLE CREEK, COLORADO

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - HISTORIC PRESERVATION FUND

For The Year Ended December 31, 2023

(With Comparative Financial Information
For The Year Ended December 31, 2022)

	2023	2022
Revenues		
Gaming taxes	\$ 950,355	\$ 924,387
Investment earnings	131,916	39,225
Rental income	8,923	—
Operating grants, contributions and interest	27,069	21,350
Ticket and retail sales	406,696	316,544
Miscellaneous	40,749	62,256
Total Revenues	1,565,708	1,363,762
Expenditures		
General government	627,134	570,675
Culture and recreation	530,253	483,975
Capital outlay	7,153	29,190
Total Expenditures	1,164,540	1,083,840
Excess Of Revenues Over Expenditures	401,168	279,922
Other Financing Uses		
Transfers out	(25,000)	(50,000)
Net Changes In Fund Balance	376,168	229,922
Fund Balance, Beginning Of Year	2,777,646	2,547,724
Fund Balance, End Of Year	\$ 3,153,814	\$ 2,777,646

CITY OF CRIPPLE CREEK, COLORADO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - WATER AND SEWER FUND

For The Year Ended December 31, 2023
(With Comparative Financial Information
For The Year Ended December 31, 2022)

	2023			2022 Actual
	Original And Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues				
Charges for service	\$ 1,317,733	\$ 1,420,149	\$ 102,416	\$ 1,271,532
Tap fees	140,000	29,660	(110,340)	2,000
Intergovernmental	1,208,000	258,858	(949,142)	—
Other income	42,000	89,158	47,158	68,878
Investment earnings	9,000	42,121	33,121	13,745
Total Revenues	2,716,733	1,839,946	(876,787)	1,356,155
Expenditures				
Professional services	131,907	104,129	27,778	198,953
Supplies	47,690	37,255	10,435	33,314
Personnel services	597,859	537,140	60,719	474,495
Maintenance and repairs	193,103	159,696	33,407	225,792
Utilities and telephone	198,790	237,406	(38,616)	212,895
Other/miscellaneous	89,918	88,010	1,908	55,210
Capital outlay	1,200,000	399,460	800,540	66,312
Debt service	190,960	89,737	101,223	90,684
Transfers out	9,500	9,500	—	9,500
Total Expenditures	2,659,727	1,662,333	997,394	1,367,155
Change In Net Position	\$ 57,006	\$ 177,613	\$ 120,607	\$ (11,000)
Reconciliation To GAAP Basis				
Add:				
Capital outlay		\$ 399,460		\$ 66,312
Principal retirement		65,000		65,000
Subtract:				
Depreciation		(1,147,108)		(1,139,588)
Change In Net Position		(505,035)		(1,019,276)
Net Position, Beginning Of Year		15,151,095		16,170,371
Net Position, End Of Year		\$ 14,646,060		\$ 15,151,095

Special Reports Section

CITY OF CRIPPLE CREEK, COLORADO

LOCAL HIGHWAY FINANCE REPORT

Form Approved
OMB No. 2125-0032

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

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO
	YEAR ENDING (mm/yy): 12/23
This Information From The Records Of: City of Cripple Creek	Prepared By: Paul Harris, Finance Director

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 49,104.00
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 474,863.00
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations		b. Snow and ice removal	\$ 55,054.00
3. Other local imposts (from page 2)	\$ 35,581.00	c. Other	\$ 154,063.00
4. Miscellaneous local receipts (from page 2)	\$ 1,275,800.00	d. Total (a. through c.)	\$ 209,117.00
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 351,239.00
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 301,379.00
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 1,385,702.00
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	\$ -
7. Total (1 through 6)	\$ 1,311,381.00	b. Redemption	\$ -
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 82,636.00	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	\$ -
E. Total receipts (A.7 + B + C + D)	\$ 1,394,017.00	b. Redemption	\$ -
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	\$ -
		D. Payments to toll facilities	\$ -
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 1,385,702.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ 10,878.00	\$ 1,394,017.00	\$ 1,385,702.00		\$ 19,193.00

Notes and Comments:

CITY OF CRIPPLE CREEK, COLORADO

LOCAL HIGHWAY FINANCE REPORT

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO
	YEAR ENDING (mm/yy): 12/23

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	\$ 4,911.00
1. Sales Taxes		c. Parking Garage Fees	\$ -
2. Infrastructure & Impact Fees	\$ 19,024.00	d. Parking Meter Fees	\$ -
3. Liens		e. Sale of Surplus Property	\$ -
4. Licenses		f. Charges for Services	\$ -
5. Specific Ownership &/or Other	\$ 16,557.00	g. Other Misc. Receipts	\$ 15,889.00
6. Total (1. through 5.)	\$ 35,581.00	h. Other	\$ 1,255,000.00
c. Total (a. + b.)	\$ 35,581.00	i. Total (a. through h.)	\$ 1,275,800.00
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 74,597.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	\$ -
a. State bond proceeds		b. FEMA	\$ -
b. Project Match		c. HUD	\$ -
c. Motor Vehicle Registrations	\$ 8,039.00	d. Federal Transit Administration	\$ -
d. DOLA Grant		e. U.S. Corps of Engineers	\$ -
e. Other		f. Other Federal	
f. Total (a. through e.)	\$ 8,039.00	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 82,636.00	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs		\$ 49,104.00	\$ 49,104.00
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements			\$ -
(3). System Preservation			\$ -
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ -	\$ -
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 49,104.00	\$ 49,104.00
<i>(Carry forward to page 1)</i>			

Notes and Comments: