

City of Brush, Colorado

Financial Statements

For the Year ended December 31, 2024

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INTRODUCTORY SECTION

July 21, 2025

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

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

Lauer, Szabo & Associates, PC, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Brush's financial statements for the year ended December 31, 2024. The independent auditors report is located at the front of the financial section of this report.

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

Profile of the Government

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

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

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

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

Local economy

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

City parks have expanded over the last few years with the addition of a golf course in 2015. The most recent updates to this golf course have been improvements to the clubhouse, parking lot and the 50-year-old sprinkler system. In 2024 the city began construction of the Prairie Trails Park Softball/Baseball Complex.

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

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

Retail is not as prominent as the City of Brush would like as sales tax drives our General Fund. The 2024 sales and use tax revenues increased by \$207,943 (4.8%) from the prior year. City sales tax for 2024 increased \$251,890 (6%). Sales tax revenues have seen steady growth over the last five years and there are still signs of economic growth in other areas. In 2024 the increased sales tax could be attributed to the cost of inflation.

For several years now housing has been a concern to the City. In 2017 the City began to notice increased residential growth. That growth continues. In 2024 a new apartment complex was built and the historical Central School continues to be remodeled for housing rentals.

Long-term financial planning

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

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

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

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

Major initiatives

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

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

Acknowledgements

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

Respectfully submitted,

Monty Torres
City Administrator

Christina Bostron
Finance Officer

ELECTED OFFICIALS

WARD	CITY COUNCIL	EXPIRES
1	Tyler Horton	January, 2026
1	Nathan Tyree	January, 2028
2	Scott Klinkhammer	January, 2026
2	Dan Scalise	January, 2028
3	Larry Lundstrom	January, 2026
3	Justin Spradlin	January, 2028
At Large	Dana Sherman – Mayor	January, 2026

APPOINTED OFFICIALS

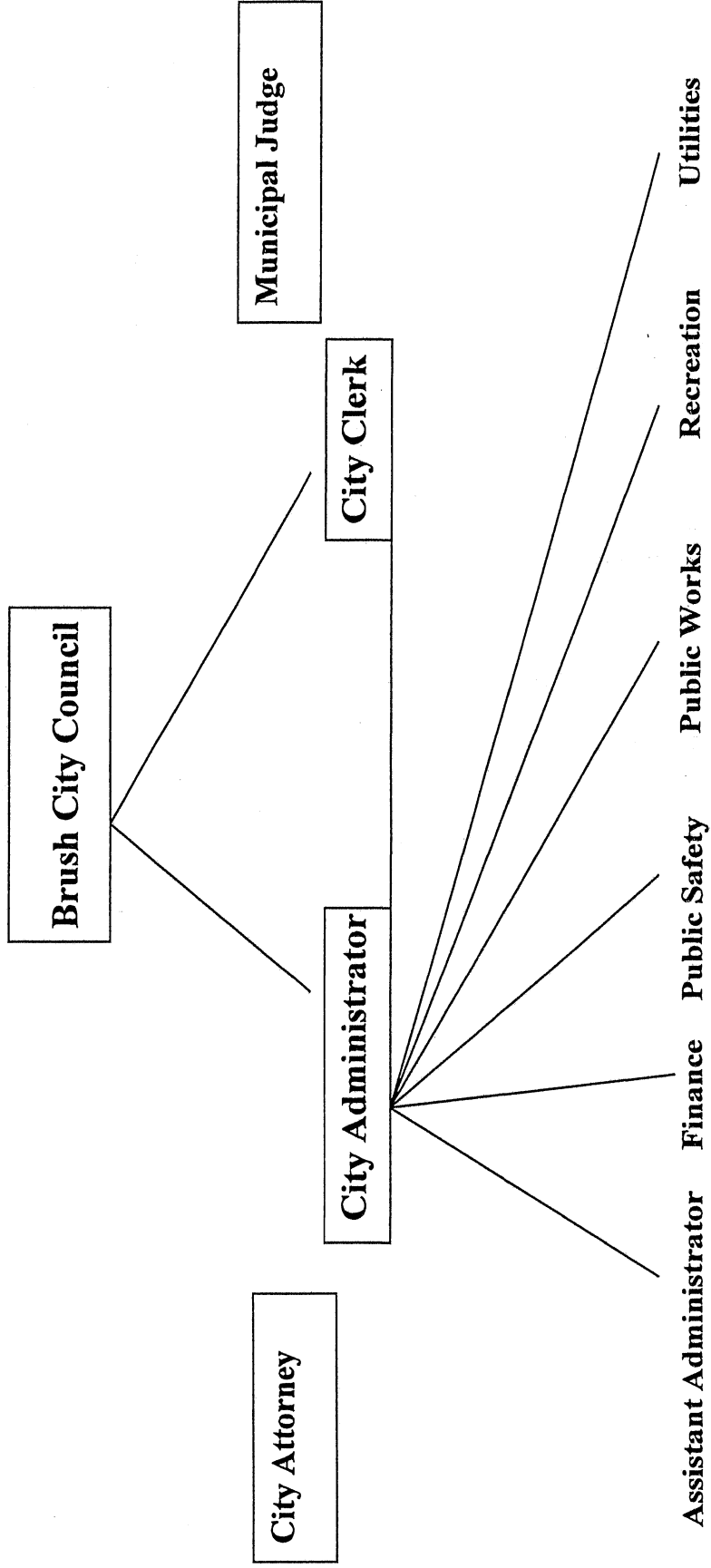
City Administrator	Monty Torres
City Clerk	Loranda Packard
City Attorney	Dan Krob
Municipal Judge	Steve Jones

DEPARTMENTAL OFFICIALS

Emergency Preparedness	Brandon Flecksteiner
Assistant City Administrator	Tyler Purvis
Finance Director	Christina Bostron
Fire Chief	Ray Uhrick
Police Chief	Brandon Flecksteiner
Recreation Director	Lance Schwindt
Public Works Director	Dale Colerick

Functional Organizational Chart

Citizens of Brush!



FINANCIAL SECTION

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LAUER, SZABO & ASSOCIATES, PC

Certified Public Accountants

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Phone 970-522-2218 • FAX 970-522-2220

Independent Auditors' Report

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

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brush (the City) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and historical pension information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the

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

Supplementary Information

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

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
July 11, 2025

Management's Discussion and Analysis

As management of the City of Brush, we offer readers of the City of Brush financial statements this narrative overview and analysis of the financial activities of the City of Brush for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 2-4 of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets of the City of Brush exceeded their liabilities at the close of the most recent fiscal year by \$45,738,377. Of this amount, \$9,028,924 may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the City of Brush's governmental funds reported combined ending fund balances of \$8,455,675 an increase of \$640,320 in comparison with the prior year. Of this amount \$5,835,121 is available for spending at the government's discretion (unassigned, assigned and committed fund balance).
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$5,275,650 or 82 percent of total general fund expenditures.

Overview of the Financial Statements

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

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

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

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

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

Condensed financial statements for government wide statements are as follows:

City of Brush Net Position						
	Governmental activities		Business-type activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Assets						
Current and other assets	10,205,660	10,085,244	3,964,346	4,255,937	14,170,006	14,341,181
Net pension asset						
Capital assets-net of accumulated depreciation	11,255,920	10,602,185	27,045,576	25,569,369	38,301,496	36,171,554
Total assets	21,461,580	20,687,429	31,009,922	29,825,306	52,471,502	50,512,735
Deferred outflow of resources						
Pension deferrals	512,467	538,356			512,467	538,356
Total assets and deferred outflows of resources	<u>21,974,047</u>	<u>21,225,785</u>	<u>31,009,922</u>	<u>29,825,306</u>	<u>52,983,969</u>	<u>51,051,091</u>
Liabilities						
Long-term liabilities outstanding	631,293	597,443	4,347,686	4,337,719	4,978,979	4,935,162
Other liabilities	648,886	1,174,245	474,069	883,388	1,122,955	2,057,633
Total liabilities	1,280,179	1,771,688	4,821,755	5,221,107	6,101,934	6,992,795
Deferred inflow of resources						
Pension deferrals	42,559	61,139			42,559	61,139
Leases	135,178	158,999			135,178	158,999
Deferred tax revenue	965,921	936,645			965,921	936,645
Total Deferred Inflows	1,143,658	1,156,783			1,143,658	1,156,783
Net position						
Net investment in capital assets	11,255,920	10,602,185	22,549,458	20,770,043	33,805,378	31,372,228
Restricted	2,560,885	2,160,903	343,190	327,330	2,904,075	2,488,233
Unrestricted	5,733,405	5,534,226	3,295,519	3,506,826	9,028,924	9,041,052
Total net position	19,550,210	18,297,314	26,188,167	24,604,199	45,738,377	42,901,513
Total liabilities, deferred outflows of resources & net position	<u>21,974,047</u>	<u>21,225,785</u>	<u>31,009,922</u>	<u>29,825,306</u>	<u>52,983,969</u>	<u>51,051,091</u>

City of Brush Changes in Net Position

	Governmental activities		Business-type activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues						
Charges for services	551,294	759,504	6,735,848	5,638,512	7,287,142	6,398,016
Capital grants	1,201,615	107,500	-	11,860	1,201,615	119,360
Operating grants	115,456	695,306	-	106,341	115,456	801,647
General Revenues						
Property taxes	905,195	895,994			905,195	895,994
Other	7,128,742	6,257,866	122,514	578,349	7,251,256	6,836,215
Total revenues	8,997,107	8,716,170	6,858,362	6,335,062	16,760,664	15,051,232
Program expenses						
General government	2,078,286	2,004,400	-	-	2,078,286	2,004,400
Public safety	2,239,406	1,918,538	-	-	2,239,406	1,918,538
Public works	1,759,532	1,398,812	-	-	1,759,532	1,398,812
Culture and recreation	1,132,047	1,148,682	-	-	1,132,047	1,148,682
Water	-	-	1,864,158	1,900,077	1,864,158	1,900,077
Trash and garbage	-	-	736,748	692,953	736,748	692,953
Waste water	-	-	1,809,334	1,732,485	1,809,334	1,732,485
Storm water	-	-	381,169	353,387	381,169	353,387
Golf course	-	-	1,045,190	1,052,631	1,045,190	1,052,631
Total expenses	7,209,271	6,470,432	5,836,599	5,731,533	13,045,870	12,201,965
Excess before transfers	1,787,836	2,245,738	1,021,763	603,529	2,809,599	2,849,267
Transfers	(534,940)	(464,110)	534,940	464,110	-	-
Change in net position	1,252,896	1,781,628	1,556,673	1,067,639	2,809,599	2,849,267
Net position – beginning of year, as restated	18,297,314	16,515,686	24,631,464	23,536,560	42,928,778	40,052,246
Net position – ending	19,550,210	18,297,314	26,188,167	24,604,199	45,738,377	42,901,513

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

The City of Brush adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided on pages 94-102 for the general fund to demonstrate compliance with this budget.

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

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

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

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

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 40-75 of the report. Notes to the required supplementary information can be found on pages 90.

Other information. Included in the basic financial statements and accompanying notes, this report presents information concerning the City of Brush's progress in funding its obligation to provide pension benefits to its employees. The information can be found in Note H on pages 58-71 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the general fund supplemental information. Combining and individual nonmajor fund statements and schedules can be found on pages 104-112 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Brush, assets exceeded liabilities by \$45,738,377 at the close of 2024.

Capital assets reflect 73 percent of the City of Brush's total assets (e.g., land, buildings, machinery, and equipment). The City of Brush uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Brush's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Six percent of the City of Brush's net position represent resources that are subject to external restrictions on how they may be used. There is \$9,028,924 of unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.

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

Governmental activities. Governmental activities increased the City of Brush's net position by \$1,252,896, thereby accounting for 45 percent of the total growth in the net position of the City of Brush.

Business-type activities. Business-type activities increased the City of Brush's net position by \$1,556,703. The increase to net position is 55 percent of the increase.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the City of Brush's governmental funds reported combined ending fund balances of \$8,455,675, an increase of \$640,320 in comparison with the prior year. Approximately 62 percent of this total amount (\$5,275,650) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is restricted or designated to indicate that it is not available for new spending because it has already been committed for a variety of restricted purposes.

The general fund is the chief operating fund of the City of Brush. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$5,275,650, while total fund balance reached \$5,970,531. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 82 percent of total general fund expenditures, while total fund balance represents 93 percent of that same amount.

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

Unrestricted net position of the enterprise funds at the end of the year amounted to \$3,295,519. The total growth in net position for the Water, Trash and Garbage, Waste Water, Storm Water, and Golf Course funds was \$536,919, \$50,906, \$711,935, \$259,545, and \$(2,602) respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of Brush's business-type activities.

General Fund Budgetary Highlights

During the year actual revenues were more than budgeted revenues by \$1,297,579 of which \$749,853 can be attributed to taxes. During the year actual expenditures were less than budgeted expenditures by \$984,085. The savings are attributed to police and capital outlay.

Capital Assets and Debt Administration

Capital assets. The City of Brush's investments in capital assets for its governmental and business-type activities as of December 31, 2024, amounts to \$38,301,496 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, and streets.

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

Additional information on the City of Brush's capital assets can be found in Note E on pages 53-55 of this report.

Long-term debt. At the end of the current fiscal year, the City of Brush will have total bonded debt outstanding of \$3,740,000. This debt is paid with waste water revenues. There was \$485,000 in principal paid on the waste water treatment plant loan which was secured through the Colorado Water & Power Authority.

The City also has a financed purchase agreement with a remaining balance owed of \$324,456 at year end, as well as leases payable of \$22,162. The loan proceeds were used to finance a new sprinkler system for the golf course, while the lease is for 28 golf carts.

Additional information on the City of Brush's long-term debt can be found in Note F on pages 55-57 of this report.

Economic Factors and Next Year's Budget and Rates.

The City of Brush continues to see growth in the business area. There was a 6 percent increase in sales tax for 2024, with a slight increase projected for 2025. In 2024 property taxes for the City of Brush increased by 17.5 percent.

During the current fiscal year, unassigned fund balance in the general fund increased by \$402,336. The City of Brush has appropriated \$1,771,091 of the fund balance for spending in the 2025 fiscal year budget. It is intended that this use of available fund balance will avoid the need to raise taxes or charges during the 2025 fiscal year.

Requests for Information

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

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Basic Financial Statements

The basic financial statements of the City include the following:

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

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

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

CITY OF BRUSH, COLORADO
Statement of Net Position
December 31, 2024

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 1,137,492	\$ 679,269	\$ 1,816,761
Certificates of deposit	5,795,582	2,410,000	8,205,582
Investments	241,576	965,812	1,207,388
Cash with county treasurer	6,837		6,837
Receivables	1,989,504	662,280	2,651,784
Internal balances	975,000	(975,000)	-
Inventory	59,669	221,985	281,654
Capital assets, net of depreciation	11,255,920	27,045,576	38,301,496
Total assets	21,461,580	31,009,922	52,471,502
Deferred outflows of resources			
Pension deferrals	512,467		512,467
Total assets and deferred outflows of resources	\$ 21,974,047	\$ 31,009,922	\$ 52,983,969
Liabilities			
Accounts payable	\$ 149,920	\$ 370,147	\$ 520,067
Police bond account	8,146		8,146
Due to other agencies		8,021	8,021
Unearned revenues		46,800	46,800
Unearned grant revenues	490,820		490,820
Accrued interest payable		49,101	49,101
Noncurrent liabilities			
Due within one year		571,473	571,473
Due in more than one year	401,890	3,776,213	4,178,103
Net pension liability	229,403		229,403
Total liabilities	1,280,179	4,821,755	6,101,934
Deferred inflows of resources			
Deferred property tax revenues	965,921		965,921
Pension deferrals	42,559		42,559
Leases	135,178		135,178
Total deferred inflows of resources	1,143,658	-	1,143,658
Net position			
Net investment in capital assets	11,255,920	22,549,458	33,805,378
Restricted	2,560,885	343,190	2,904,075
Unrestricted	5,733,405	3,295,519	9,028,924
Total net position	19,550,210	26,188,167	45,738,377
Total liabilities, deferred inflows of resources and net position	\$ 21,974,047	\$ 31,009,922	\$ 52,983,969

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

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CITY OF BRUSH, COLORADO
Statement of Activities
For the Year Ended December 31, 2024

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 2,078,286	\$ 188,719	\$ 383,426	
Public safety	2,239,406	23,820	18,727	\$ 9,456
Public works	1,759,532	54,263	441,412	
Culture and recreation	1,132,047	284,492	358,050	106,000
Total governmental activities	7,209,271	551,294	1,201,615	115,456
Business-type activities				
Water	1,864,158	2,390,080		
Trash and garbage	736,748	781,798		
Waste Water	1,809,334	2,474,671		
Storm water	381,169	406,007		
Golf course	1,045,190	683,292		
Total business-type activities	5,836,599	6,735,848	-	-
Total	\$ 13,045,870	\$ 7,287,142	\$ 1,201,615	\$ 115,456
General revenues and transfers				
Taxes				
Property taxes, levied for general purposes				
Sales and use taxes				
Specific ownership taxes				
Franchise taxes				
Cigarette taxes				
Unrestricted interest				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position at beginning of year, as originally reported				
Prior period adjustment				
Net position at beginning of year, as restated				
Net position at end of year				

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

Net (Expenses) Revenues and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (1,506,141)		\$ (1,506,141)
(2,187,403)		(2,187,403)
(1,263,857)		(1,263,857)
(383,505)		(383,505)
(5,340,906)	\$ -	(5,340,906)
	525,922	525,922
	45,050	45,050
	665,337	665,337
	24,838	24,838
	(361,898)	(361,898)
-	899,249	899,249
(5,340,906)	899,249	(4,441,657)
905,195		905,195
4,518,538		4,518,538
93,455		93,455
313,491		313,491
5,699		5,699
262,099	122,514	384,613
1,030,265		1,030,265
(534,940)	534,940	-
6,593,802	657,454	7,251,256
1,252,896	1,556,703	2,809,599
18,297,314	24,604,199	42,901,513
	27,265	27,265
18,297,314	24,631,464	42,928,778
<u>\$ 19,550,210</u>	<u>\$ 26,188,167</u>	<u>\$ 45,738,377</u>

CITY OF BRUSH, COLORADO
Balance Sheet
Governmental Funds
December 31, 2024

	General Fund	Capital Improvement Fund	Fire Equipment Fund	Grant Fund
Assets				
Cash	\$ 285,693	\$ 73,920	\$ 163,236	\$ 523,598
Certificates of deposit	3,945,582	915,000	730,000	
Investments	120,788	120,788		
Police bond cash	8,146			
Cash with county treasurer	6,837			
Accrued interest receivable	64,316	10,909	2,420	
Property tax receivable	904,240		61,681	
Accounts receivable	622,911	106,857	70,572	
Lease receivable			135,178	
Due from other funds	975,000			
Inventory	59,669			
Total assets	\$ 6,993,182	\$ 1,227,474	\$ 1,163,087	\$ 523,598
Liabilities				
Accounts payable	\$ 110,265			\$ 32,778
Police bond account	8,146			
Unearned grant revenue				490,820
Total liabilities	118,411	\$ -	\$ -	523,598
Deferred inflows of resources				
Deferred property tax revenues	904,240		61,681	
Leases			135,178	
Total deferred inflows of resources	904,240	-	196,859	-
Fund balance				
Nonspendable	59,669			
Restricted	131,483	1,227,474	966,228	
Committed	12,530			
Assigned	491,199			
Unassigned	5,275,650			
Total fund balance	5,970,531	1,227,474	966,228	-
Total liabilities, deferred inflows of resources and fund balance	\$ 6,993,182	\$ 1,227,474	\$ 1,163,087	\$ 523,598

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

Other Governmental Funds	Total	Amounts reported for governmental activities in the statement of net position are different because:	
\$ 82,899	\$ 1,129,346	Total fund balance - governmental funds	\$ 8,455,675
205,000	5,795,582	Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.	11,255,920
	241,576		
	8,146		
	6,837		
5,623	83,268		
	965,921		
4,797	805,137	Deferred outflows of resources are not financial resources and therefore are not reported as assets in governmental funds.	512,467
	135,178		
	975,000		
	59,669	Long-term liabilities and related deferred inflows of resources are not due and payable in the current period and therefore are not are reported as liabilities in the funds.	(673,852)
<u>\$ 298,319</u>	<u>\$ 10,205,660</u>		
\$ 6,877	\$ 149,920	Net position of the governmental activities	<u>\$ 19,550,210</u>
	8,146		
	490,820		
6,877	648,886		
	965,921		
	135,178		
-	1,101,099		
	59,669		
235,700	2,560,885		
55,742	68,272		
	491,199		
	5,275,650		
291,442	8,455,675		
<u>\$ 298,319</u>	<u>\$ 10,205,660</u>		

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

CITY OF BRUSH, COLORADO
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2024

	General Fund	Capital Improvement Fund	Fire Equipment Fund	Grant Fund
Revenues				
Taxes	\$ 4,643,473	\$ 683,487	\$ 509,418	
Licenses and permits	64,028			
Intergovernmental	655,002		9,478	\$ 544,969
Fines and forfeitures	32,600			
Charges for services	323,308		23,821	
Miscellaneous	1,237,698	54,147	21,911	
Total revenues	6,956,109	737,634	564,628	544,969
Expenditures				
Current				
General government	1,754,786			
Public safety	1,943,741			
Public works	1,075,913	361,368		
Culture and recreation	987,832			
Capital outlay	652,463	371,861	117,324	544,969
Total expenditures	6,414,735	733,229	117,324	544,969
Excess of revenues over (under) expenditures	541,374	4,405	447,304	-
Other financing sources (uses)				
Transfers in	49,130			
Transfers out	(300,015)			
Total other financing sources (uses)	(250,885)	-	-	-
Net change in fund balances	290,489	4,405	447,304	-
Fund balance at beginning of year	5,680,042	1,223,069	518,924	-
Fund balance at end of year	\$ 5,970,531	\$ 1,227,474	\$ 966,228	\$ -

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

Other Governmental Funds	Total	Amounts reported for governmental activities in the statement of activities are different because: because:	
	\$ 5,836,378	Net change in fund balance - governmental funds	\$ 640,320
	64,028	Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlays exceeded depreciation in the current period.	657,280
\$ 65,349	1,274,798	In the statement of activities, no gain (loss) on the sale of equipment is reported, whereas in the governmental funds, the proceeds from the sale increase (decrease) financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets sold.	(3,545)
9,145	356,274		
119,273	1,433,029		
193,767	8,997,107		
	1,754,786		
384	1,944,125		
	1,437,281		
23,335	1,011,167		
271,926	1,958,543		
295,645	8,105,902		
(101,878)	891,205	In the statement of activities, certain operating expenses are measured by amounts incurred or earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.	(151,690)
	49,130		
	(300,015)		
-	(250,885)	Pension expense at the fund level represents cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the year.	110,531
(101,878)	640,320		
393,320	7,815,355		
\$ 291,442	\$ 8,455,675	Change in net position of governmental activities	\$ 1,252,896

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

CITY OF BRUSH, COLORADO
Statement of Net Position
Proprietary Funds
December 31, 2024

	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Assets				
Current assets				
Cash	\$ 294,547	\$ 68,629	\$ 157,102	\$ 114,918
Certificates of deposit	660,000	200,000	1,370,000	180,000
Investments	241,372		603,652	120,788
Accrued interest receivable	5,713	8,464	9,800	4,959
Accounts receivable	606,804			275
Other receivables	11,363	1,338	12,529	
Inventory	103,684	80,580		
Total current assets	1,923,483	359,011	2,153,083	420,940
Noncurrent assets				
Capital assets				
Nondepreciable:				
Land	1,143,512	1,475	652,537	
Water rights stock	1,982,072			
Construction in progress	359,624		102,090	1,488,160
Depreciable:				
Land improvements				841,507
Building and improvements	466,848	85,117		
Water system	9,448,931			
Waste water plant and sewer system			15,081,397	2,419,926
Equipment	1,164,179	473,931	988,136	482,797
Office equipment	127,286			
Subtotal	14,692,452	560,523	16,824,160	5,232,390
Accumulated depreciation	(5,718,895)	(398,619)	(4,698,679)	(1,302,697)
Total noncurrent assets	8,973,557	161,904	12,125,481	3,929,693
Total assets	<u>\$ 10,897,040</u>	<u>\$ 520,915</u>	<u>\$ 14,278,564</u>	<u>\$ 4,350,633</u>

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

Golf Course Fund	Total
\$ 44,073	\$ 679,269
	2,410,000
	965,812
	28,936
	607,079
1,035	26,265
37,721	221,985
82,829	4,939,346
	1,797,524
	1,982,072
	1,949,874
1,309,297	2,150,804
798,432	1,350,397
	9,448,931
	17,501,323
605,454	3,714,497
	127,286
2,713,183	40,022,708
(858,242)	(12,977,132)
1,854,941	27,045,576
\$ 1,937,770	\$ 31,984,922

(continued)

CITY OF BRUSH, COLORADO
Statement of Net Position
Proprietary Funds
December 31, 2024

(continued)	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Liabilities				
Current liabilities				
Accounts payable	\$ 150,880	\$ 18,092	\$ 50,549	\$ 124,381
Due to other funds				975,000
Due to other entity			8,021	
Unearned lease revenues	46,800			
Accrued interest payable			43,017	
Current portion of notes payable			490,000	
Current portion of lease obligation				
Total current liabilities	197,680	18,092	591,587	1,099,381
Long-term liabilities				
Accrued compensated absences	58,211	26,434	16,274	9,255
Notes payable			3,380,553	
Total long-term liabilities	58,211	26,434	3,396,827	9,255
Total liabilities	255,891	44,526	3,988,414	1,108,636
Net position				
Net investment in capital assets	8,852,172	161,904	8,220,586	3,806,473
Restricted for debt service			343,190	
Unrestricted (deficit)	1,788,977	314,485	1,726,374	(564,476)
Total net position	10,641,149	476,389	10,290,150	3,241,997
Total liabilities and net position	\$ 10,897,040	\$ 520,915	\$ 14,278,564	\$ 4,350,633

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

<u>Golf Course Fund</u>		<u>Total</u>	
\$	26,245	\$	370,147
			975,000
			8,021
			46,800
	6,084		49,101
	59,311		549,311
	<u>22,162</u>		<u>22,162</u>
	113,802		2,020,542
	20,341		130,515
	<u>265,145</u>		<u>3,645,698</u>
	285,486		3,776,213
	<u>399,288</u>		<u>5,796,755</u>
	1,508,323		22,549,458
			343,190
	<u>30,159</u>		<u>3,295,519</u>
	1,538,482		26,188,167
	<u>\$ 1,937,770</u>		<u>\$ 31,984,922</u>

CITY OF BRUSH, COLORADO
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Operating revenues				
Charges for services	\$ 2,390,080	\$ 781,798	\$ 2,474,671	\$ 406,007
Operating expenses				
Salaries	557,101	204,003	218,644	53,515
Employee benefits	259,721	132,762	112,888	23,427
Supplies	71,688	10,923	28,692	2,248
Professional services	414,037	128,644	442,444	43,682
Telephone	556	31	2,396	31
Lab fees	19,415			
Medical	1,195	2,156	220	
Utilities	53,214	3,194	88,363	
Association dues	462		807	
Travel and training	7,488	2,089	4,960	30
Computer and radio maintenance	17,517	3,577	14,396	3,077
Advertising	2,189	551	292	
Building maintenance	14,597	6,942	1,440	
Licenses and permits	46,992		20,394	
Insurance - general	46,224	1,595	77,287	16,011
Well electricity	24,910			
System maintenance & materials	33,300		202,857	48,585
Purchase of trash containers		18,909		
Landfill contract		122,191		
Fuel and oil	15,648	27,799	5,493	9,366
Repairs & maintenance - vehicle	5,779	26,973	2,746	3,781
Farm expense	1,279		38,829	
Miscellaneous				
Ground maintenance				
Merchandise				
Restaurant				
Bar				
Cart repairs and rental				
Noncapital outlay			88,751	
Depreciation and amortization	270,846	44,409	373,073	177,416
Total operating expenses	1,864,158	736,748	1,724,972	381,169
Operating income (loss)	525,922	45,050	749,699	24,838

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

Golf Course Fund	Total
\$ 683,292	\$ 6,735,848
405,617	1,438,880
97,135	625,933
1,655	115,206
23,778	1,052,585
1,597	4,611
	19,415
160	3,731
33,987	178,758
	1,269
2,376	16,943
4,155	42,722
1,523	4,555
416	23,395
1,810	69,196
11,768	152,885
	24,910
	284,742
	18,909
	122,191
10,380	68,686
3,539	42,818
	40,108
14,226	14,226
64,918	64,918
32,769	32,769
108,250	108,250
51,510	51,510
4,582	4,582
	88,751
151,624	1,017,368
1,027,775	5,734,822
(344,483)	1,001,026

(continued)

CITY OF BRUSH, COLORADO
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2024

(continued)	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Nonoperating revenues (expenses)				
Interest on investments	29,442	13,206	67,458	12,370
Interest and fiscal charges			(84,362)	
Total nonoperating revenues (expenses)	29,442	13,206	(16,904)	12,370
Income (loss) before transfers and capital contributions	555,364	58,256	732,795	37,208
Capital contributions				224,812
Transfers in				
Transfers out	(18,445)	(7,350)	(20,860)	(2,475)
Change in net position	536,919	50,906	711,935	259,545
Net position at beginning of year, as previously reported	10,104,230	398,218	9,578,215	2,982,452
Restatement for correction of an error		27,265		
Net position at beginning of year, as restated	10,104,230	425,483	9,578,215	2,982,452
Net position at end of year	<u>\$ 10,641,149</u>	<u>\$ 476,389</u>	<u>\$ 10,290,150</u>	<u>\$ 3,241,997</u>

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

<u>Golf Course Fund</u>	<u>Total</u>
38	122,514
<u>(17,415)</u>	<u>(101,777)</u>
(17,377)	20,737
(361,860)	1,021,763
59,243	284,055
300,015	300,015
	<u>(49,130)</u>
(2,602)	1,556,703
1,541,084	24,604,199
	<u>27,265</u>
<u>1,541,084</u>	<u>24,631,464</u>
<u>\$ 1,538,482</u>	<u>\$ 26,188,167</u>

CITY OF BRUSH, COLORADO
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Cash flows from operating activities				
Receipts from customers	\$ 2,232,042	\$ 782,105	\$ 2,464,200	\$ 405,732
Internal activity				975,000
Payments to suppliers	(1,065,120)	(481,171)	(1,273,306)	(150,044)
Payments to employees	(543,194)	(208,947)	(215,626)	(52,290)
Net cash provided (used) by operating activities	623,728	91,987	975,268	1,178,398
Cash flows from noncapital financing activities				
Transfers in				
Transfers out	(18,445)	(7,350)	(20,860)	(2,475)
Net cash provided (used) by noncapital financing activities	(18,445)	(7,350)	(20,860)	(2,475)
Cash flows from capital and related financing activities				
Purchase of capital assets	(346,484)		(443,961)	(1,140,128)
Principal paid on debt			(485,000)	
Interest and fiscal charges			(103,950)	
Net cash used by capital and related financing activities	(346,484)	-	(1,032,911)	(1,140,128)
Cash flows from investing activities				
Interest on investments	28,621	5,791	36,356	4,656
Sale of investments	440,000	250,000	600,000	180,000
Purchase of investments	(460,000)	(300,000)	(500,000)	(180,000)
Net cash provided (used) by investing activities	8,621	(44,209)	136,356	4,656

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

Golf Course Fund	Total
\$ 683,292	\$ 6,567,371
	975,000
(480,301)	(3,449,942)
(389,750)	(1,409,807)
(186,759)	2,682,622
300,015	300,015
	(49,130)
300,015	250,885
	(1,930,573)
(78,050)	(563,050)
(18,842)	(122,792)
(96,892)	(2,616,415)
38	75,462
	1,470,000
	(1,440,000)
38	105,462

(continued)

CITY OF BRUSH, COLORADO
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

(continued)	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Net change in cash and cash equivalents	267,420	40,428	57,853	40,451
Cash and cash equivalents at beginning of year	27,127	28,201	99,249	74,467
Cash and cash equivalents at end of year	<u>\$ 294,547</u>	<u>\$ 68,629</u>	<u>\$ 157,102</u>	<u>\$ 114,918</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ 525,922	\$ 45,050	\$ 749,699	\$ 24,838
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	270,846	44,409	373,073	177,416
Change in assets and liabilities				
Receivables	(154,438)	307	(10,471)	(275)
Inventory	(38,038)	1,769		
Internal activity				975,000
Accounts payable	9,129	5,396	(145,736)	194
Due to other entity			5,685	
Unearned lease revenues	(3,600)			
Accrued compensated absences	13,907	(4,944)	3,018	1,225
Net cash provided (used) by operating activities	<u>\$ 623,728</u>	<u>\$ 91,987</u>	<u>\$ 975,268</u>	<u>\$ 1,178,398</u>
Noncash capital financing activities				
Capital assets contributed from other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 224,812</u>
Supplemental cash flows information				
Construction in progress included in accounts payable	<u>\$ 121,385</u>	<u>\$ -</u>	<u>\$ 34,342</u>	<u>\$ 123,220</u>

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

<u>Golf Course Fund</u>	<u>Total</u>
16,402	422,554
<u>27,671</u>	<u>256,715</u>
<u>\$ 44,073</u>	<u>\$ 679,269</u>
\$ (344,483)	\$ 1,001,026
151,624	1,017,368
	(164,877)
(15,392)	(51,661)
	975,000
5,625	(125,392)
	5,685
	(3,600)
<u>15,867</u>	<u>29,073</u>
<u>\$ (186,759)</u>	<u>\$ 2,682,622</u>
<u>\$ 59,243</u>	<u>\$ 284,055</u>
<u>\$ -</u>	<u>\$ 278,947</u>

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies

This summary of the City of Brush's significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant of the City's accounting policies are described below.

A.1 – Reporting entity

The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The reporting entity's financial statements should present the funds of the primary government (including its blended component units, which are, in substance, part of the primary government) and provide an overview of the discretely presented component units.

The City has examined other entities that could be included as defined in numbers 2 and 3 above. Based on these criteria, the City has no component units.

A.2 – Fund accounting

The City uses funds to report its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked funds (special revenue funds), major capital projects (capital projects fund), and the servicing of general long-term debt (debt service fund). The following are the City's major governmental funds:

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

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

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

Fire Equipment Improvement Fund – This fund accounts for the acquisition of fire equipment and building improvements and is financed through property and sales tax.

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

The following are the City's nonmajor governmental funds:

Special Surplus and Deficiency Fund – This fund presently accounts for the emergency reserves required under the Tabor amendment.

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

Police Forfeiture and Confiscation Fund – This fund is used to account for monies collected from the sale of evidence seized by the Police department.

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

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

Proprietary funds focus on the determination of the changes in net position, financial position and cash flows and are classified as either enterprise or internal service. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major proprietary funds:

Water Fund – This fund was established to account for the operation of a city-owned and operated public water system.

Waste Water Fund – This fund was established to account for the operation of a city-owned and operated public sewer system.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Trash and Garbage Fund – This fund was established to provide for separate accountability of fees derived from the city-operated public trash system.

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

Golf Course Fund – This fund was established to account for the operations of a city-owned and operated public golf course.

Note A.3 – Basis of presentation

Government-wide financial statements – The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations with a brief explanation to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund financial statements – Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources management focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources, and a statement of revenues, expenditures and changes in fund balance, which reports the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the statement of net position. The statement of revenues, expenses and changes in fund net position presents increases (revenues) and decreases (expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

A.4 – 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. Governmental funds use the modified accrual basis of accounting. Proprietary funds also use the accrual basis of accounting.

Revenues – exchange and nonexchange transactions – Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and become available. Available means that 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, available means expected to be received within sixty days of fiscal year-end, except for state and federal grant revenues, which are considered available if collection is expected within six months of year end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are 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 fiscal 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. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Property taxes, sales taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

Deferred outflows/inflows of resources - In addition to assets, the statement of financial position 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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position 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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

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

Expenses/expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

A.5 – Encumbrances

The City does not utilize encumbrance accounting.

A.6 – Cash and cash equivalents

For the purposes of the statement of cash flows, the City considers cash on hand, demand deposits, and short-term investments with an original maturity of three months or less to be cash and cash equivalents.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.7 – Interfund receivables/payables

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

A.8 – Receivables

Monthly charges for water, trash and garbage, wastewater and stormwater services are included with monthly utility billings. No allowance for doubtful accounts has been provided in the accompanying financial statements since substantially all accounts are deemed by management to be collectible.

A.9 – Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

A.10 – Prepaid Items

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

A.11 – Capital assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund financial statements.

Capital assets are defined by the City as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of five years. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value as of the date of the donation.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Improvements to assets are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not. Infrastructure assets, consisting of certain improvements other than buildings (such as parking facilities, sidewalks, landscaping and lighting systems) will be capitalized on a prospective basis beginning in 2004.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of borrowing until project completion with interest earned on invested proceeds over the same period. No interest was capitalized during the year.

All reported capital assets are depreciated with the exception of land costs. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

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

A.12 – Compensated absences

The City reports compensated absences in accordance with the provisions of GASB Statement No. 101, "Compensated Absences." In recognition of the varying work schedules of city employees and each employee's diverse needs for time away from work, the City provides a general leave policy for its employees. Paid time off shall be accrued by regular employees and is determined by the work period that each employee is scheduled.

Vacation leave

The City grants full-time and regularly scheduled part-time employees paid vacation time which begins to accrue on the first day of employment, but which cannot be used until after the completion of 30 days of employment. Employees will earn varying hours of vacation time based on their position, length of employment or hours worked. The maximum amount of vacation time that an employee may accrue shall not exceed more than twice the employee's 12-month entitlement to annual vacation. No paid vacation time will accrue beyond this maximum amount. Once an employee reaches this ceiling, the employee ceases to earn or accrue any additional vacation time. In the event the employment terminates for any reason, the employee will be paid for all accrued and unused vacation time (not to exceed the maximum amount) at their then current rate of pay.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Sick leave

The City grants all full and part-time employees paid health/illness time after they have completed at least 30 calendar working days of continuous service with the City. Paid health/illness time is accrued at a rate of one working day per month/twelve working days per year for regular full-time employees. Accrued health/illness time may not accrue beyond 120 days maximum for full-time employees. Accrued health/illness time and the maximum accrual for part-time employees is pro-rated based on the number of hours worked per week. Employees upon retirement shall receive monetary payment for one-fourth of their unused accumulated sick leave dependent on their age and longevity.

The entire compensated absences liability is reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account “accrued compensated absences” in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of the compensated absences is reported as a fund liability.

The amounts recorded as liabilities for all applicable compensated absences include salary-related payments associated with the payment of compensated absences, using the rates in effect at the balance sheet date.

A.13 – Accrued liabilities and long-term obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, the noncurrent portion of compensated absences and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. Bonds payable and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due. Bond premiums and discounts, and amounts deferred upon refunding are amortized over the life of the bonds using the straight-line method.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. 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.

A.14 – Leases

The City determines if an arrangement is a lease at inception. Leases are included in capital assets and lease liabilities in the statement of net position.

Lease assets represent the City's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payment made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the City's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably of the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the City will exercise that option.

The City recognizes payments for short-term leases with a lease term of 12 months or less as expenses are incurred, and the leases are not included as lease liabilities or right-to-use lease assets in the statement of net position.

A.15 – Fund balance

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

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

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

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

- *Restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation,
- *Committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City Council (the City's highest level of decision-making authority),
- *Assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, an
- *Unassigned* fund balance is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications.

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

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

A.16 – Net position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are liabilities 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.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

A.17 – 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 service charges for water, trash and garbage, wastewater and stormwater utility services, as well as golf course user fees. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.18 – Interfund transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. In general, the effect of interfund activity has been eliminated from the government-wide financial statements.

A.19 – Extraordinary and special items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City council and that are either unusual in nature or infrequent in occurrence. The City had no transactions that qualify as extraordinary or special items during the year.

Note B – Cash and investments

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

Custodial credit risk – deposits – Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of year-end, the City had total deposits of \$10,176,715, of which \$750,000 was insured and \$9,426,715 was collateralized with securities held by the pledging institution's trust department or agent in the City's name.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note B – Cash and investments (Continued)

Investments

Authorized investments – Investment policies are governed by Colorado State Statutes and the City’s own investment policies and procedures. Investments of the City may include:

- Obligations of the U.S. Government such as treasury bills, notes and bonds
- Certain international agency securities
- General obligation and revenue bonds of United States 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

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

<u>Investment type</u>	<u>Fair value</u>	<u>Investment maturities (in years)</u>		
		<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>
Investment in CSAFE	<u>\$ 1,207,388</u>	<u>\$ 1,207,388</u>	<u>\$ -</u>	<u>\$ -</u>

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

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note C – Receivables

Receivables at year-end consist of the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Receivables</u>
Utility accounts	\$ -	\$ 607,079	\$ 607,079
Property taxes	965,921	-	965,921
Accounts	805,137	26,265	831,402
Leases	135,178	-	135,178
Interest	<u>83,268</u>	<u>28,936</u>	<u>112,204</u>
Total	<u>\$ 1,989,504</u>	<u>\$ 662,280</u>	<u>\$ 2,651,784</u>

Property taxes are levied on December 15th and attach as a lien on property the following January 1st. They are payable in full by April 30th or are due in two equal installments on February 28th and June 15th. Morgan County bills and collects property taxes for all taxing entities within the County. The tax receipts collected by the county are remitted to the City in the subsequent month.

Note D – Interfund transactions

The following is a summary of interfund borrowings and transfers for the year as presented in the fund financial statements:

<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Amount</u>
General Fund	Storm Water Fund	<u>\$ 975,000</u>

The balance of \$975,000 advanced to the Storm Water Fund from the General Fund resulted from a loan made to provide financing resources for the Cambridge Street storm water improvement project.

All remaining balances resulted from the time lag between the dates that (1) interfund reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Water Fund	\$ 18,445
General Fund	Trash & Garbage Fund	7,350
General Fund	Waste Water Fund	20,860
General Fund	Storm Water Fund	2,475
Golf Course Fund	General Fund	<u>300,015</u>
Totals		<u>\$ 349,145</u>

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note D – Interfund transactions (Continued)

The transfers from the enterprise funds to the General Fund are annual transfers for community enhancement projects which include the City's economic development efforts, as well as capital projects. The General Fund also transferred funds to the Golf Course Fund to help subsidize the operations of the golf course.

Note E – Capital assets

Capital asset activity for the year was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 492,622	\$ -	\$ -	\$ 492,622
Construction in progress	<u>957,274</u>	<u>299,601</u>	<u>(23,000)</u>	<u>1,233,875</u>
Total capital assets, not being depreciated	1,449,896	299,601	(23,000)	1,726,497
Capital assets, being depreciated:				
Buildings	3,880,620	96,959	23,000	4,000,579
Equipment	4,320,781	263,914	-	4,584,695
Vehicles	1,382,094	204,701	-	1,586,795
Infrastructure	6,514,047	371,861	-	6,885,908
Land improvements	1,152,355	92,608	(11,500)	1,233,463
Other	<u>18,735</u>	<u>-</u>	<u>-</u>	<u>18,735</u>
Total capital assets, being depreciated	<u>17,268,632</u>	<u>1,030,043</u>	<u>11,500</u>	<u>18,310,175</u>
Total capital assets	18,718,528	1,329,644	(11,500)	20,036,672
Less accumulated depreciation for:				
Buildings	(1,548,160)	(85,230)	-	(1,633,390)
Equipment	(2,559,532)	(232,504)	-	(2,792,036)
Vehicles	(1,049,434)	(102,269)	-	(1,151,703)
Infrastructure	(2,309,192)	(199,008)	-	(2,508,200)
Land improvements	(634,823)	(52,691)	7,955	(679,559)
Other	<u>(15,202)</u>	<u>(662)</u>	<u>-</u>	<u>(15,864)</u>
Total accumulated depreciation	<u>(8,116,343)</u>	<u>(672,364)</u>	<u>7,955</u>	<u>(8,780,752)</u>
Governmental activities capital assets, net	<u>\$ 10,602,185</u>	<u>\$ 657,280</u>	<u>\$ (3,545)</u>	<u>\$ 11,255,920</u>

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note E – Capital assets (Continued)

	Beginning Balance	Additions	Deletions/ Transfers	Ending Balance
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 1,797,524	\$ -	\$ -	\$ 1,797,524
Water rights stocks	1,982,072	-	-	1,982,072
Construction in progress	-	1,949,874	-	1,949,874
Total capital assets, not being depreciated	3,779,596	1,949,874	-	5,729,470
Capital assets, being depreciated:				
Buildings	1,338,644	11,753	-	1,350,397
Equipment	3,594,748	142,529	-	3,737,277
Right to use equipment	104,506	-	-	104,506
Systems	26,584,770	365,484	-	26,950,254
Land improvements	2,126,869	23,935	-	2,150,804
Total capital assets, being depreciated	33,749,537	543,701	-	34,293,238
Total capital assets	37,529,133	2,493,575	-	40,022,708
Less accumulated depreciation for:				
Buildings	(457,670)	(68,059)	-	(525,729)
Equipment	(1,692,063)	(237,861)	-	(1,929,924)
Right to use equipment	(62,337)	(22,001)	-	(84,338)
Systems	(9,160,973)	(592,520)	-	(9,753,493)
Land improvements	(586,721)	(96,927)	-	(683,648)
Total accumulated depreciation	(11,959,764)	(1,017,368)	-	(12,977,132)
Business-type activities capital assets, net	\$ 25,569,369	\$ 1,476,207	\$ -	\$ 27,045,576

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

Governmental activities

General government	\$ 20,608
Public safety	234,192
Public works	312,317
Culture and recreation	105,247
Total governmental activities	672,364

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note E – Capital assets (Continued)

Business-type activities

Water	270,846
Trash and garbage	44,409
Waste water	373,073
Storm water	177,416
Golf course	<u>151,624</u>

Total business-type activities	<u>1,017,368</u>
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Total depreciation expense	<u>\$ 1,689,732</u>
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Note F – Long-term debt

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

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Adjustments/ Reductions</u>	<u>Ending Balances</u>	<u>Due within one year</u>
Governmental Activities					
Compensated absences	<u>\$ 250,200</u>	<u>\$ 151,690*</u>	<u>\$ -</u>	<u>\$ 401,890</u>	<u>\$ -</u>
Business-type Activities					
Compensated absences	\$ 101,442	\$ 29,073*	\$ -	\$ 130,515	\$ -
Premium on note payable	149,658		(19,105)	130,553	-
Note payable Financed	4,225,000	-	(485,000)	3,740,000	490,000
purchase	381,168	-	(56,712)	324,456	59,311
Leases payable	<u>43,500</u>	<u>-</u>	<u>(21,338)</u>	<u>22,162</u>	<u>22,162</u>
Total	<u>\$ 4,900,768</u>	<u>\$ 29,073</u>	<u>\$ (582,155)</u>	<u>\$ 4,347,686</u>	<u>\$ 571,473</u>

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

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note F – Long-term debt (Continued)

Business-Type Activities

Waste Water Fund – Note Payable

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

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

The loan agreement with Colorado Water Resources and Power Development Authority contains several covenants including the establishment and maintenance of an operations and maintenance reserve fund in an amount equal to three months of operation and maintenance expenses. The City has restricted \$343,190 of net position in satisfaction of the three-month renewal and maintenance reserve requirement at year-end. The City must also maintain waste water rates, fees and other charges that will cover operation and maintenance expenses and at least 110% of debt services for the calendar year. The City believes it has met this requirement for the year ended December 31, 2024.

The City's outstanding note with CWRPDA in the amount of \$3,740,000 is secured with collateral of the net revenue from operation and use of the system as defined in the loan agreement. This outstanding note contains (1) a provision that in an event of default as defined in the loan agreement, the Authority shall have the right to take any action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce the performance and observance of any duty, covenant, obligation, or agreement including, without limitation, appointment ex parte of a receiver of the system.

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

Golf Course Fund – Financed Purchase

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

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note F – Long-term debt (Continued)

The agreement contains a provision that, in the event of default, the lessor may (1) terminate the lease term and may give notice to the City to return the leased property with fifteen days of the date of such notice and may then exercise all rights and remedies of a security party under the Colorado Uniform Commercial Code with respect to the leased property (2) recover from the City rentals which would have otherwise been payable hereunder, allocable to any period in which the City continues to use the lease property, or (3) take whatever action at law or in equity may appear necessary or desirable to enforce its right in and to the lease property under the lease. The City shall pay the lessor all costs and expenses, including reasonable attorney fees, incurred by the lessor in exercising any of its rights or remedies hereunder or enforcing any of the terms, conditions and provisions hereof.

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

<u>Year Ending December 31,</u>	<u>Financed Purchases</u>		<u>Note Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 59,311	\$ 14,601	\$ 490,000	\$ 102,865
2026	61,980	11,931	500,000	89,870
2027	64,769	9,142	510,000	80,700
2028	67,667	6,245	520,000	74,130
2029	70,729	3,183	545,000	46,525
2030-2031	-	-	1,175,000	11,190
Totals	<u>\$ 324,456</u>	<u>\$ 45,102</u>	<u>\$ 3,740,000</u>	<u>\$ 405,280</u>

Golf Course Fund – Lease Payable

In February 2021, the City entered into a 57-month lease as lessee for 28 golf carts. An initial lease liability was recorded at \$104,506. As of year-end, the value of the lease liability is \$22,162. The City is required to make 30 monthly payments in the amount of \$3,805, in the months of May through October of each year, beginning May 2021 and ending October 2025. The lease has an interest rate of 3.8%.

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

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2025	<u>\$ 22,162</u>	<u>\$ 670</u>
Totals	<u>\$ 22,162</u>	<u>\$ 670</u>

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note G – Risk management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has affiliated with the Colorado Intergovernmental Risk Sharing Agency (CIRSA) to provide protection against losses incurred related to property, casualty, general liability and workers compensation claims. CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of the Colorado Revised Statutes and the Colorado Constitution. The purposes of CIRSA are to provide members defined liability, property and workers compensation coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees, or officers. The City makes an annual contribution to CIRSA for its insurance coverage. For the year, the City's financial contribution to CIRSA was \$316,149 for the Worker's Compensation Pool and \$236,773 for the Property/Casualty Pool. Contingent liability claims for the coverage have not been recognized to date after reviewing claim history and the remoteness of potential loss in excess of actual contributions by the City. Settled claims resulting from these risks have not exceeded commercial insurance coverage or the deductible in any of the past three years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

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

Note H – Pension Plans

The City is covered under four separate pension plans. In addition, employees may also make voluntary contributions to the deferred compensation plan as discussed in Note I.

Below is a summary of the deferred inflows/outflows, net pension assets and liabilities, and pension expense for the defined benefit plans.

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Net Pension Liability</u>	<u>Net Pension Asset</u>	<u>Pension Expense</u>
SWDB	\$ 455,587	\$ 38,560	\$ -	\$ -	\$ 11,492
Volunteer Fire	<u>56,880</u>	<u>3,999</u>	<u>229,403</u>	<u>-</u>	<u>(17,933)</u>
Total	<u>\$ 512,467</u>	<u>\$ 42,559</u>	<u>\$ 229,403</u>	<u>\$ -</u>	<u>\$ (6,441)</u>

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note H – Pension Plans (Continued)

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

Statewide Retirement Plan

Summary of significant accounting policies

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

General information about the pension plan

Plan description. The Plan is a cost-sharing multiple-employer defined benefit pension plan. The Plan consists of four components: Defined Benefit Component, Hybrid Defined Benefit Component, Social Security Component and Money Purchase Component. The Plan currently has 230 participating employer fire and police departments.

The Defined Benefit Component and Social Security Component cover substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. Employers once had the option to withdraw from the Plan, but a change in state statutes eliminated this option effective January 1, 1998, unless the employer elects and is determined to be eligible to participate in the Statewide Money Purchase Plan.

In 2003, legislation was enacted that allows department who cover their firefighters and police officers in money purchase plans to elect coverage under the Plan. As of August 5, 2023, clerical and other personnel from fire districts whose services are auxiliary to fire protection may also participate in the Plan. As of January 1, 2020, Colorado police and sheriff departments who participate in Social Security have the option of affiliating for coverage under the Plan.

The Plan assets are in the Fire & Police Members' Benefit Investment Fund Long-Term Pool and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan (DROP) assets and Money Purchase Component assets). The Long-Term Pool is designed primarily for open plans with a longer time horizon, appropriate risk tolerance, and lower liquidity needs. The investment return assumption is 7.00 percent.

Members participating in DROP or in the Money Purchase Component choose among various investment options offered by an outside investment manager.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note H – Pension Plans (Continued)

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

Benefits provided. The FPPA Board of Directors may change the retirement age on an annual basis, depending upon the results of the actuarial valuation and other circumstances. The Normal Retirement Age should not be less than age 55 or more than age 60. Any member with at least 25 years of service may retire at any time after age 55 and shall be eligible for a normal retirement pension. Members with combined age and years of service totaling 80 or more, with a minimum age of 50 also qualify for a normal retirement pension.

A member is eligible for retirement after attainment of age 55 with at least five years of credited service.

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis.

The annual retirement benefit is 2.0 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent of the average of the member's highest three years' base salary for each year of service thereafter.

Beginning January 1, 2007, the annual normal retirement benefit for the Social Security Component is 1.0 percent of the average of the member's highest three years base salary for each year of credited service up to ten years plus 1.25 percent of the average of the member's highest three years' base salary for each year thereafter. Prior to 2007, the benefit for members of the Social Security Component will be reduced by the amount of social security income the member receives annually, calculated as if the social security benefit started as of age 62.

The annual retirement benefit of the Hybrid Defined Benefit Component is 1.9 percent of the average of the member's highest three years' base salary for each year of credited service through December 31, 2022 and 1.5 percent of the average of the member's highest three years' base salary for each year of credited service after January 1, 2023.

Benefits paid to retired members and beneficiaries may be increased annually on October 1 via cost of living adjustment (COLA). COLAs may be compounding or non-compounding. The increase in benefits, if any, is based on the FPPA Board of Director's discretion. Compounding COLAs can range from 0 percent to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers. Non-compounding COLAs take into consideration the investment returns, compounding COLAs and other economic factors. COLAs may begin once the retired member has been receiving retirement benefits for at least 12 calendar months prior to October 1.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note H – Pension Plans (Continued)

Upon termination, the vested account balance within the Money Purchase Component becomes available to the member.

Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution in lieu of a retirement benefit.

Contributions. Contribution rates for the Plan are set by statute. The FPPA Board of Directors may further increase the required contributions, equally between employer and member, upon approval through an election by both the employers and members.

Members of the Defined Benefit Component contribute 12.0 percent of base salary. In 2020, legislation was enacted to increase the employer contributions rate to the Plan beginning in 2021. Employer contribution rates will increase 0.5 percent annually through 2030 to a total of 13.0 percent of base salary. These increases result in a combined contribution rate of 25.0 percent of base salary in 2030. In 2023, the total combined member and employer contribution was 21.5 percent.

Contributions from Defined Benefit Component members and employers of plans reentering the Defined Benefit Component are established by resolution and approved by the FPPA Board of Directors. The continuing rate of contribution for reentry groups is determined for each reentry group. The additional contribution amount is determined locally and may be paid by the member, the employer or split 50/50. Per the 2020 legislation, the required employer contribution rate for reentry departments also increases 0.5 percent annually. These increases result in a minimum combined contribution rate of 25.2 percent in 2030. In 2023, the total minimum required member and employer contribution rate was 21.7 percent.

Members of the Social Security Component contribute 6.0 percent of base salary. Per the 2020 legislation, employer contribution rates will increase 0.25 percent annually through 2030 to a total of 6.5 percent of base salary. These increases result in a combined contribution rate of 12.5 percent of base salary in 2030. In 2023, the total combined member and employer contribution rate was 10.75 percent.

The Hybrid Defined Benefit Component and Money Purchase Component members and their employers are currently each contributing at the rate determined by the individual employer. Effective January 1, 2023, the employer and member minimum contribution rates will increase by 0.125 percent annually until they reach a minimum rate of 9 percent each and at least a combined rate of 18 percent in 2030. In 2023, the total minimum combined member and employer contribution rate was 16.25 percent.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note H – Pension Plans (Continued)

The Hybrid Defined Benefit Component sets contribution rates at a level that enables the defined benefits to be fully funded at the member's retirement date. The amount allocated to the Hybrid Defined Benefit Corporation is set annually by the FPPA's Board of Directors. The Hybrid Defined Benefit Component contribution rate from July 1, 2023 through June 30, 2024 is 14.24 percent. The Hybrid Defined Benefit Component contribution rate from January 1, 2023 through June 30, 2023 was 13.90 percent. Contributions in excess of those necessary to fund the defined benefit are allocated to the member's self-directed account in the Money Purchase Component.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan. Additional voluntary contributions from the employer are made on a pre-tax basis.

Within the Money Purchase Component, members are always fully vested in their own contribution, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20 percent per year after the first year of service and to be 100 percent vested after five years of service or the attainment of age 55. Employer and member contributions are invested in funds at the discretion of members.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan. Additional voluntary contributions from the employer are made on a pre-tax basis.

Contributions to the Plan from the City during the year ended December 31, 2024 were \$77,696.

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

At December 31, 2024 the City reported a liability of \$0 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2023, the City's proportion was .0560 percent, which was a decrease of .0082 percent from its proportion measured as of December 31, 2022.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note H – Pension Plans (Continued)

For the year ended December 31, 2024, the City recognized pension expense of \$11,492. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	\$ 73,709	\$ -
Changes in assumptions and other inputs	71,932	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	101,088	31,411
Difference between expected and actual experience	131,162	7,149
Contributions subsequent to measurement date	<u>77,696</u>	<u>-</u>
Totals	<u>\$ 455,587</u>	<u>\$ 38,560</u>

\$77,696 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2025	\$ 54,806
2026	77,259
2027	112,063
2028	25,335
2029	25,742
2030	20,972
2031	19,997
2032	<u>3,157</u>
Totals	<u>\$ 339,331</u>

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note H – Pension Plans (Continued)

Actuarial assumptions. The actuarial valuations for the Statewide Retirement Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ended December 31, 2023. The valuations used the following actuarial assumption and other inputs:

	Total Pension Liability	Actuarial Determined Contributions
Actuarial valuation date	January 1, 2024	January 1, 2023
Actuarial method	Entry age normal	Entry age normal
Amortization method	N/A	Level % of payroll, open
Amortization period	N/A	30 years
Long-term investment rate of return, net*	7.0%	7.0%
Projected salary increases*	4.25% - 11.25%	4.25% - 11.25%
Cost of living adjustments (COLA)	0%	0%
* Includes inflation at	2.5%	2.5%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, and then projected using the ultimate values of the MP-2020 projection scale for all years. The pre-retirement mortality assumption uses Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, and then projected with the MP-2020 Ultimate projection scale. The pre-retirement non-duty mortality tables are adjusted to 60% multiplier. The on-duty mortality rate is 0.00015.

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the 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 & Company, based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note H – Pension Plans (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023, 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%	8.33%
Equity Long/Short	6%	7.27%
Private Markets	34%	10.31%
Fixed Income – Rates	10%	5.35%
Fixed Income – Credit	5%	5.89%
Absolute Return	9%	6.39%
Cash	1%	4.32%
Total	<u>100%</u>	

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the Statewide Retirement 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.

As of the measurement period ending December 31, 2023, the COLA assumption, which was previously 0.00%, was revised to reflect the true nature of Board's Benefit Policy which includes a variable COLA and supplemental payments. Consistent with Board's policy, the new COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption which results in no Net Pension Asset. If current assets do not support Total Pension Liabilities using a COLA assumption of greater than 0.00%, then a COLA assumption of 0.00% will be used and a Net Pension Liability will be reported.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note H – Pension Plans (Continued)

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 3.77 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00 percent.

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

	1% Decrease (6.00%)	Current Discount (7.00)	1% Increase (8.00)
Proportionate share of the net pension liability (asset)	\$ 314,074	\$ -	\$ -

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

Payables to the pension plan

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

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note H – Pension Plans (Continued)

Brush Combined Volunteer Pension Fund

Summary of significant accounting policies

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

General information about the pension plan

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

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

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

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

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

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note H – Pension Plans (Continued)

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

Contributions. Contribution requirements of the plan are established under Title 31, Article 30 of the Colorado Revised Statutes. The plan is noncontributory regarding participants. Contributions to the plan for the year ended December 31, 2023 included \$35,902 from the State of Colorado matching funds, \$25,980 from Brush Rural Fire Protection District and \$26,395 from the City.

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

At December 31, 2024, the City reported a proportionate share of net pension liability of \$229,403. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. The proportionate share was determined by the total contributions of the City and the Brush Rural Fire Protection District made in 2023.

At December 31, 2023, the City's proportion was 49 percent, which was a decrease of 7 percent from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the City recognized pension expense of \$(17,933). At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual investment earnings	\$ 23,244	\$ -
Changes in assumptions and other inputs	1,084	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	6,157	-
Difference between expected and actual experience	-	3,999
Contributions subsequent to measurement date	<u>26,395</u>	<u>-</u>
Totals	<u>\$ 56,880</u>	<u>\$ 3,999</u>

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note H – Pension Plans (Continued)

\$26,395 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the subsequent year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31, _____	Amount
2025	\$ 6,776
2026	7,717
2027	14,297
2028	<u>(2,304)</u>
Totals	<u>\$ 26,486</u>

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

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

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note H – Pension Plans (Continued)

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation of December 31, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Cash	1.00%	4.32%
Fixed Income – Rates	10.00%	5.35%
Fixed Income – Credit	5.00%	5.89%
Absolute Return	9.00%	6.39%
Long Short	6.00%	7.27%
Global Equity	35.00%	8.33%
Private Markets	<u>34.00%</u>	10.31%
Totals	<u>100.00%</u>	

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

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

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note H – Pension Plans (Continued)

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.77% (based on the weekly rate closest to but not later than the measurement date of the “state and local bonds” rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

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

	1% Decrease (6.00%)	Current Discount (7.00)	1% Increase (8.00)
Proportionate share of the net pension liability (asset)	\$ 302,216	\$ 229,403	\$ 168,439

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

Payables to the pension plan

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

Defined Contribution Plan

The City participates in the City of Brush, Colorado Money Purchase Pension Plan (the Plan), a defined contribution plan administered by Empower Retirement. Benefit terms, including contribution requirements, for the Plan are established and may be amended by City Council. The City is required to contribute 5% of covered employee’s salary, while employees are not required to make any contributions. For the year, the City recognized pension expense of \$103,866. Employee vesting begins at two years with 20% and continues at 20% per year until fully vested in year six.

Note I – Deferred compensation plan

The City has a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The plan is available to all City employees. Employees defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death or financial hardship.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note I – Deferred compensation plan (Continued)

Amendments to the laws governing Section 457 deferred compensation plans substantially became effective January 1, 1997. The City approved plan amendments such that plan assets are held in trust for the exclusive benefit of the plan participants and their beneficiaries. The assets will not be diverted for any other purpose.

Note J – Commitments and contingencies

Federal and state funding

The City receives revenues from various federal and state grant programs which are subject to final review and approval by the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

TABOR Amendment

In November 1992, Colorado voters passed an amendment, commonly known as the Taxpayer's Bill of Rights (TABOR), to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the City under specified voting requirements by the entire electorate.

In, November, 2000, the City's electorate approved a resolution to permit the City to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatever, without limitation, in 2000 and all subsequent years, notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution, provided however, that no local tax rate or property mill levy shall be increased at any time, nor shall any new tax be imposed, without the prior consent of voters of the City.

TABOR is complex and subject to judicial interpretation. The City believes it is in compliance with the requirements of TABOR. However, the City has made certain interpretations of TABOR's language in order to determine its compliance. The City has reserved funds in the amount of \$266,000 for the emergency reserve.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note J – Commitments and contingencies (Continued)

Local Government Budget Law

Expenditures in the Police Forfeiture Confiscation Fund exceeded appropriations by \$384 and may be in violation of Colorado Local Government Budget Laws.

Note K – Fund Balance Classifications

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
Inventory	\$ 59,669	\$ -	\$ -	\$ -
Emergencies	-	266,000	-	-
Bicentennial celebration	-	3,462	-	-
Tricentennial celebration	-	2,118	-	-
Park improvements	-	89,222	2,393	-
Police equipment	-	-	-	-
Police improvements	-	6,381	-	-
Street improvements	-	1,227,474	12,530	-
Fire equipment	-	966,228	-	-
Cemetery maintenance	-	-	53,349	-
Community enhancements	-	-	-	459,984
General equipment	-	-	-	31,215
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 59,669</u>	<u>\$ 2,560,885</u>	<u>\$ 68,272</u>	<u>\$ 491,199</u>

Restricted fund balances

TABOR requires an emergency reserve be set aside for 2024 in the amount of 3% or more of its fiscal year spending. At December 31, 2024, the City has restricted \$140,097 in the Special Surplus and Deficiency Fund and \$125,903 in the General Fund for emergencies.

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

The City presently levies a four percent (4%) sales tax. The sales tax is collected by the Colorado Department of Revenue and remitted to the City in the month following receipt by the Department of Revenue. The Department of Revenue receives the sales tax approximately one month after collection by the vendors. The citizens of Brush passed a ballot initiative for an increase of sales tax in November of 2006, increasing the sales tax rate by six-tenths of a percent from the previous three percent. The 2007 increase is specifically for street maintenance, improvements, and other related municipal purposes.

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note K – Fund Balance Classifications (Continued)

The money is to be deposited in the Capital Improvement Fund. All amounts not spent at year-end are restricted for the purposes designated by the legislation. At December 31, 2024, the amount of fund balance restricted for street maintenance was \$1,227,474. This amount is restricted by enabling legislation.

The citizens of Brush passed a ballot initiative for an increase of sales tax in November of 2014, increasing the sales tax rate by four-tenths of a percent from the previous three and six-tenths percent. Along with the increased sales tax revenues, the City has also established a separate mill levy specifically for the purchase of fire equipment and building improvements. The money is to be deposited in the Fire Equipment Fund. All amounts not spent at year-end are restricted for the purposes designated by legislation. At December 31, 2024, the amount of fund balance restricted for fire equipment and building improvements is \$966,228.

The City receives monies from the State under the Colorado lottery program to be spent for park and recreation purposes only. At December 31, 2024, the amount of fund balance restricted in the Conservation Trust Fund for park maintenance and improvements was \$89,222.

The City has received funds from drug related court cases which the police department has been involved in. By state statute, expense is to be used for police equipment replacement. At December 31, 2024, the amount of fund balance restricted in the Police Forfeiture and Confiscation Fund for police drug enforcement equipment was \$0.

The City received evidence funds at the time of police arrests. At December 31, 2024, the amount of fund balance restricted in the Police Forfeiture and Confiscation Fund from evidence seizures was \$6,381.

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

<u>Restricted For</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Emergencies	\$ 266,000	\$ -	\$ 266,000
Bicentennial Celebration	3,462	-	3,462
Tricentennial Celebration	2,118	-	2,118
Park Improvements	89,222	-	89,222
Police Equipment	-	-	-
Police Improvements	6,381	-	6,381
Street Improvements	1,227,474	-	1,227,474
Fire Equipment	966,228	-	966,228
Debt Service	-	343,190	343,190
Total	<u>\$ 2,560,885</u>	<u>\$ 343,190</u>	<u>\$ 2,904,075</u>

CITY OF BRUSH, COLORADO
Notes to Financial Statements

Note L – Prior Period Adjustment

The City made an error in reporting inventory in the prior year. Accordingly, the beginning fund balance of the Trash and Garbage Fund and beginning net position of the Business-Type Activities were restated as follows:

	Beginning Balances as Originally Reported	Adjustment	Beginning Balances as Restated
Trash and Garbage Fund	\$ 398,218	\$ 27,265	\$ 425,483
Business-Type Activities	24,604,199	27,265	24,631,464

Note M – Leases

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

The City is reporting a lease receivable of \$135,178 at year-end. For the year ended December 31, 2024, the City reported lease revenue of \$23,821 and interest revenue of \$6,757 related to the lease payments received.

Note N – Budgetary Data

The City may authorize Supplemental appropriations during the budget year. During 2024, the following supplemental appropriations were enacted.

Fund	Amount
General Fund	\$ 520,100
Capital Improvement Fund	225,000
Fire Equipment Fund	35,000
Waste Water Fund	227,000
Golf Course Fund	110,000
Conservation Trust Fund	57,850
Joslin Needham Fund	111,560
Totals	<u>\$ 1,286,510</u>

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Required Supplementary Information

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

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

CITY OF BRUSH, COLORADO
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Taxes	\$ 3,893,620	\$ 3,893,620	\$ 4,643,473	\$ 749,853
Licenses and permits	57,260	57,260	64,028	6,768
Intergovernmental	416,200	416,200	655,002	238,802
Fines and forfeitures	20,000	20,000	32,600	12,600
Charges for services	308,250	308,250	323,308	15,058
Miscellaneous	963,200	963,200	1,237,698	274,498
Total revenues	5,658,530	5,658,530	6,956,109	1,297,579
Expenditures				
Current				
General government	1,885,460	1,885,460	1,754,786	130,674
Public safety	2,253,405	2,253,405	1,943,741	309,664
Public works	1,254,090	1,254,090	1,075,913	178,177
Culture and recreation	1,134,595	1,134,595	987,832	146,763
Capital outlay	666,220	871,270	652,463	218,807
Total expenditures	7,193,770	7,398,820	6,414,735	984,085
Excess of revenues over (under) expenditures	(1,535,240)	(1,740,290)	541,374	2,281,664
Other financing sources (uses)				
Transfers in	551,940	756,990	49,130	(707,860)
Transfers out	(802,225)	(1,117,275)	(300,015)	817,260
Total other financing sources (uses)	(250,285)	(360,285)	(250,885)	109,400
Net change in fund balance	\$ (1,785,525)	\$ (2,100,575)	290,489	\$ 2,391,064
Fund balance at beginning of year			5,680,042	
Fund balance at end of year			\$ 5,970,531	

CITY OF BRUSH, COLORADO
Capital Improvement Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Sales tax	\$ 545,000	\$ 545,000	\$ 677,788	\$ 132,788
Cigarette tax	4,000	4,000	5,699	1,699
Interest on investments	15,010	15,010	54,147	39,137
Sale of property	500	500		(500)
Total revenues	564,510	564,510	737,634	173,124
Expenditures				
Public works				
Street and drainage	646,861	871,861	733,229	138,632
Total expenditures	646,861	871,861	733,229	138,632
Net change in fund balance	\$ (82,351)	\$ (307,351)	4,405	\$ 311,756
Fund balance at beginning of year			1,223,069	
Fund balance at end of year			\$ 1,227,474	

CITY OF BRUSH, COLORADO
Fire Equipment Improvement Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Property tax	\$ 62,900	\$ 62,900	\$ 57,544	\$ (5,356)
Sales tax	340,000	340,000	451,874	111,874
Property tax backfill			9,478	9,478
Lease revenue	30,580	30,580	23,821	(6,759)
Interest on investments	8,000	8,000	15,154	7,154
Interest on lease			6,757	6,757
Total revenues	441,480	441,480	564,628	123,148
Expenditures				
Capital outlay				
Equipment	102,375	102,375	44,819	57,556
Building	20,000	55,000	72,505	(17,505)
Total expenditures	122,375	157,375	117,324	40,051
Net change in fund balance	\$ 319,105	\$ 284,105	447,304	\$ 163,199
Fund balance at beginning of year			518,924	
Fund balance at end of year			\$ 966,228	

CITY OF BRUSH, COLORADO
Grant Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
State grants			\$ 9,456	\$ 9,456
Federal grants			535,513	535,513
Total revenues	\$ -	\$ -	544,969	544,969
Expenditures				
Capital outlay				
State grants			9,456	
Federal grants	942,316	942,316	535,513	406,803
Total expenditures	942,316	942,316	544,969	406,803
Net change in fund balance	\$ (942,316)	\$ (942,316)	-	\$ 942,316
Fund balance at beginning of year			-	
Fund balance at end of year			\$ -	

CITY OF BRUSH, COLORADO**Schedule of the City's Proportionate Share of the Net Pension Liability/(Asset)****Police Statewide Defined Benefit Plan****December 31, 2024**

	2024	2023	2022	2021
City's proportion of the net pension liability/(asset)	0.0560%	0.0642%	0.0781%	0.0698%
City's proportionate share of the net pension liability/(asset)	\$ -	\$ 56,957	\$ (423,033)	\$ (151,562)
City's covered payroll	\$ 580,844	\$ 591,118	\$ 628,400	\$ 521,382
City's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	0.0%	9.6%	-67.3%	-29.1%
Plan fiduciary net position as a percentage of the total pension liability	100.0%	97.6%	116.2%	106.7%

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

2020	2019	2018	2017	2016	2015
0.0809%	0.0687%	0.0879%	0.0980%	0.0979%	0.0831%
\$ (45,767)	\$ 86,817	\$ (126,485)	\$ 35,394	\$ (1,725)	\$ (93,757)
\$ 595,492	\$ 460,995	\$ 510,449	\$ 502,160	\$ 480,214	\$ 371,990
-7.7%	18.8%	-24.8%	7.0%	-0.4%	-25.2%
101.9%	95.2%	106.3%	98.2%	100.1%	106.8%

CITY OF BRUSH, COLORADO
Schedule of City Contributions
Police Statewide Defined Benefit Plan
December 31, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually required contribution	\$ 77,696	\$ 52,276	\$ 50,245	\$ 53,414
Contributions in relation to the contractually required contribution	<u>(77,696)</u>	<u>(52,276)</u>	<u>(50,245)</u>	<u>(53,414)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 776,963	\$ 580,844	\$ 591,118	\$ 628,400
Contributions as a percentage of covered payroll	10.00%	9.00%	8.50%	8.50%

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 44,317	\$ 47,639	\$ 36,880	\$ 40,836	\$ 40,172	\$ 38,417
<u>(44,317)</u>	<u>(47,639)</u>	<u>(36,880)</u>	<u>(40,836)</u>	<u>(40,172)</u>	<u>(38,417)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 521,382	\$ 595,492	\$ 460,995	\$ 510,449	\$ 502,160	\$ 480,214
8.50%	8.00%	8.00%	8.00%	8.00%	8.00%

CITY OF BRUSH, COLORADO**Schedule of the City's Proportionate Share of the Net Pension Liability****Brush Combined Volunteer Fire Pension Plan****December 31, 2024**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
City's proportion of the net pension liability	49%	56%	49%	48%
City's proportionate share of the net pension liability	\$ 229,403	\$ 290,286	\$ 214,597	\$ 265,433
City's covered payroll	N/A	N/A	N/A	N/A
City's proportionate share of the net pension liability as a percentage of its covered payroll	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	66.71%	63.20%	69.61%	61.63%

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

	2020		2019		2018		2017		2016		2015
	46%		46%		44%		44%		44%		44%
\$	285,751	\$	309,642	\$	227,374	\$	250,493	\$	229,944	\$	218,325
	N/A		N/A		N/A		N/A		N/A		N/A
	N/A		N/A		N/A		N/A		N/A		N/A
	57.33%		53.70%		62.47%		58.47%		60.53%		62.37%

CITY OF BRUSH, COLORADO
Schedule of City Contributions
Brush Combined Volunteer Fire Pension Plan
December 31, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually required contribution	\$ 26,395	\$ 23,873	\$ 30,901	\$ 22,283
Contributions in relation to the contractually required contribution	<u>(26,395)</u>	<u>(23,873)</u>	<u>(30,901)</u>	<u>(22,283)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 21,271	\$ 18,385	\$ 17,810	\$ 16,740	\$ 16,662	\$ 17,316
<u>(21,271)</u>	<u>(18,385)</u>	<u>(17,810)</u>	<u>(16,740)</u>	<u>(16,662)</u>	<u>(17,316)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

CITY OF BRUSH, COLORADO
Notes to the Required Supplementary Information

Note A – Budgetary data

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

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

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

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

Note B – Factors affecting trends in amounts reported in the pension schedules

FPPA – Police Statewide Defined Benefit Plan

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

Other Supplementary Information

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

Such statements and schedules include:

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

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Budgetary Comparison Schedules – General Fund

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

CITY OF BRUSH, COLORADO
General Fund
Budgetary Comparison Schedule - Revenues
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Taxes				
Property taxes	\$ 921,320	\$ 921,320	\$ 847,651	\$ (73,669)
Specific ownership taxes	100,000	100,000	93,455	(6,545)
Sales taxes	2,500,000	2,500,000	3,310,726	810,726
Use taxes	30,000	30,000	78,150	48,150
Gas and electric franchise	300,000	300,000	278,461	(21,539)
Phone franchise	300	300	425	125
TV franchise	42,000	42,000	34,605	(7,395)
Total taxes	3,893,620	3,893,620	4,643,473	749,853
Licenses and permits				
Liquor	3,500	3,500	6,373	2,873
Amusement	360	360	270	(90)
Building and plumbing	45,000	45,000	47,833	2,833
Animal and miscellaneous	8,400	8,400	9,552	1,152
Total licenses and permits	57,260	57,260	64,028	6,768
Intergovernmental				
Highway users tax	155,000	155,000	177,925	22,925
Severance tax	50,000	50,000	74,644	24,644
Morgan County - road fund rebate	200,000	200,000	252,293	52,293
State Highway 34 maintenance	11,200	11,200	11,194	(6)
Property tax backfill			138,946	138,946
Total intergovernmental	416,200	416,200	655,002	238,802
Fines and forfeitures				
Court fines	20,000	20,000	32,600	12,600
Total fines and forfeitures	20,000	20,000	32,600	12,600

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Charges for services				
Zoning	1,000	1,000		(1,000)
Cemetery	43,000	43,000	38,816	(4,184)
Swimming pool	34,000	34,000	32,547	(1,453)
Other recreation activities	180,250	180,250	180,096	(154)
Park fees	50,000	50,000	71,849	21,849
Total charges for services	308,250	308,250	323,308	15,058
Miscellaneous				
Interest on investments	44,200	44,200	179,859	135,659
Farm income	4,000	4,000		(4,000)
Airport rent	8,000	8,000	6,302	(1,698)
Lease income	18,360	18,360	17,447	(913)
Administrative fees	852,540	852,540	852,540	-
Local grants and donations	15,100	15,100	10,917	(4,183)
Miscellaneous	21,000	21,000	170,633	149,633
Total miscellaneous	963,200	963,200	1,237,698	274,498
Total revenues	\$ 5,658,530	\$ 5,658,530	\$ 6,956,109	\$ 1,297,579

CITY OF BRUSH, COLORADO
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
General government				
Legislative				
Council salaries	\$ 23,200	\$ 23,200	\$ 22,899	\$ 301
Employee benefits	1,800	1,800	1,876	(76)
Supplies	500	500	222	278
Travel	11,000	11,000	7,626	3,374
Dues	300	300		300
Computer maintenance	1,200	1,200	397	803
Total legislative	38,000	38,000	33,020	4,980
City clerk				
Clerk's salary	81,950	81,950	78,273	3,677
Employee benefits	20,470	20,470	20,973	(503)
Supplies	3,900	3,900	3,706	194
Professional services			2,233	(2,233)
Telephone	50	50		50
Dues	740	740	363	377
Travel	3,000	3,000	3,780	(780)
Elections	1,500	1,500		1,500
Records management	7,400	7,400	8,424	(1,024)
Miscellaneous	100	100	183	(83)
Total city clerk	119,110	119,110	117,935	1,175
Executive				
Mayor's salaries	7,420	7,420	7,417	3
Employee benefits	560	560	588	(28)
Supplies			56	(56)
Travel	2,800	2,800	582	2,218
Computer maintenance	200	200	200	-
Total executive	10,980	10,980	8,843	2,137
City administrator				
Salaries	181,580	181,580	181,564	16
Employee benefits	73,095	73,095	72,292	803
Telephone	2,200	2,200	1,325	875
Dues	3,100	3,100	1,363	1,737
Travel	5,200	5,200	2,560	2,640
Fuel and oil	250	250	273	(23)
Total city administrator	265,425	265,425	259,377	6,048

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Administration				
Salaries	324,100	324,100	375,726	(51,626)
Employee benefits	91,855	91,855	103,408	(11,553)
Supplies	18,150	18,150	18,344	(194)
Professional services	62,500	62,500	37,508	24,992
Pension contributions	26,395	26,395	26,395	-
Telephone	15,000	15,000	5,547	9,453
Utilities	15,000	15,000	6,845	8,155
Dues	5,000	5,000	4,594	406
Travel and training	10,000	10,000	4,446	5,554
Computer maintenance	25,000	25,000	42,531	(17,531)
Advertising	9,000	9,000	6,923	2,077
Building maintenance	12,000	12,000	42,642	(30,642)
Insurance and bonds - general	83,850	83,850	86,579	(2,729)
Contributions	52,750	52,750	41,173	11,577
Employee incentive program	28,000	28,000	27,160	840
Subdivision development	50,000	50,000		50,000
Fuel and oil	300	300	424	(124)
Vehicle repairs & maintenance	100	100	191	(91)
Miscellaneous	5,000	5,000	34,596	(29,596)
Total administration	834,000	834,000	865,032	(31,032)
Community development				
Salaries	194,165	194,165	187,258	6,907
Employee benefits	72,205	72,205	71,853	352
Supplies	2,450	2,450	2,058	392
Professional services	122,700	122,700	28,802	93,898
Telephone	1,700	1,700	318	1,382
Utilities	4,500	4,500	3,015	1,485
Dues	2,500	2,500	951	1,549
Travel and training	10,000	10,000	10,152	(152)
Computer maintenance	18,500	18,500	18,129	371
Advertising	5,000	5,000	2,237	2,763
Building maintenance	5,000	5,000	824	4,176
Insurance and bonds - general			5,193	(5,193)
Safety reimbursement	250	250		250
Economic development	8,195	8,195	8,195	-
Tree board	10,000	10,000	6,967	3,033
Community outreach	4,000	4,000	2,477	1,523
Historic preservation	2,500	2,500	494	2,006

(continued)

CITY OF BRUSH, COLORADO
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2024

(continued)				Variance with
	Budgeted Amounts			Final Budget
	Original	Final	Actual	Favorable
				(Unfavorable)
Fuel and oil	1,200	1,200	1,336	(136)
Vehicle repairs & maintenance	6,000	6,000	926	5,074
Community enhancement	32,000	32,000	2,039	29,961
Total community development	502,865	502,865	353,224	149,641
Marketing				
Salaries			325	(325)
Employee benefits			26	(26)
Total marketing	-	-	351	(351)
Municipal court				
Salaries	49,780	49,780	49,441	339
Employee benefits	23,750	23,750	25,741	(1,991)
Supplies	2,200	2,200	1,803	397
Legal fees	33,000	33,000	32,537	463
Telephone	50	50		50
Dues	300	300	312	(12)
Travel and training	3,000	3,000	4,943	(1,943)
Computer maintenance	3,000	3,000	2,227	773
Total municipal court	115,080	115,080	117,004	(1,924)
Total general government	1,885,460	1,885,460	1,754,786	130,674
Public safety				
Police				
Salaries - permanent	1,114,750	1,114,750	1,010,047	104,703
Salaries - clerical/code enforcer	169,560	169,560	102,361	67,199
Employee benefits	510,520	510,520	460,334	50,186
Supplies	50,300	50,300	45,245	5,055
Professional services	30,500	30,500	7,995	22,505
Telephone	14,000	14,000	8,724	5,276
Utilities	7,500	7,500	3,899	3,601
Dues	2,500	2,500	1,425	1,075
Travel and training	18,000	18,000	24,970	(6,970)
Advertising	3,000	3,000	3,209	(209)
Repairs & maintenance - general	50,000	50,000	51,881	(1,881)
Recruiting	2,000	2,000	1,250	750
Animal control	7,940	7,940	5,219	2,721
Investigations	18,000	18,000	19,694	(1,694)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Police (continued)				
School liaison	1,700	1,700		1,700
Policing and emergency services	9,600	9,600	3,483	6,117
SWAT	3,000	3,000	1,780	1,220
Fuel and oil	60,000	60,000	42,351	17,649
Vehicle repairs & maintenance	26,000	26,000	22,685	3,315
Total police	2,098,870	2,098,870	1,816,552	282,318
Fire Department				
Fringe benefits	11,485	11,485	11,482	3
Supplies	65,300	65,300	48,356	16,944
Professional services	7,500	7,500	21,341	(13,841)
Telephone	4,500	4,500	2,410	2,090
Utilities	10,000	10,000	3,146	6,854
Dues	6,000	6,000	836	5,164
Travel and training	12,000	12,000	14,944	(2,944)
Building maintenance	9,000	9,000	4,641	4,359
Fireworks	9,000	9,000	12,025	(3,025)
Radio maintenance	3,000	3,000		3,000
Other	250	250	69	181
Fuel and oil	6,000	6,000	3,022	2,978
Vehicle repairs & maintenance	10,500	10,500	4,917	5,583
Total fire department	154,535	154,535	127,189	27,346
Total public safety	2,253,405	2,253,405	1,943,741	309,664
Public works				
Streets				
Salaries	365,690	365,690	346,764	18,926
Employee benefits	229,505	229,505	229,336	169
Supplies	29,150	29,150	30,875	(1,725)
Professional services	3,000	3,000	840	2,160
Medical	3,000	3,000	1,888	1,112
Telephone	1,500	1,500	907	593
Electrical - street lights	150,000	150,000	97,528	52,472
Dues	400	400	397	3
Travel and training	5,000	5,000	3,130	1,870
Advertising	800	800	229	571

(continued)

CITY OF BRUSH, COLORADO
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2024

(continued)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Streets (continued)				
Building maintenance	3,000	3,000	2,013	987
Radio & computer maintenance			660	(660)
Street repair	37,000	37,000	64,564	(27,564)
Forestry	4,000	4,000	386	3,614
Snow removal	30,000	30,000	2,393	27,607
Alley maintenance	1,000	1,000		1,000
Sidewalk maintenance	7,000	7,000	7,413	(413)
Pest and weed abatement	42,000	42,000	18,433	23,567
Christmas lights	3,000	3,000	705	2,295
Fuel and oil	60,000	60,000	24,823	35,177
Vehicle repairs & maintenance	64,000	64,000	27,784	36,216
Total streets	1,039,045	1,039,045	861,068	177,977
Airport facilities				
Supplies	6,500	6,500		6,500
Utilities	2,000	2,000	1,479	521
Building maintenance	2,000	2,000	21,963	(19,963)
Insurance	3,300	3,300	3,207	93
Improvements	12,000	12,000	1,125	10,875
Total airport facilities	25,800	25,800	27,774	(1,974)
Cemetery				
Salaries	102,030	102,030	111,715	(9,685)
Employee benefits	38,815	38,815	43,009	(4,194)
Supplies	23,150	23,150	13,480	9,670
Professional services	800	800	1,540	(740)
Telephone	2,600	2,600	2,247	353
Utilities	4,000	4,000	2,656	1,344
Dues	500	500		500
Travel and training	750	750	560	190
Computer maintenance			2,742	(2,742)
Advertising	600	600		600
Foundations and burial service	5,500	5,500	292	5,208
Fuel and oil	5,000	5,000	5,859	(859)
Vehicle repairs & maintenance	5,500	5,500	2,971	2,529
Total cemetery	189,245	189,245	187,071	2,174
Total public works	1,254,090	1,254,090	1,075,913	178,177

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Culture and recreation				
Recreation department				
Salaries	408,720	408,720	359,079	49,641
Employee benefits	85,775	85,775	88,685	(2,910)
Supplies	3,150	3,150	1,445	1,705
Professional services	500	500	120	380
Telephone	1,500	1,500	881	619
Utilities	4,500	4,500	2,031	2,469
Dues	300	300	405	(105)
Travel and training	3,500	3,500	1,279	2,221
Advertising	1,500	1,500	870	630
Building & field maintenance	29,500	29,500	39,661	(10,161)
Copy/computer maintenance	7,000	7,000	1,475	5,525
Adult programs	7,875	7,875	1,012	6,863
Youth summer programs	42,000	42,000	29,247	12,753
Youth winter programs	23,200	23,200	16,112	7,088
Swimming pool programs	45,850	45,850	32,021	13,829
Special events programs	93,200	93,200	93,846	(646)
Fuel and oil	1,000	1,000	322	678
Vehicle repairs & maintenance	1,250	1,250	938	312
Total recreation department	760,320	760,320	669,429	90,891
Parks				
Salaries	186,400	186,400	154,771	31,629
Employee benefits	74,725	74,725	63,417	11,308
Supplies	53,400	53,400	46,326	7,074
Professional services	800	800	1,156	(356)
Telephone	2,500	2,500	1,256	1,244
Utilities	41,000	41,000	40,507	493
Dues	500	500		500
Travel and training	2,500	2,500	1,561	939
Advertising	950	950	72	878
Fuel and oil	6,000	6,000	5,524	476
Vehicle repairs & maintenance	5,500	5,500	3,813	1,687
Total parks	374,275	374,275	318,403	55,872
Total culture and recreation	1,134,595	1,134,595	987,832	146,763

(continued)

CITY OF BRUSH, COLORADO
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2024

(continued)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Capital outlay	666,220	871,270	652,463	218,807
Total expenditures	<u>\$ 7,193,770</u>	<u>\$ 7,398,820</u>	<u>\$ 6,414,735</u>	<u>\$ 984,085</u>

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

The City reports the following nonmajor governmental funds:

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

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

CITY OF BRUSH, COLORADO
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2024

	Special Surplus and Deficiency Fund	Conservation Trust Fund	Police Forfeiture and Confiscation Fund	Joslin Needham Fund
Assets				
Cash	\$ 38,224	\$ 11,767	\$ 6,381	\$ 2,393
Certificates of deposit	100,000	80,000		
Accrued interest receivable	1,873	2,959		
Accounts receivable				
Total assets	\$ 140,097	\$ 94,726	\$ 6,381	\$ 2,393
Liabilities				
Accounts payable		\$ 5,504		
Total liabilities	\$ -	5,504	\$ -	\$ -
Fund balance				
Restricted	140,097	89,222	6,381	
Committed				2,393
Total fund balance	140,097	89,222	6,381	2,393
Total liabilities and fund balance	\$ 140,097	\$ 94,726	\$ 6,381	\$ 2,393

Cemetery Perpetual Care Fund	Total
\$ 24,134	\$ 82,899
25,000	205,000
791	5,623
4,797	4,797
<u>\$ 54,722</u>	<u>\$ 298,319</u>
\$ 1,373	\$ 6,877
1,373	6,877
	235,700
53,349	55,742
53,349	291,442
<u>\$ 54,722</u>	<u>\$ 298,319</u>

CITY OF BRUSH, COLORADO
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2024

	Special Surplus and Deficiency Fund	Conservation Trust Fund	Police Forfeiture and Confiscation Fund	Joslin Needham Fund
Revenues				
Intergovernmental revenue		\$ 65,349		
Charges for services				
Miscellaneous	\$ 3,358	6,295	\$ 347	\$ 106,381
Total revenues	3,358	71,644	347	106,381
Expenditures				
Public safety			384	
Culture and recreation		16,484		6,851
Capital outlay		119,850		104,675
Total expenditures	-	136,334	384	111,526
Net change in fund balances	3,358	(64,690)	(37)	(5,145)
Fund balance at beginning of year	136,739	153,912	6,418	7,538
Fund balance at end of year	\$ 140,097	\$ 89,222	\$ 6,381	\$ 2,393

Cemetery Perpetual Care Fund	Total
\$ 9,145	\$ 65,349
2,892	9,145
	119,273
12,037	193,767
	384
	23,335
47,401	271,926
47,401	295,645
(35,364)	(101,878)
88,713	393,320
\$ 53,349	\$ 291,442

CITY OF BRUSH, COLORADO
Special Surplus and Deficiency Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Interest on investments	\$ 200	\$ 200	\$ 3,358	\$ 3,158
Expenditures				-
Net change in fund balance	<u>\$ 200</u>	<u>\$ 200</u>	3,358	<u>\$ 3,158</u>
Fund balance at beginning of year			<u>136,739</u>	
Fund balance at end of year			<u>\$ 140,097</u>	

CITY OF BRUSH, COLORADO
Conservation Trust Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Colorado lottery funds	\$ 70,000	\$ 70,000	\$ 65,349	\$ (4,651)
Interest on investments	200	200	6,295	6,095
Total revenues	70,200	70,200	71,644	1,444
Expenditures				
Culture and recreation				
Capital outlay - improvements	83,000	140,850	136,334	4,516
Total expenditures	83,000	140,850	136,334	4,516
Net change in fund balance	<u>\$ (12,800)</u>	<u>\$ (70,650)</u>	(64,690)	<u>\$ 5,960</u>
Fund balance at beginning of year			153,912	
Fund balance at end of year			<u>\$ 89,222</u>	

CITY OF BRUSH, COLORADO
Police Forfeiture Confiscation Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Forfeitures	\$ 10	\$ 10	\$ 334	\$ 324
Interest on investments	10	10	13	3
Total revenues	20	20	347	327
Expenditures				
Public safety			384	(384)
Total expenditures	-	-	384	(384)
Net change in fund balance	\$ 20	\$ 20	(37)	\$ (57)
Fund balance at beginning of year			6,418	
Fund balance at end of year			\$ 6,381	

CITY OF BRUSH, COLORADO
Joslin Needham Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Contributions		\$ 106,000	\$ 106,000	\$ -
Interest on investments	\$ 500	500	381	(119)
Total revenues	500	106,500	106,381	(119)
Expenditures				
Culture and recreation				
Capital outlay		111,560	111,526	34
Total expenditures	-	111,560	111,526	34
Net change in fund balance	\$ 500	\$ (5,060)	(5,145)	\$ (85)
Fund balance at beginning of year			7,538	
Fund balance at end of year			\$ 2,393	

CITY OF BRUSH, COLORADO
Cemetery Perpetual Care Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Perpetual care sales	\$ 14,000	\$ 14,000	\$ 9,145	\$ (4,855)
Contributions	1,000	1,000		(1,000)
Interest on investments	1,500	1,500	2,892	1,392
Total revenues	16,500	16,500	12,037	(4,463)
Expenditures				
Public works				
Memorial	1,000	1,000		1,000
Cemetery improvements	50,000	50,000	47,401	2,599
Total expenditures	51,000	51,000	47,401	3,599
Excess of revenues over (under) expenditures	(34,500)	(34,500)	(35,364)	(864)
Other financing uses				
Transfers out	(1,500)	(1,500)		1,500
Net change in fund balance	<u>\$ (36,000)</u>	<u>\$ (36,000)</u>	(35,364)	<u>\$ 636</u>
Fund balance at beginning of year			88,713	
Fund balance at end of year			<u>\$ 53,349</u>	

Budgetary Comparison Schedules – Enterprise Funds

The City reports the following major proprietary funds:

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

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

CITY OF BRUSH, COLORADO
Water Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Operating revenues				
Water services	\$ 2,102,000	\$ 2,102,000	\$ 1,933,500	\$ (168,500)
Delinquent fees	28,000	28,000	37,001	9,001
Plant investment fee	12,000	12,000	95,910	83,910
Farm income	30,500	30,500	57,117	26,617
Rental income	8,000	8,000	7,300	(700)
DOW lease	1,620	1,620	1,620	-
Water rights	3,600	3,600	231,847	228,247
Easement	3,550	3,550	3,598	48
Convenience fee	6,000	6,000	7,329	1,329
Miscellaneous	6,000	6,000	14,858	8,858
Total operating revenues	2,201,270	2,201,270	2,390,080	188,810
Operating expenses				
Salaries	558,810	558,810	557,101	1,709
Employee benefits	271,500	271,500	259,721	11,779
Supplies	44,000	44,000	71,688	(27,688)
Professional services	512,375	512,375	414,037	98,338
Lab fees	20,000	20,000	19,415	585
Medical	1,000	1,000	1,195	(195)
Telephone	2,000	2,000	556	1,444
Utilities	80,000	80,000	53,214	26,786
Association dues	2,000	2,000	462	1,538
Travel and training	15,000	15,000	7,488	7,512
Computer and radio maintenance	11,000	11,000	17,517	(6,517)
Advertising	1,300	1,300	2,189	(889)
Building maintenance	15,000	15,000	14,597	403
Insurance - general	44,920	44,920	46,224	(1,304)
Well electricity	30,000	30,000	24,910	5,090
Licenses and permits	45,000	45,000	46,992	(1,992)
Water system maintenance and materials	105,000	105,000	33,188	71,812
Line maintenance	20,000	20,000	112	19,888
Fuel and oil	13,000	13,000	15,648	(2,648)
Vehicle repairs & maintenance	6,000	6,000	5,779	221
Farm expense			1,279	(1,279)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Water conservation	100,000	100,000		100,000
Capital outlay	1,131,000	1,131,000	467,869	663,131
Total operating expenses	3,028,905	3,028,905	2,061,181	967,724
Operating income (loss)	(827,635)	(827,635)	328,899	1,156,534
Nonoperating revenues				
Interest on investments	13,000	13,000	29,442	16,442
Total nonoperating revenues	13,000	13,000	29,442	16,442
Net income (loss) before transfers and capital contributions	(814,635)	(814,635)	358,341	1,172,976
Transfers out	(18,445)	(18,445)	(18,445)	-
Capital contributions - tap fees	6,000	6,000		(6,000)
Change in net position	<u>\$ (827,080)</u>	<u>\$ (827,080)</u>	339,896	<u>\$ 1,166,976</u>
Adjustments to GAAP Basis				
Add capital purchases			467,869	
Deduct depreciation			(270,846)	
Change in net position - GAAP Basis			536,919	
Net position at beginning of year			10,104,230	
Net position at end of year			<u>\$ 10,641,149</u>	

CITY OF BRUSH, COLORADO
Trash and Garbage Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Operating revenues				
Trash services	\$ 730,000	\$ 730,000	\$ 753,693	\$ 23,693
Sale of cans	7,000	7,000	4,850	(2,150)
Miscellaneous	16,000	16,000	23,255	7,255
Total operating revenues	753,000	753,000	781,798	28,798
Operating expenses				
Salaries	230,115	230,115	204,003	26,112
Employee benefits	140,915	140,915	132,762	8,153
Supplies	14,500	14,500	10,923	3,577
Professional services	128,310	128,310	128,644	(334)
Medical	1,000	1,000	2,156	(1,156)
Telephone	1,200	1,200	31	1,169
Utilities	6,600	6,600	3,194	3,406
Travel and training	600	600	2,089	(1,489)
Computer maintenance	4,000	4,000	3,577	423
Building maintenance	2,500	2,500	6,942	(4,442)
Advertising	1,000	1,000	551	449
Insurance - general	1,550	1,550	1,595	(45)
Purchase of trash containers	35,000	35,000	18,909	16,091
Landfill contract	125,000	125,000	122,191	2,809
Fuel and oil	32,000	32,000	27,799	4,201
Vehicle repairs & maintenance	35,000	35,000	26,973	8,027
Capital outlay	15,000	15,000		15,000
Total operating expenses	774,290	774,290	692,339	81,951
Operating income (loss)	(21,290)	(21,290)	89,459	110,749
Nonoperating revenues				
Interest on investments	1,000	1,000	13,206	12,206
Total nonoperating revenues	1,000	1,000	13,206	12,206
Net income (loss) before transfers	(20,290)	(20,290)	102,665	122,955

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Transfers out	(7,350)	(7,350)	(7,350)	-
Change in net position	<u>\$ (27,640)</u>	<u>\$ (27,640)</u>	95,315	<u>\$ 122,955</u>
Adjustments to GAAP Basis				
Deduct depreciation			(44,409)	
Change in net position - GAAP Basis			50,906	
Net position at beginning of year, as previously reported			398,218	
Restatement for correction of an error			27,265	
Net position at beginning of year, as restated			425,483	
Net position at end of year			<u>\$ 476,389</u>	

CITY OF BRUSH, COLORADO
Waste Water Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Operating revenues				
Sewer fees	\$ 2,325,000	\$ 2,325,000	\$ 2,340,982	\$ 15,982
Surcharge fees	6,500	6,500	57,402	50,902
Plant investment fees	40,000	40,000	30,600	(9,400)
DOW lease	5,000	5,000	4,795	(205)
Administrative fees	75	75		(75)
Miscellaneous	1,500	1,500	2,236	736
Farm income	16,300	16,300	32,727	16,427
Pivot lease	5,930	5,930	5,929	(1)
Total operating revenues	2,400,305	2,400,305	2,474,671	74,366
Operating expenses				
Salaries	223,105	223,105	218,644	4,461
Employee benefits	118,415	118,415	112,888	5,527
Supplies	45,400	45,400	28,692	16,708
Professional services	503,525	503,525	442,444	61,081
Medical	1,000	1,000	220	780
Telephone	4,500	4,500	2,396	2,104
Utilities	160,000	160,000	88,363	71,637
Association dues	1,500	1,500	807	693
Travel and training	7,000	7,000	4,960	2,040
Computer maintenance	8,500	8,500	14,396	(5,896)
Advertising	500	500	292	208
Building maintenance	800	800	1,440	(640)
Insurance - general	75,645	75,645	77,287	(1,642)
Permits	24,000	24,000	20,394	3,606
Repairs and maintenance	105,000	105,000	58,196	46,804
Sanitary sewer cleaning	96,000	96,000	133,175	(37,175)
Manholes	20,000	20,000		20,000
Sewer lines	20,000	20,000	8,675	11,325
Line televising	45,000	45,000	2,811	42,189
Fuel and oil	9,000	9,000	5,493	3,507
Vehicle repairs & maintenance	4,000	4,000	2,746	1,254
Farm expense	24,000	24,000	38,829	(14,829)
Noncapital outlay			88,751	(88,751)
Capital outlay	774,500	1,001,500	478,303	523,197
Total operating expenses	2,271,390	2,498,390	1,830,202	668,188
Operating income (loss)	128,915	(98,085)	644,469	742,554

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Nonoperating revenues (expenses)				
Interest on investments	10,000	10,000	67,458	57,458
Principal paid on notes	(485,000)	(485,000)	(485,000)	-
Interest and fiscal charges	(104,400)	(104,400)	(103,950)	450
Total nonoperating revenues (expenses)	(579,400)	(579,400)	(521,492)	57,908
Net income (loss) before transfers and capital contributions	(450,485)	(677,485)	122,977	800,462
Transfers out	(20,860)	(20,860)	(20,860)	-
Capital contributions - tap fees	6,000	6,000		(6,000)
Change in net position	<u>\$ (465,345)</u>	<u>\$ (692,345)</u>	102,117	<u>\$ 794,462</u>
Adjustments to GAAP Basis				
Add capital purchases			478,303	
Add principal paid on notes			485,000	
Add amortized premium			19,105	
Add change in accrued interest			483	
Deduct depreciation			(373,073)	
Change in net position - GAAP Basis			711,935	
Net position at beginning of year			9,578,215	
Net position at end of year			<u>\$ 10,290,150</u>	

CITY OF BRUSH, COLORADO
Storm Water Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Operating revenues				
Service fees	\$ 313,000	\$ 313,000	\$ 402,573	\$ 89,573
Storm water assessment	3,160	3,160	3,159	(1)
Miscellaneous	100	100	275	175
Total operating revenues	316,260	316,260	406,007	89,747
Operating expenses				
Salaries	53,850	53,850	53,515	335
Employee benefits	22,785	22,785	23,427	(642)
Supplies	3,400	3,400	2,248	1,152
Professional services	47,030	47,030	43,682	3,348
Medical	300	300		300
Telephone	200	200	31	169
Travel and training	500	500	30	470
Computer maintenance	3,360	3,360	3,077	283
Advertising	200	200		200
Insurance - general	15,560	15,560	16,011	(451)
Sewer cleaning	40,000	40,000	40,000	-
Line maintenance	5,000	5,000		5,000
Pond maintenance	5,000	5,000	350	4,650
Curb and gutter maintenance	19,000	19,000	6,725	12,275
Assessment maintenance	5,000	5,000	1,510	3,490
Fuel and oil	13,000	13,000	9,366	3,634
Vehicle repairs & maintenance	13,500	13,500	3,781	9,719
Capital outlay	1,582,230	1,582,230	1,263,348	318,882
Total operating expenses	1,829,915	1,829,915	1,467,101	362,814
Operating loss	(1,513,655)	(1,513,655)	(1,061,094)	452,561
Nonoperating revenues				
Interest on investments	3,000	3,000	12,370	9,370
Loan proceeds	1,585,000	1,585,000		(1,585,000)
Total nonoperating revenues	1,588,000	1,588,000	12,370	(1,575,630)
Net income (loss) before transfers and capital contributions	74,345	74,345	(1,048,724)	(1,123,069)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Transfers out	(2,475)	(2,475)	(2,475)	-
Capital contributions			224,812	224,812
Change in net position	<u>\$ 71,870</u>	<u>\$ 71,870</u>	(826,387)	<u>\$ (898,257)</u>
Adjustments to GAAP Basis				
Add capital purchases			1,263,348	
Deduct depreciation			<u>(177,416)</u>	
Change in net position - GAAP Basis			259,545	
Net position at beginning of year			<u>2,982,452</u>	
Net position at end of year			<u>\$ 3,241,997</u>	

CITY OF BRUSH, COLORADO
Golf Course Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Operating revenues				
Membership dues	\$ 60,000	\$ 60,000	\$ 58,148	\$ (1,852)
Cart rental fees	82,000	82,000	87,678	5,678
Green fees	80,000	80,000	109,154	29,154
Range fees	13,000	13,000	5,920	(7,080)
Tournament fees	10,000	10,000	20,547	10,547
Club rental	1,500	1,500	1,124	(376)
Merchandise sales	24,000	24,000	28,643	4,643
Restaurant income	220,000	220,000	178,502	(41,498)
Bar income	160,000	160,000	165,680	5,680
Building rental	8,500	8,500	8,200	(300)
Handicap fees	4,500	4,500	4,895	395
Cart storage	5,000	5,000	4,250	(750)
Trail and license	8,000	8,000	7,650	(350)
Golf lessons	500	500		(500)
League fees	500	500	(470)	(970)
Miscellaneous	1,500	1,500	3,371	1,871
Total operating revenues	679,000	679,000	683,292	4,292
Operating expenses				
Salaries	387,880	497,880	405,617	92,263
Employee benefits	88,605	88,605	97,135	(8,530)
Supplies	3,600	3,600	1,655	1,945
Ground maintenance	53,500	53,500	45,967	7,533
Chemicals	15,000	15,000	18,951	(3,951)
Professional services	19,500	19,500	23,778	(4,278)
Medical	2,000	2,000	160	1,840
Telephone	6,000	6,000	1,597	4,403
Utilities	42,700	42,700	33,987	8,713
Travel and training	5,000	5,000	2,376	2,624
Computer maintenance	11,000	11,000	4,155	6,845
Advertising	3,000	3,000	1,523	1,477
Building maintenance	3,000	3,000	416	2,584
Insurance - general	11,440	11,440	11,768	(328)
Licenses and permits	1,200	1,200	1,810	(610)
Copy machine	300	300		300
Merchandise	25,000	25,000	32,769	(7,769)
Cart repairs and rental	23,500	23,500	4,582	18,918
Tournament expense			6,855	(6,855)
Restaurant	145,000	145,000	108,250	36,750
Bar	50,000	50,000	51,510	(1,510)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Handicap fees	7,500	7,500	4,166	3,334
Golf shop miscellaneous	2,000	2,000	3,205	(1,205)
Fuel and oil	11,000	11,000	10,380	620
Vehicle repairs & maintenance	3,000	3,000	3,539	(539)
Total operating expenses	920,725	1,030,725	876,151	154,574
Operating loss	(241,725)	(351,725)	(192,859)	158,866
Nonoperating revenues (expenses)				
Interest on investments	50	50	38	(12)
Principal payments	(56,712)	(56,712)	(78,050)	(21,338)
Interest and fiscal charges	(17,203)	(17,203)	(18,842)	(1,639)
Total nonoperating revenues (expenses)	(73,865)	(73,865)	(96,854)	(22,989)
Net loss before transfers and capital contributions	(315,590)	(425,590)	(289,713)	135,877
Transfers in	300,915	410,915	300,015	(110,900)
Capital contributions			59,243	59,243
Change in net position	<u>\$ (14,675)</u>	<u>\$ (14,675)</u>	69,545	<u>\$ 24,977</u>
Adjustments to GAAP Basis				
Add principal payments			78,050	
Add change in accrued interest			1,427	
Deduct depreciation			(151,624)	
Change in net position - GAAP Basis			(2,602)	
Net position at beginning of year			1,541,084	
Net position at end of year			<u>\$ 1,538,482</u>	

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

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

LOCAL HIGHWAY FINANCE REPORTSTATE:
COLORADO
YEAR ENDING (mm/yy):
12/24This Information From The Records Of:
City of BrushPrepared By:
Christina R. Bostron 970.842.5001**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)	\$ 361,368.00
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 699,448.00
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ 100,940.00
2. General fund appropriations	\$ 355,064.00	b. Snow and ice removal	\$ 222.00
3. Other local imposts (from page 2)	\$ 1,295,029.00	c. Other	\$ 18,433.00
4. Miscellaneous local receipts (from page 2)	\$ 17,974.00	d. Total (a. through c.)	\$ 119,595.00
5. Transfers from toll facilities	\$ -	4. General administration & miscellaneous	\$ 33,342.00
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 630,208.00
a. Bonds - Original Issues	\$ -	6. Total (1 through 5)	\$ 1,843,961.00
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)	\$ 1,668,067.00	b. Redemption	\$ -
B. Private Contributions	\$ -	c. Total (a. + b.)	\$ -
C. Receipts from State government		2. Notes:	
(from page 2)	\$ 175,894.00	a. Interest	\$ -
D. Receipts from Federal Government		b. Redemption	\$ -
(from page 2)	\$ -	c. Total (a. + b.)	\$ -
E. Total receipts (A.7 + B + C + D)	\$ 1,843,961.00	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)	\$ 1,843,961.00

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
	\$ -	\$ 1,843,961.00	\$ 1,843,961.00	\$ -	\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
YEAR ENDING (mm/yy):
12/24

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	\$ 200,423.00	a. Interest on investments	\$ -
b. Other local imposts:		b. Traffic Fines & Penalties	\$ 17,974.00
1. Sales Taxes	\$ 996,911.00	c. Parking Garage Fees	\$ -
2. Infrastructure & Impact Fees	\$ -	d. Parking Meter Fees	\$ -
3. Liens	\$ -	e. Sale of Surplus Property	\$ -
4. Licenses	\$ -	f. Charges for Services	\$ -
5. Specific Ownership &/or Other	\$ 97,695.00	g. Other Misc. Receipts	\$ -
6. Total (1. through 5.)	\$ 1,094,606.00	h. Other	\$ -
c. Total (a. + b.)	\$ 1,295,029.00	i. Total (a. through h.)	\$ 17,974.00
<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.)	\$ 175,894.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	\$ -
a. State bond proceeds		b. FEMA	\$ -
b. Project Match	\$ -	c. HUD	\$ -
c. Motor Vehicle Registrations	\$ -	d. Federal Transit Administration	\$ -
d. DOLA Grant	\$ -	e. U.S. Corps of Engineers	\$ -
e. Other	\$ -	f. Other Federal ARPA	\$ -
f. Total (a. through e.)	\$ -	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 175,894.00	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	\$ -	\$ -	\$ -
c. Construction:			
(1). New Facilities	\$ -	\$ -	\$ -
(2). Capacity Improvements	\$ -	\$ -	\$ -
(3). System Preservation	\$ -	\$ 361,368.00	\$ 361,368.00
(4). System Enhancement And Operation	\$ -	\$ -	\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 361,368.00	\$ 361,368.00
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 361,368.00	\$ 361,368.00

(Carry forward to page 1)

Notes and Comments: