

CITY OF SHERIDAN, COLORADO
FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Sheridan, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sheridan, Colorado (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, the discretely presented component unit, 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.

We did not audit the financial statements of the City of Sheridan Housing Authority, which represents 100 percent of the assets, liabilities, net position, revenues, and expenses of the discretely presented component unit as of December 31, 2024, and the respective changes in financial position for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as they relate to the amounts included for the City of Sheridan Housing Authority, are based solely on the report of the other auditors.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 schedules, and the GASB required pension schedules 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 inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and the local highway finance report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, and the local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the SEC Rule 15c2-12 continuing disclosures but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

The Adorno Group, LLC

Greenwood Village, Colorado
July 30, 2025

MANAGEMENT'S DISCUSSION & ANALYSIS

CITY OF SHERIDAN, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the City of Sheridan's (City) financial performance provides an overview of the financial activities for the fiscal year ended December 31, 2024. Please read it in conjunction with the City's financial statements. This report also contains other supplementary information in addition to the basic statements themselves.

Financial Highlights

- Ending net position of the City at the close of 2024 was (\$58,061,791), an increase of 11.5% from 2023. This deficit is a result of the issuance of tax increment bonds by the Sheridan Redevelopment Agency (SRA) used to support the River Point redevelopment project, which will be repaid through future sales tax and PIF revenues.
- At December 31, 2024, the City's governmental funds reported a combined ending fund balance of \$30,435,842, an increase of 1.6% from 2023. The City has \$8,438,511 of unassigned fund balance for spending at the City's discretion.
- Unassigned fund balance of the General Fund of \$8,438,511 is 63.0% of total General Fund expenditures, a decrease of 15.4% from the prior year.
- Sales Tax revenue for the General Fund, the City's largest source of general revenue is comparable to the prior year and was \$5,502,583 for 2024 as compared to \$5,472,737 for the prior year, an increase of 0.55%.

Using this Annual Report

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide Financial Statements

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

The *statement of net position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflow of resources, with the difference 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 is improving or deteriorating.

The *statement of activities* reflects how the City's net position changes 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 reported in this statement for some items will 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 that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges.

CITY OF SHERIDAN, COLORADO
MANAGEMENT’S DISCUSSION AND ANALYSIS

The Governmental activities of the City include general government, public safety (police & fire), public works, community development, parks and open space, and redevelopment projects.

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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City’s funds can be divided into two categories: Governmental Funds and Proprietary Funds.

Governmental funds – Most of the City’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end are available for spending. The funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statements provide a detailed short-term view to cash, the governmental fund operations and the basic services it provides.

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 balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Proprietary funds – The *enterprise fund* type of proprietary funds is used to report the same functions presented as business-type activities in the government-wide financial statements, but provide more detail and additional information, such as a statement of cash flows. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 10 – 48 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City’s defined benefit plans.

The combining statements, referred to earlier in connection with non-major Governmental Funds are presented immediately following the required supplementary information. The combining and individual fund statements and schedules can be found on pages 55 – 56 of this report.

The Sheridan Redevelopment Agency is a component unit and the Sheridan Housing Authority is a discretely presented component unit each with their own audits. For additional information readers should refer to those separately issued financial statements.

CITY OF SHERIDAN, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of the City as a Whole

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, ending net position was (\$58,061,791) on a combined basis at the close of 2024.

The City's net investment in capital assets (e.g. land, buildings, infrastructure, vehicles, equipment, etc.) is 37.9% of the City's net position. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments 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. Unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

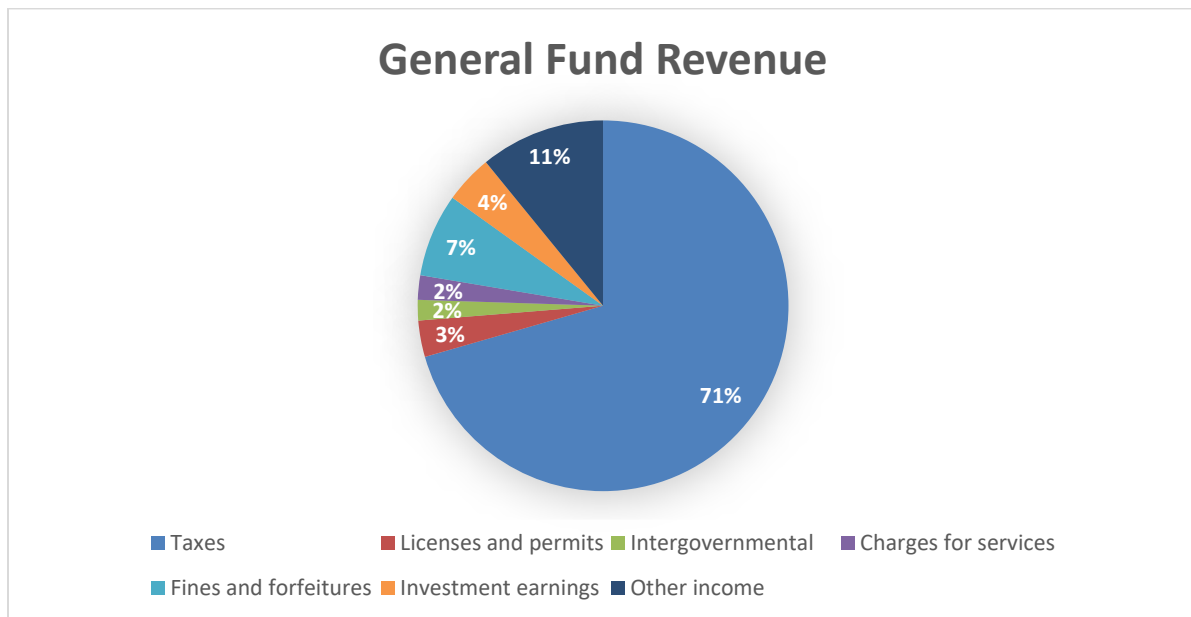
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and other assets	\$ 38,709,618	\$ 37,736,931	\$ 72,379	\$ 9,237	\$ 38,781,997	\$ 37,746,168
Capital assets	43,340,119	44,038,736	6,096,396	6,359,956	49,436,515	50,398,692
Net pension asset	-	7,165	-	-	-	7,165
Total assets	<u>82,049,737</u>	<u>81,782,832</u>	<u>6,168,775</u>	<u>6,369,193</u>	<u>88,218,512</u>	<u>88,152,025</u>
Deferred outflows of resources	<u>5,164,687</u>	<u>6,725,642</u>	<u>-</u>	<u>-</u>	<u>381,091</u>	<u>420,994</u>
Liabilities						
Current liabilities	2,022,047	1,372,659	61	72	2,022,108	1,372,731
Non-current liabilities	142,564,303	151,733,469	-	-	142,564,303	151,733,469
Net pension liability	360,027	645,276	-	-	360,027	645,276
Total liabilities	<u>144,946,377</u>	<u>153,751,404</u>	<u>61</u>	<u>72</u>	<u>144,946,438</u>	<u>153,751,476</u>
Deferred inflows of resources	<u>6,498,552</u>	<u>6,695,351</u>	<u>-</u>	<u>-</u>	<u>2,206,039</u>	<u>2,359,696</u>
Net position:						
Net investment in capital assets	15,886,342	15,536,571	6,096,396	6,359,956	21,982,738	21,896,527
Restricted	16,694,082	16,484,833	32,575	30,897	16,726,657	16,515,730
Unrestricted	<u>(96,810,929)</u>	<u>(103,959,685)</u>	<u>39,743</u>	<u>(21,732)</u>	<u>(96,771,186)</u>	<u>(103,981,417)</u>
Total net position	<u>\$ (64,230,505)</u>	<u>\$ (71,938,281)</u>	<u>\$ 6,168,714</u>	<u>\$ 6,369,121</u>	<u>\$ (58,061,791)</u>	<u>\$ (65,569,160)</u>

Governmental activities increased the City's net position by \$7,707,776 which is a result of an increase in charges for services and decrease in expenses from 2023 to 2024.

CITY OF SHERIDAN, COLORADO
MANAGEMENT’S DISCUSSION AND ANALYSIS

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 1,696,844	\$ 1,579,842	\$ 149,283	\$ 132,972	\$ 1,846,127	\$ 1,712,814
Operating grants and contributions	208,538	162,988	-	-	208,538	162,988
Capital grants and contributions	977,989	1,342,622	-	-	977,989	1,342,622
General revenues:						
Taxes	21,961,279	22,536,096	-	-	21,961,279	22,536,096
Investment earnings (loss)	1,585,429	1,595,802	1,677	1,566	1,587,106	1,597,368
Other revenues	5,306,707	5,060,151	-	-	5,306,707	5,060,151
Internal balances	-	-	-	-	-	-
Total revenues	31,736,786	32,277,501	150,960	134,538	31,887,746	32,412,039
Expenses:						
General government	3,047,764	3,445,519	-	-	3,047,764	3,445,519
Public safety	8,821,613	8,212,166	-	-	8,821,613	8,212,166
Public works	2,977,031	2,927,570	-	-	2,977,031	2,927,570
Community development	738,020	628,706	-	-	738,020	628,706
Parks and open space	321,684	1,366,697	-	-	321,684	1,366,697
Redevelopment projects	150,471	17,582	-	-	150,471	17,582
Stormwater operations	-	-	345,367	332,528	345,367	332,528
Interest expense	7,972,428	7,972,365	-	-	7,972,428	7,972,365
Total expenses	24,029,010	24,570,605	345,367	332,528	24,374,377	24,903,133
Change in net position	7,707,776	7,706,896	(194,407)	(197,990)	7,513,369	7,508,906
Net position, January 1,	(71,938,281)	(79,645,177)	6,363,121	6,561,111	(65,575,160)	(73,084,066)
Net position, December 31,	\$ (64,230,505)	\$ (71,938,281)	\$ 6,168,714	\$ 6,363,121	\$ (58,061,791)	\$ (65,575,160)

The following chart outlines General Fund revenues for the year ended December 31, 2024:



CITY OF SHERIDAN, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS

Property taxes increased in 2024 by 28.4% which was a result of increases in assessed valuations when compared to the prior year. Sales & Use Taxes decreased by 0.55% from 2024 to 2023.

Business-type activities

The Storm Water Enterprise Fund had \$150,960 in revenue. Storm water also had \$345,367 in expenses. The ending net position for 2024 was \$6,168,714.

Financial Analysis of the City's Funds

The City of Sheridan uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Government Funds

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

At the end of 2024, the City's General Fund reported an ending fund balance of \$12,735,250 an increase of \$176,292 in comparison with the previous year. The increase was a result of minor increases in revenue and increase in transfers in from other funds. Unassigned fund balance represents 66.3% or \$8,438,511 of total fund balance for the General Fund. The remainder of fund balance is nonspendable related to prepaid items (\$259,196), restricted for TABOR (\$448,000), and assigned for subsequent year budget appropriation (\$3,589,543).

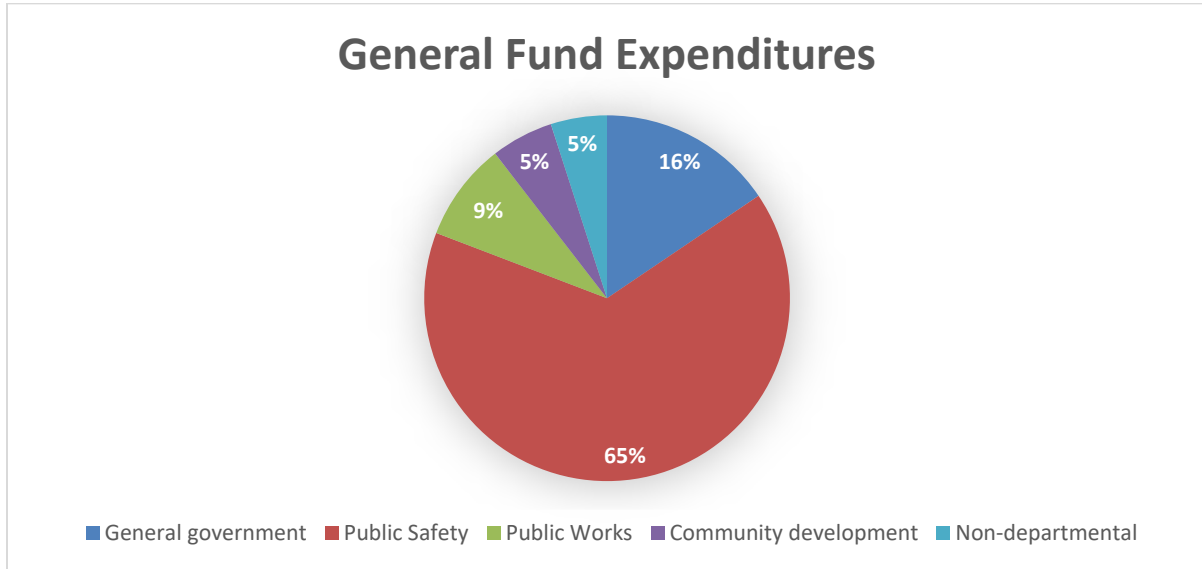
Proprietary Funds

The City's proprietary funds provide the same type of information found in the business-type activities sections of the government-wide financial statements, but in more detail. Restricted net position of the Storm Water Enterprise is \$32,575.

General Fund Budgetary Highlights

The General Fund accounts for all of the general government services provided by the City of Sheridan including, City Council, Municipal Court, Community Development, City Clerk, Administration, Public Safety, Public Works and Non-Departmental expenditures. The following pie chart illustrates the General Fund Expenditure by type:

CITY OF SHERIDAN, COLORADO
MANAGEMENT’S DISCUSSION AND ANALYSIS



Line-item budget transfers are allowed within a fund with the approval of the City Manager. Increases in the expenditure budget for any fund must be approved by City Council. The General Fund had original and final budgeted expenditures of \$15,430,011. Total General Fund expenditures were \$15,053,983 which is within the budgeted amount.

Capital Assets

The City of Sheridan’s investments in capital assets for its governmental activities as of December 31, 2024 totaled \$43,308,709 (net of accumulated depreciation). This investment in capital assets includes land and easements, building and improvements, infrastructure, machinery and equipment, computers and software, and vehicles.

Long-term Debt

In November 2015 the voters approved the City to issue \$31 million in bonds for street and infrastructure improvements. In 2024 \$880,000 in principal was paid for a remaining balance of \$24,515,000 for the City. For the Sheridan Redevelopment Authority, total outstanding debt is \$113,837,662, which includes accreted interest of \$30,049,361.

Compensated absences increased by \$6,457 for a total of \$349,631. Compensated absences are expected to be liquidated with revenues of the General Fund.

Note 5 of the financial statements provide a more in-depth summary of the City’s long-term debt.

Economic Factors and Next Year’s Budget and Rates

With projected revenues increasing slightly, the City continues to use a cautious approach both in estimating anticipated revenue and incurring actual expenditures. The Sheridan Redevelopment Agency River Point project is progressing. New businesses opened in River Point in 2024 and are expected to continue to open until the space in River Point is completely occupied.

CITY OF SHERIDAN, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS

City General Fund expenditures for 2025 are estimated at \$18,257,123 and the Sheridan Redevelopment Agency has budgeted 2025 expenditures of \$1,953,235.

Request for Information

This report is designed to provide a general overview of the City's finances for all those interested in the government's finances. Questions concerning any of the information provided in this report or additional financial information should be addressed to the Finance Director at the City of Sheridan, 4101 S. Federal Blvd., Sheridan, CO 80110 or by calling 303-762-2200.

BASIC FINANCIAL STATEMENTS

CITY OF SHERIDAN, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Primary Government			Component Unit
	Governmental	Business-type	Total	Housing
	Activities	Activities		Authority
<u>Assets</u>				
Cash and investments	\$ 16,915,898	\$ 32,575	\$ 16,948,473	\$ 194,370
Restricted cash and investments	13,272,991	-	13,272,991	-
Accounts receivable	8,007	31,854	39,861	41,667
Taxes receivable	8,261,476	-	8,261,476	-
Prepaid items	259,196	-	259,196	-
Capital assets, not depreciated	1,328,445	-	1,328,445	-
Capital assets, net of depreciation	41,980,264	6,096,396	48,076,660	-
Leased assets	31,410	-	31,410	-
Internal balances	(7,950)	7,950	-	-
Total Assets	<u>82,049,737</u>	<u>6,168,775</u>	<u>88,218,512</u>	<u>236,037</u>
<u>Deferred Outflows of Resources</u>				
Related to pension	1,698,000	-	1,698,000	-
Deferred charge on refunding	2,543,454	-	2,543,454	-
Deferred derivative instruments	923,233	-	923,233	-
Total Deferred Outflows of Resources	<u>5,164,687</u>	<u>-</u>	<u>5,164,687</u>	<u>-</u>
<u>Liabilities</u>				
Accounts payable	1,225,055	61	1,225,116	63,012
Unearned revenues	272,123	-	272,123	-
Accrued remarketing fees	3,831	-	3,831	-
Accrued facility fees	92,114	-	92,114	-
Accrued interest payable	214,612	-	214,612	-
Other liabilities	214,312	-	214,312	51,839
<u>Noncurrent liabilities</u>				
Due within one year	6,513,019	-	6,513,019	-
Due in more than one year	135,128,051	-	135,128,051	-
Net Pension liability	360,027	-	360,027	-
Liability for derivative instruments	923,233	-	923,233	-
Total Liabilities	<u>144,946,377</u>	<u>61</u>	<u>144,946,438</u>	<u>114,851</u>
<u>Deferred Inflows of Resources</u>				
Related to pension	32,211	-	32,211	-
Unavailable revenue - property taxes	6,466,341	-	6,466,341	-
Total Deferred Inflows of Resources	<u>6,498,552</u>	<u>-</u>	<u>6,498,552</u>	<u>-</u>
<u>Net Position</u>				
Net investment in capital assets	15,886,342	6,096,396	21,982,738	-
<u>Restricted</u>				
Emergencies	448,000	-	448,000	-
Debt service	11,574,927	-	11,574,927	-
Capital projects	2,848,798	-	2,848,798	-
Open space	1,822,357	-	1,822,357	-
Stormwater	-	32,575	32,575	-
Unrestricted (deficit)	(96,810,929)	39,743	(96,771,186)	121,186
Total Net Position	<u>\$ (64,230,505)</u>	<u>\$ 6,168,714</u>	<u>\$ (58,061,791)</u>	<u>\$ 121,186</u>

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

CITY OF SHERIDAN, COLORADO
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	Program Revenues				Primary Government			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Housing Authority
<u>Function/Programs</u>								
<u>Governmental Activities</u>								
General government	\$ 3,047,764	\$ 399,007	\$ 5,200	\$ -	\$ (2,643,557)	\$ -	\$ (2,643,557)	\$ -
Public safety	8,821,613	1,041,538	203,338	-	(7,576,737)	-	(7,576,737)	-
Public works	2,977,031	-	-	34,099	(2,942,932)	-	(2,942,932)	-
Community development	738,020	256,299	-	-	(481,721)	-	(481,721)	-
Parks and open space	321,684	-	-	943,890	622,206	-	622,206	-
Redevelopment projects	150,471	-	-	-	(150,471)	-	(150,471)	-
Interest and fiscal charges	7,972,428	-	-	-	(7,972,428)	-	(7,972,428)	-
Total Governmental Activities	<u>24,029,010</u>	<u>1,696,844</u>	<u>208,538</u>	<u>977,989</u>	<u>(21,145,639)</u>	<u>-</u>	<u>(21,145,639)</u>	<u>-</u>
<u>Business-Type Activities</u>								
Stormwater Operations	<u>345,367</u>	<u>149,283</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(196,084)</u>	<u>(196,084)</u>	<u>-</u>
Total Primary Government	<u>\$ 24,374,377</u>	<u>\$ 1,846,127</u>	<u>\$ 208,538</u>	<u>\$ 977,989</u>	<u>(21,145,639)</u>	<u>(196,084)</u>	<u>(21,341,723)</u>	<u>-</u>
<u>Component Unit</u>								
Housing Authority	<u>\$ 2,687,800</u>	<u>\$ -</u>	<u>\$ 2,676,148</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,652)</u>
<u>General Revenues</u>								
Property taxes					5,703,687	-	5,703,687	-
Specific ownership taxes					222,368	-	222,368	-
Sales and use taxes					14,860,129	-	14,860,129	-
Franchise taxes					410,085	-	410,085	-
Occupational privilege tax					378,945	-	378,945	-
Other taxes					386,065	-	386,065	-
Investment earnings					1,585,429	1,677	1,587,106	2,867
Other revenue					5,306,707	-	5,306,707	20,939
Total General Revenues					<u>28,853,415</u>	<u>1,677</u>	<u>28,855,092</u>	<u>23,806</u>
Change in Net Position					<u>7,707,776</u>	<u>(194,407)</u>	<u>7,513,369</u>	<u>12,154</u>
Net Position (Deficit), Beginning					<u>(71,938,281)</u>	<u>6,363,121</u>	<u>(65,575,160)</u>	<u>109,032</u>
Net Position (Deficit), Ending					<u>\$ (64,230,505)</u>	<u>\$ 6,168,714</u>	<u>\$ (58,061,791)</u>	<u>\$ 121,186</u>

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

CITY OF SHERIDAN, COLORADO
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	General Fund	Sheridan Redevelopment Agency Fund	Debt Service Fund	Capital Improvements Fund	Other Governmental Fund	Totals
<u>Assets</u>						
Cash and investments	\$ 12,359,988	\$ 1,104,152	\$ 1,986,152	\$ -	\$ 1,465,606	\$ 16,915,898
Restricted cash and investments	-	9,941,648	-	3,006,923	324,420	13,272,991
Accounts receivable	8,007	-	-	-	-	8,007
Taxes receivable	1,698,582	4,625,858	1,937,036	-	-	8,261,476
Prepaid items	259,196	-	-	-	-	259,196
Due from other funds	257,350	-	-	-	57,256	314,606
Total Assets	<u>\$ 14,583,123</u>	<u>\$ 15,671,658</u>	<u>\$ 3,923,188</u>	<u>\$ 3,006,923</u>	<u>\$ 1,847,282</u>	<u>\$ 39,032,174</u>
<u>Liabilities and Fund Balances</u>						
<u>Liabilities</u>						
Accounts payable	\$ 180,658	\$ 1,044,397	\$ -	\$ -	\$ -	\$ 1,225,055
Other liabilities	214,312	-	-	-	-	214,312
Accrued facility fees	-	92,114	-	-	-	92,114
Accrued remarketing fees	-	3,831	-	-	-	3,831
Unearned revenue	234,410	37,713	-	-	-	272,123
Due to other funds	65,206	12,564	61,736	158,125	24,925	322,556
Total Liabilities	<u>694,586</u>	<u>1,190,619</u>	<u>61,736</u>	<u>158,125</u>	<u>24,925</u>	<u>2,129,991</u>
<u>Deferred Inflows of Resources</u>						
Unavailable revenue - property taxes	1,153,287	3,376,018	1,937,036	-	-	6,466,341
Total deferred inflows of resources	<u>1,153,287</u>	<u>3,376,018</u>	<u>1,937,036</u>	<u>-</u>	<u>-</u>	<u>6,466,341</u>
<u>Fund Balances</u>						
<u>Nonspendable</u>						
Prepaid items	259,196	-	-	-	-	259,196
<u>Restricted</u>						
Debt service	-	9,865,123	1,924,416	-	-	11,789,539
Capital projects	-	-	-	2,848,798	-	2,848,798
Emergencies	448,000	-	-	-	-	448,000
Parks and open space	-	-	-	-	1,822,357	1,822,357
<u>Assigned for:</u>						
Subsequent year budget appropriation	3,589,543	-	-	-	-	3,589,543
Redevelopment Authority	-	1,239,898	-	-	-	1,239,898
Unassigned	8,438,511	-	-	-	-	8,438,511
Total Fund Balances	<u>12,735,250</u>	<u>11,105,021</u>	<u>1,924,416</u>	<u>2,848,798</u>	<u>1,822,357</u>	<u>30,435,842</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 14,583,123</u>	<u>\$ 15,671,658</u>	<u>\$ 3,923,188</u>	<u>\$ 3,006,923</u>	<u>\$ 1,847,282</u>	<u>\$ 39,032,174</u>

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

CITY OF SHERIDAN, COLORADO
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024

Amounts reported for governmental activities in the statement of net position are different because:

Fund balance - governmental funds	\$ 30,435,842
Capital assets and leased assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Leased assets	31,410
Capital assets, net of accumulated depreciation	43,308,709
Other noncurrent assets and deferred inflows of resources are not available to pay for current period expenditures and, therefore, are deferred in the funds	
Net pension asset	
Deferred outflows of resources - related to pensions	1,698,000
Governmental funds report the effect of deferred charges on debt when it is first issued, whereas these amounts are amortized over the life of the bonds.	
	2,543,454
Other deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds	
Deferred inflows of resources - related to pensions	(32,211)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Deferred derivative instruments	923,233
Bonds payable - City	(24,515,000)
Unamortized premium	(2,938,777)
Bonds payable - SRA	(83,788,301)
Accreted interest - SRA	(30,049,361)
Accrued interest	(214,612)
Liability for derivative instruments	(923,233)
Net pension liability	(360,027)
Accrued compensated absences	(349,631)
	\$ (64,230,505)
Net Position (deficit) of Governmental Activities	\$ (64,230,505)

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

CITY OF SHERIDAN, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024

	General Fund	Sheridan Redevelopment Agency Fund	Debt Service Fund	Capital Improvements Fund	Other Governmental Funds	Totals
<u>Revenues</u>						
Taxes	\$ 9,532,579	\$ 10,380,276	\$ 2,048,424	\$ -	\$ -	\$ 21,961,279
Licenses and permits	428,024	-	-	-	-	428,024
Intergovernmental	242,637	-	-	-	943,890	1,186,527
Charges for services	286,693	-	-	-	-	286,693
Fines and forfeitures	982,127	-	-	-	-	982,127
Investment earnings	566,867	643,628	136,448	156,886	86,357	1,590,186
Other income	1,471,736	3,740,360	-	-	-	5,212,096
Total Revenues	<u>13,510,663</u>	<u>14,764,264</u>	<u>2,184,872</u>	<u>156,886</u>	<u>1,030,247</u>	<u>31,646,932</u>
<u>Expenditures</u>						
General government	2,081,803	171,442	20,573	-	-	2,273,818
Public Safety	8,742,269	-	-	-	-	8,742,269
Public Works	1,166,477	-	-	-	-	1,166,477
Community development	737,735	-	-	-	-	737,735
Non-departmental	666,450	-	-	-	-	666,450
Parks, recreation and open space	-	-	-	-	7,266	7,266
Redevelopment projects	-	150,471	-	-	-	150,471
Capital outlay	-	-	-	886,984	787,338	1,674,322
Debt service						
Principal	-	10,485,000	880,000	-	-	11,365,000
Interest	-	3,290,638	1,179,275	-	-	4,469,913
Total Expenditures	<u>13,394,734</u>	<u>14,097,551</u>	<u>2,079,848</u>	<u>886,984</u>	<u>794,604</u>	<u>31,253,721</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>115,929</u>	<u>666,713</u>	<u>105,024</u>	<u>(730,098)</u>	<u>235,643</u>	<u>393,211</u>
<u>Other financing sources (uses)</u>						
Transfer in	1,719,612	-	-	1,659,249	-	3,378,861
Transfers out	(1,659,249)	(1,719,612)	-	-	-	(3,378,861)
Insurance proceeds	-	-	-	89,111	-	89,111
Sale of assets	-	-	-	5,500	-	5,500
Total Other Financing Sources (Uses)	<u>60,363</u>	<u>(1,719,612)</u>	<u>-</u>	<u>1,753,860</u>	<u>-</u>	<u>94,611</u>
Changes in Fund Balance	176,292	(1,052,899)	105,024	1,023,762	235,643	487,822
Fund Balance, Beginning	<u>12,558,958</u>	<u>12,157,920</u>	<u>1,819,392</u>	<u>1,825,036</u>	<u>1,586,714</u>	<u>29,948,020</u>
Fund Balance, Ending	<u>\$ 12,735,250</u>	<u>\$ 11,105,021</u>	<u>\$ 1,924,416</u>	<u>\$ 2,848,798</u>	<u>\$ 1,822,357</u>	<u>\$ 30,435,842</u>

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

CITY OF SHERIDAN, COLORADO
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

Amounts reported for governmental activities in the statements of activities are different because:

Net changes in fund balances - governmental funds	\$	487,822
Revenues are recorded on the fund statements only if they are both measurable and available to pay for current period expenditures.		
Change in accrued interest receivable		(4,757)
Capital outlays to purchase or build capital assets are reported in governmental funds, however, for governmental activities these costs are capitalized in the statement of net assets and are allocated over their estimated useful lives as annual depreciation.		
Capital outlay		1,399,540
Depreciation expense		(2,093,830)
Amortization expense		(4,327)
Issuances of debt are treated as revenues in the governmental funds, but are recorded as liabilities on the statement of net position. Repayments of this debt are recorded as expenses in the governmental funds and reduce liabilities on the statement of net position.		
Amortization of loss on refunding		(525,507)
Bond principal payments		11,365,000
Bond premium amortization		168,388
Change in accrued interest		19,489
Change in accreted interest		(3,164,885)
Some expenses reported in the statement of activities do not require or provide current financial resources and therefore are not reported as expenditures in the governmental funds		
Pension income		67,300
Accrued compensated absences are expensed when paid in the governmental funds; however, outstanding balances are shown as liabilities on the statement of net assets and expensed when earned for the statement of activities.		
Change in accrued compensated absences		<u>(6,457)</u>
Change in Net Position of Governmental Activities	\$	<u><u>7,707,776</u></u>

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

CITY OF SHERIDAN, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2024

	Storm Water Enterprise
<u>Assets</u>	
Current Assets	
Cash and investments	\$ 32,575
Accounts receivable	31,854
Due from other funds	7,950
Total Current Assets	72,379
Noncurrent Assets	
Capital assets being depreciated, net	6,096,396
Total Noncurrent Assets	6,096,396
Total Assets	6,168,775
<u>Liabilities</u>	
Accounts payable	61
Total Liabilities	61
<u>Net Position</u>	
Net investment in capital assets	6,096,396
Restricted for:	
Stormwater	32,575
Unrestricted	39,743
Total Net Position	\$ 6,168,714

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

CITY OF SHERIDAN, COLORADO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2024

	<u>Storm Water Enterprise</u>
<u>Operating Revenues</u>	
User charges and fees	\$ 149,283
Total Operating Revenues	<u>149,283</u>
 <u>Operating Expenses</u>	
Stormwater operations	<u>345,367</u>
Total Operating Expenses	<u>345,367</u>
Operating (loss)	<u>(196,084)</u>
 Nonoperating income (expense)	
Investment income	<u>1,677</u>
Total nonoperating income (expense)	<u>1,677</u>
Changes in Net Position	(194,407)
Net Position, Beginning	<u>6,363,121</u>
Net Position, Ending	<u>\$ 6,168,714</u>

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

CITY OF SHERIDAN, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2024

	<u>Storm Water Enterprise</u>
Cash Flows from Operating Activities	
Cash received from tenants and others	\$ 148,296
Cash payments to employees	(46,123)
Cash payments to vendors	(43,645)
Net Cash Provided by Operating Activities	<u>58,528</u>
Cash Flows from Non-Capital Financing Activities	
Cash payments to other funds	(58,527)
Net Cash Used by Non-Capital Financing Activities	<u>(58,527)</u>
Cash Flows from Investing Activities	
Interest received	1,677
Net Cash Provided by Investing Activities	<u>1,677</u>
Net Increase in Cash and Cash Equivalents	1,678
Cash and Cash Equivalents, Beginning	<u>30,897</u>
Cash and Cash Equivalents, Ending	<u>\$ 32,575</u>
Reconciliation of net operating (loss) to net cash provided by operating activities	
Net operating (loss)	\$ (196,084)
Adjustments to reconcile net operating (loss) to net cash provided by operating activities	
Depreciation expense	263,560
Changes in assets and liabilities	
Account receivable	(987)
Internal balances	(7,950)
Account payable	(11)
Net Cash Provided by Operating Activities	<u>\$ 58,528</u>

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

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City of Sheridan, Colorado (the “City”) was incorporated in April 1890, as a statutory municipality as defined by Colorado Revised Statutes. The City is governed by a seven-member council, two of whom are elected from each of the City’s three wards, and a mayor elected from the City at large. The City enacted a Home Rule Charter in 2002.

The accounting policies of the City conform to generally accepted accounting principles applicable to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies.

The definition of the reporting entity is based primarily on financial accountability. The City is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if the City officials appoint a voting majority of the organization’s governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. The City may also be financially accountable for organizations that are fiscally dependent upon it. Blended component units are, in substance, part of the primary government’s operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Blended Component Unit

Based on the application of these criteria, the City includes the Sheridan Redevelopment Agency (“SRA”) in its reporting entity. The SRA is a component unit, established to redevelop identified areas of blight within the City. The Agency is blended into the City’s financial statement as a special revenue fund because the City Council serves as the Board of the Agency and is managed by City staff. The SRA and the City share employees and the City provides certain services to the SRA. For the year ended December 31, 2024, SRA reimbursed the City \$1,719,612 for expenditures. Separately issued financial statements can be obtained at the Agency offices, 4101 South Federal Boulevard, Sheridan, Colorado 80110.

Discretely Presented Component Unit

Based upon the application of these criteria, the City includes the Housing Authority of the City of Sheridan (“Housing Authority”) in its reporting entity as a discretely presented component unit.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Discretely Presented Component Unit (Continued)

The Housing Authority was established to provide housing assistance to low-income persons residing in the City of Sheridan. The City Council serves as the Board of the Housing Authority.

Separately issued financial statements, including the reports related to the Housing Authority's Federal Single Audit can be obtained at the Housing Authority offices, 3460 South Sherman Street, Suite 101, Englewood, Colorado 80110.

Government-Wide and Fund Financial Statements

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

The statement of net position presents the financial position of the governmental and business-type activities of the City at year-end and also presents the financial position of the discretely presented component unit.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

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

Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. Expenditure-driven grants are recognized when the qualifying expenditures have been incurred and all other eligibility requirements have been met. For this purpose, the City considers grant revenues to be susceptible to accrual if collected within 90 days after the current fiscal period. All other revenues are considered to be measurable and available only when cash is received by the City.

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

Major Funds - In the fund financial statements, the City reports the following major governmental funds.

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

The *Sheridan Redevelopment Agency* is a blended component unit whose purpose is to develop blighted areas within the City.

The *Debt Service Fund* is used to service the Series 2016 and 2017 Bonds.

The *Capital Improvements Fund* is used to manage funding earmarked for capital projects.

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

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The *Storm Water Fund* accounts for the revenues and expenses related to the provision of stormwater services.

Interfund transactions are treated and classified as revenues, expenditures, or expenses. These include interfund transfers from one fund to another for the purchase of goods or services. In the government-wide statement of activities, interfund transactions are eliminated unless the transfer is between the governmental and business-type activities.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balances

Cash and Investments – The City’s cash and cash equivalents are considered to be unrestricted cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported in accordance with GASB Statement 72, as amended.

Receivables – All receivables are reported at their gross values and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. At December 31, 2024 management believes all receivables are collectible.

Interfund Receivables and Payables – During the course of operations, numerous transactions occur between individual funds. The resulting receivables and payables are classified on the balance sheet as *due from other funds* and *due to other funds* because they are short-term in nature. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as *internal balances*.

Property Taxes – By December 15 of each year, property taxes for the City are levied by the Board and certified to Arapahoe County for collection in the subsequent year. These taxes attach as an enforceable lien on property as of January 1 of the succeeding year and are payable in full by April 30 or in two installments by June 15 in the year of collection. The taxes are collected by Arapahoe County on behalf of the City.

Property taxes levied in the General Fund and Debt Service Fund are included in receivables and deferred inflows at December 31, 2024. These taxes are classified as deferred inflows since they are not normally available until after the period of availability.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balances (Continued)

Prepaid items – Certain payments to vendors and other third parties reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Expenditures/expenses are recorded when the service underlying the prepaid item is provided (consumption method).

Capital Assets – Capital assets, which include property, plant, equipment, and current year infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary funds in the fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at acquisition cost or estimated acquisition cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition cost at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives.

Buildings	30-50 years
Vehicles and equipment	3-7 years
Infrastructure	20 years

Lease Assets –The City determines if an arrangement is a lease at inception. Lease assets represent the City’s control of the right to use an underlying asset for the lease term, in an 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 lease term or useful life of the underlying asset.

Unearned Revenues – Unearned revenues consist of advances received on grants that are recognized as revenue when the terms of the grant are fulfilled.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balances (Continued)

Compensated Absences – All employees of the City are allowed to accumulate unused vacation time up to 320 hours and unused sick time up to 480 hours. Upon termination of employment from the City, an employee will be compensated for all accrued vacation time, at their current pay rate, but will forfeit any compensation for all accrued sick time. Accumulated unpaid vacation pay is accrued when earned in the government-wide and proprietary fund type financial statements. For governmental funds, there is no legal requirement to accumulate expendable available financial resources to liquidate the obligation; thus expenditures are recognized in the governmental funds when payments are made to employees. The liability is typically liquidated with resources of the same fund that has paid the applicable employee's regular salaries and fringe benefits.

Long-Term Debt – In the government-wide financial statements, and for the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position.

Debt premiums, discounts and losses on debt refunding are deferred and amortized over the life of the debt using the straight-line method. 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 current expenditures.

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. The City reports deferred charges on refunding of bonds, deferred outflows of derivative instruments from the SRA and certain amounts related to the City's defined benefit plans which will be amortized and recognized as revenue/expense in future periods as deferred outflows of resources.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balances (Continued)

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. Deferred inflows of resources include property taxes earned but levied for a subsequent period and certain amounts related to the City's defined benefit plans which will be amortized and recognized as revenue/expense in future periods.

Net Position/Fund Balances – In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. Fund balances of the governmental funds are classified as follows:

Nonspendable – Amounts that cannot be spent either because they are in nonspendable form (i.e. inventories or prepaid items) or because they are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of constitutional provisions, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – Amounts that can be used only for specific purposes determined by a formal action of the City Council. The Council is the highest level of decision-making body for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Council. The City has no committed fund balance.

Assigned – Amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Management may assign fund balances for specific purposes.

Unassigned – All other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates – The preparation of the financial statements, in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Recently Adopted Accounting Pronouncements

During 2024, the City adopted GASB Statement No. 101, *Compensated Absences*. The adoption of this statement had no material impact on the City’s financial statements.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets

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

- By October 15, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 15, the budget is legally enacted through passage of an ordinance.
- Revisions of budgeted amounts that alter the total expenditures of any fund must be approved by the City Council. Budgetary control is at the fund level as prescribed by State statute.
- All appropriations lapse at the end of each fiscal year.
- Budgets are legally adopted for all funds of the City. Budgets for the governmental fund types are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons are also presented for the enterprise funds on a non-GAAP budgetary basis. Capital outlay is budgeted as an expenditure and depreciation is not budgeted.
- Colorado Revised Statutes do not require budgets for Housing Authorities.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 - CASH AND INVESTMENTS

A summary of deposits and investments as of December 31, 2024, follows:

Petty cash	\$ 1,700
Deposits	617,346
Investments	<u>18,556,618</u>
Total City Cash and Investments	<u>19,175,664</u>
Blended Component Unit:	
Sheridan Redevelopment Agency	
Cash	45,544
Investments	<u>11,000,256</u>
Total Blended Component Unit	<u>11,045,800</u>
Total Cash and Investments	<u>\$ 30,221,464</u>

The above amounts are classified in the financial statements as follows:

Cash and investments	\$ 16,948,473
Restricted cash and investments	<u>13,272,991</u>
Total Cash and Investments	<u>\$ 30,221,464</u>

Deposits

Custodial Credit Risk – Deposits - In the case of deposits, this is the risk that in the event of bank failure, the government’s deposits may not be returned to it.

The City’s deposit policy is in accordance with CRS 11-10.5-101 et. seq. The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds.

PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA.

The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution’s internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Deposits (continued)

At December 31, 2024, the carrying amount of the City's deposits was \$619,046 and the bank balance was \$1,069,749 of which \$250,000 was covered by FDIC insurance the remaining covered by the PDPA. At December 31, 2024, all of the SRA's cash deposits were insured by federal depository insurance and are therefore not deemed to be exposed to custodial credit risk. The bank balance was \$54,984 with a carrying value of \$45,544 at December 31, 2024.

Investments

As of December 31, 2024, the City and SRA held the following investments:

Primary Government:

ColoTrust	\$ 18,105,961
CSIP	<u>450,657</u>
Total City Investments	<u>\$ 18,556,618</u>

Blended Component Unit:

Sheridan Redevelopment Agency	
ColoTrust	\$ 1,058,608
Fidelity Government Portfolio CLII	<u>9,941,648</u>
Total Blended Component Unit Investments	<u>\$ 11,000,256</u>

Credit Risk

The City has not adopted a formal investment policy; however, the City follows state statutes regarding investments.

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

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

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Credit Risk (continued)

- Guaranteed investment contracts
- Local government investment pools

Fair Value Hierarchy – The City and SRA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

COLOTRUST

The City and SRA invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by Section 24-75-601.1, C.R.S., including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAAf/S1 by FitchRatings. COLOTRUST records its investments at fair value and the City and SRA records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

COLOTRUST (continued)

As of December 31, 2024, the City invested \$18,105,961 in COLOTRUST PLUS +. As of December 31, 2024, the SRA invested \$1,058,608 in COLOTRUST PLUS +.

PFM Funds Prime Series

The City also invests in the PFM Funds Prime Series, Colorado Investors Class, a money market mutual fund (marketed as the Colorado Statewide Investment Program or "CSIP"). The Prime Series is a separate investment portfolio of PFM Funds (the "trust"). The trust is an open-end, diversified, management investment company registered under the Investment Company Act of 1940, as amended. The Fund is managed to maintain a dollar-weighted average portfolio of 60 days or less and seeks to maintain a constant net asset value ("NAV") per share of \$1.00. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

The PFM Funds Prime Series invests in obligations of the United States Government and its agencies, high quality debt obligations of U.S. and international companies and obligations of financial institutions, bankers' acceptance, floating/variable rate obligations and repurchase agreements and is rated AAAM by Standard & Poor's. PFM Asset Management LLC serves as the investment advisor, administrator, and transfer agent. Shares of the Fund are distributed by PFM Fund Distributors, Inc., member Financial Industry Regulatory Authority (FINRA).

At December 31, 2024, the City had \$450,657 invested in CSIP.

Fidelity Government Portfolio II

At December 31, 2024, the SRA had invested in Fidelity Government Portfolio CL II (the Fund), a money market fund. The Fund invests in U.S. government repurchase agreements, agency floating-rate securities, U.S. Treasuries, agency fixed-rate securities, and U.S. Treasury inflation-protected securities. The Fund's investments have a weighted average of less than 30 days. The Fund is rated AAAM by Standard & Poor's and is measured by NAV. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

As of December 31, 2024, the SRA invested \$9,941,648 in the Fund.

Concentration of Credit Risk - The City places no limit on the amount that may be invested in any one issuer.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk - Colorado revised statutes limit investment maturities to five years or less unless formally approved by the board of directors. Such actions are generally associated with a debt service reserve or sinking fund requirements. Revenue bonds of local government securities, corporate and bank securities and guaranteed investment contracts not purchased with bond proceeds are limited to maturities to three years or less.

Restricted Cash

At December 31, 2024, the City had the following restricted cash balances:

Primary Government:	
Capital improvements	\$ 3,006,923
Debt service reserves	7,407,500
Parks and open space	324,420
Debt repayment	<u>2,534,148</u>
	<u>\$ 13,272,991</u>

Housing Authority Cash

At December 31, 2024, the carrying amount of deposits for the Sheridan Housing Authority was \$138,913. The entire Housing Authority balance was covered by FDIC insurance. In addition, at December 31, 2024, the Housing Authority had \$55,457 invested in COLOTRUST.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024, is summarized below:

	Balances 12/31/2023	Additions	Deletions	Balances 12/31/2024
<i>Governmental Activities</i>				
Capital assets, not being depreciated				
Land	\$ 773,812	\$ -	\$ -	\$ 773,812
Construction in progress	-	554,633	-	554,633
Total capital assets, not being depreciated	<u>773,812</u>	<u>554,633</u>	<u>-</u>	<u>1,328,445</u>
Capital assets, being depreciated				
Buildings	2,606,702	47,629	-	2,654,331
Vehicles	1,941,441	276,187	(27,425)	2,190,203
Equipment	236,817	-	-	236,817
Infrastructure	55,756,545	521,091	-	56,277,636
Total capital assets, being depreciated	<u>60,541,505</u>	<u>844,907</u>	<u>(27,425)</u>	<u>61,358,987</u>
Accumulated depreciation				
Buildings	(1,611,326)	(99,112)	-	(1,710,438)
Vehicles	(1,255,148)	(215,875)	27,425	(1,443,598)
Equipment	(208,468)	(3,452)	-	(211,920)
Infrastructure	(14,237,376)	(1,775,391)	-	(16,012,767)
Total accumulated depreciation	<u>(17,312,318)</u>	<u>(2,093,830)</u>	<u>27,425</u>	<u>(19,378,723)</u>
Total capital assets, being depreciated, net	<u>43,229,187</u>	<u>(1,248,923)</u>	<u>-</u>	<u>41,980,264</u>
Governmental activities capital assets, net	<u>\$ 44,002,999</u>	<u>\$ (694,290)</u>	<u>\$ -</u>	<u>\$ 43,308,709</u>

Depreciation expense was charged to functions of the City as follows:

Depreciation per function	
General government	\$ 106,328
Public safety	142,006
Public works	1,805,860
Parks and recreation	39,636
Total	<u>\$ 2,093,830</u>

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4 - CAPITAL ASSETS (CONTINUED)

	<u>Balances</u> <u>12/31/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> <u>12/31/2024</u>
<i>Governmental Activities</i>				
Leased assets, being amortized				
Vehicles	\$ 44,391	\$ -	\$ -	\$ 44,391
Total leased assets being amortized	<u>44,391</u>	<u>-</u>	<u>-</u>	<u>44,391</u>
Accumulated amortization				
Vehicles	<u>(8,654)</u>	<u>(4,327)</u>	<u>-</u>	<u>(12,981)</u>
Total accumulated amortization	<u>(8,654)</u>	<u>(4,327)</u>	<u>-</u>	<u>(12,981)</u>
Total leased assets, being amortized, net	<u>\$ 35,737</u>	<u>\$ (4,327)</u>	<u>\$ -</u>	<u>\$ 31,410</u>

Amortization expense was charged to the public works function on the statement of activities.

Capital asset activity for the year ended December 31, 2024 is summarized below for business-type activities:

	<u>Balances</u> <u>12/31/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> <u>12/31/2024</u>
<i>Business Activities</i>				
Capital assets, being depreciated				
Site Improvements	\$ 7,844,502	\$ -	\$ -	\$ 7,844,502
Accumulated depreciation	<u>(1,484,546)</u>	<u>(263,560)</u>	<u>-</u>	<u>(1,748,106)</u>
Business activities capital assets, net	<u>\$ 6,359,956</u>	<u>\$ (263,560)</u>	<u>\$ -</u>	<u>\$ 6,096,396</u>

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 5 - LONG-TERM DEBT

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2024.

	Balances 12/31/2023	Advances	Payments	Balances 12/31/2024	Due Within One Year
General obligation bonds					
Series 2016	\$ 14,285,000	\$ -	\$ 515,000	\$ 13,770,000	\$ 540,000
Series 2016 Premium	1,535,079	-	85,282	1,449,797	85,282
Series 2017	11,110,000	-	365,000	10,745,000	380,000
Series 2017 Premium	1,572,086	-	83,106	1,488,980	83,106
Compensated absences	343,174	357,909	351,452	349,631	349,631
Total City Debt	<u>28,845,339</u>	<u>357,909</u>	<u>1,399,840</u>	<u>27,803,408</u>	<u>1,438,019</u>
Sheridan Redevelopment Agency					
2011A-1	35,945,000	-	4,185,000	31,760,000	4,455,000
2011A-2	5,010,000	-	585,000	4,425,000	620,000
2011B-1	13,769,846	-	1,755,411	12,014,435	-
2011B-1 Accreted Interest	2,724,971	250,422	524,589	2,450,804	-
2011B-2	20,768,388	-	2,642,788	18,125,600	-
2011B-2 Accreted Interest	4,095,765	376,568	792,212	3,680,121	-
2011C	17,463,266	-	-	17,463,266	-
2011C Accreted Interest	21,380,541	2,537,895	-	23,918,436	-
Total	<u>121,157,777</u>	<u>3,164,885</u>	<u>10,485,000</u>	<u>113,837,662</u>	<u>5,075,000</u>
Total Noncurrent Obligations	<u>\$ 150,003,116</u>	<u>\$ 3,522,794</u>	<u>\$ 11,884,840</u>	<u>\$ 141,641,070</u>	<u>\$ 6,513,019</u>

Colorado Urban Renewal law states that the City has no obligation to repay the SRA's debt.

General Obligation Bonds

On April 6, 2016, the City issued \$17,980,000 of General Obligation Bonds (Series 2016 Bonds). Bond proceeds will be used to build infrastructure within the City. Interest accrues at rates ranging from 3% to 5% per annum and is payable semi-annually on June 1 and December 1. Principal payments are due annually on December 1, through 2041.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 5 - LONG-TERM DEBT (CONTINUED)

Projected annual debt service requirements for the outstanding Series 2016 General Obligation Bonds at December 31, 2024, are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 540,000	\$ 598,026	\$ 1,138,026
2026	565,000	571,025	1,136,025
2027	595,000	542,776	1,137,776
2028	625,000	513,025	1,138,025
2029	655,000	481,776	1,136,776
2030 - 2034	3,815,000	1,882,380	5,697,380
2035 - 2039	4,810,000	881,078	5,691,078
2040 - 2041	2,165,000	106,112	2,271,112
Total	<u>\$ 13,770,000</u>	<u>\$ 5,576,198</u>	<u>\$ 19,346,198</u>

On September 9, 2017, the City issued \$13,020,000 of General Obligation Bonds (Series 2017 Bonds). Bond proceeds will be used to build infrastructure within the City. Interest accrues at 5% per annum and is payable semi-annually on June 1 and December 1. Principal payments are due annually on December 1, through 2042.

Projected annual debt service requirements for the outstanding Series 2017 General Obligation Bonds at December 31, 2024, are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 380,000	\$ 537,250	\$ 1,138,775
2026	400,000	518,250	1,136,525
2027	420,000	498,250	1,138,275
2028	440,000	477,250	1,138,775
2029	465,000	455,250	1,138,775
2030 - 2034	2,700,000	1,903,250	5,686,625
2035 - 2039	3,435,000	1,158,250	5,697,375
2040 - 2042	2,505,000	254,500	5,691,075
Total	<u>\$ 10,745,000</u>	<u>\$ 5,802,250</u>	<u>\$ 22,766,200</u>

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 5 - LONG-TERM DEBT (CONTINUED)

Variable Rate Tax Increment Refunding Revenue Bonds Series 2011A

On April 28, 2011, the SRA issued \$65,000,000 and \$9,075,000 of Variable Rate Tax Increment Revenue Bonds Series 2011A-1 and Series 2011A-2 Bonds (collectively the Series 2011A Bonds). Bond proceeds were used for the purpose of refunding the SRA's Series 2007A-1 and Series 2007A-2 bonds, funding a bond reserve and paying the fees and expenses of issuing the bonds. The Series 2011A Bonds will initially bear interest based on the weekly rate which will be adjusted each Thursday and is payable on the first day of each month and shall be equal to the rate as set by the remarketing agent. The Series 2011A-1 Bonds are subject to optional and mandatory sinking fund redemption and mandatory purchase.

Mandatory sinking fund redemptions began in 2013 in the amount of \$295,000 and increase annually through December 2029 to \$12,185,000. The bonds can be optionally redeemed if the bonds are in weekly or monthly mode on the first day of any month. The Series 2011A-2 Bonds are also subject to optional and mandatory sinking fund redemption and mandatory purchase. Mandatory sinking fund redemptions began in 2013 in the amount of \$40,000 and increase annually through December 2029 to \$1,700,000.

The principal, interest on, and purchase price of the Series 2011A-1 and Series 2011A-2 Bonds will be payable by the Trustee under separate irrevocable, direct pay letters of credit issued by JPMorgan Chase Bank, N.A. The letters of credit allow the Trustee to draw up to an amount sufficient to pay the principal of the Series 2011A Bonds when due and up to 34 days' interest on the Series 2011A-1 and Series 2011A-2 Bonds at a maximum interest rate of 12% per annum. The letters of credit were issued pursuant to a reimbursement agreement between the SRA and JPMorgan Chase Bank, N.A., which obligates the SRA to reimburse the bank for draws and to pay certain fees and expenses.

During the year ended December 31, 2024, amounts borrowed and repaid under the letters of credit totaled \$6,264,313.

The Series 2011A Bonds are also special, limited revenue obligations of the SRA payable from and secured by the Series 2011A Bonds Trust Estate. The Bond Trust Estate shall include, among other things, ad valorem property tax increment revenues and sales tax increment revenues received by the SRA from a designated urban renewal area. The SRA has also pledged a portion of the public improvement fees and interest thereon related to the urban renewal area. The bonds are secured by a Series 2011A Bonds Reserve Fund initially funded with proceeds from the Series 2011A Bonds in the amount of \$7,407,500. At December 31, 2024, the Series 2011A Bonds Reserve Fund is fully funded.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 5 - LONG-TERM DEBT (CONTINUED)

Variable Rate Tax Increment Refunding Revenue Bonds Series 2011A (continued)

The payment of principal and interest related to the Series 2011A Bonds is also guaranteed by the developer and a related entity until such time as the Rolling Twelve Month Debt Service Coverage Ratio as of the preceding 24 months is not less than 1.40. The Rolling Twelve Month Debt Service Coverage Ratio is defined as the twelve-month previous pledged incremental tax revenues divided by the average annual debt service.

At December 31, 2024, the SRA was in compliance with Rolling Twelve Month Debt Service Coverage Ratio requirement.

Projected annual debt service requirements for the outstanding Series 2011A-1 Bonds at December 31, 2024, are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 4,455,000	\$ 1,257,696	\$ 5,712,696
2026	4,735,000	1,081,278	5,816,278
2027	5,035,000	893,772	5,928,772
2028	5,350,000	696,288	6,046,288
2029	12,185,000	482,526	12,667,526
Total	<u>\$ 31,760,000</u>	<u>\$ 4,411,560</u>	<u>\$ 36,171,560</u>

Projected annual debt service requirements for the outstanding Series 2011A-2 Bonds at December 31, 2024, are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 620,000	\$ 233,198	\$ 853,198
2026	660,000	200,524	860,524
2027	700,000	165,742	865,742
2028	745,000	129,205	874,205
2029	1,700,000	89,590	1,789,590
Total	<u>\$ 4,425,000</u>	<u>\$ 818,259</u>	<u>\$ 5,243,259</u>

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 5 - LONG-TERM DEBT (CONTINUED)

Subordinate Tax Increment Refunding Revenue Bonds Series 2011B

On April 28, 2011, the SRA issued \$23,039,349 and \$34,705,443 of Series 2011B-1 Bonds and Series 2011B-2 Bonds (collectively the Series 2011B Bonds). This was a private placement with Weingarten Realty Investors. Bond proceeds were used for the purpose of refunding the SRA's Series 2007A-1, Series 2007A-2 Bonds, and Series 2007 B Bonds and paying the fees and expenses of issuing the bonds. The Series 2011B Bonds do not bear interest and mature on December 15, 2039. Failure to pay the full maturity amount of any sinking fund payment is not an Event of Default under the Indenture. Any unpaid Series 2011B Bond amounts still outstanding after maturity on December 15, 2039 will be defeased. Payments on the Series 2011B Bonds are subordinated to the payment of current principal and interest on the Series 2011A Bonds. The bonds accrete interest at a rate of 1.419%. The Series 2011B-1 Bonds are subject to optional and mandatory sinking fund redemption and mandatory purchase.

Mandatory sinking fund redemptions began in 2011 in the amount of \$305,000 and increase annually through December 2039 to \$1,510,000. The Series 2011B-2 Bonds are also subject to optional and mandatory sinking fund redemption and mandatory purchase. Mandatory sinking fund redemptions began in 2011 in the amount of \$465,000 and increase annually through December 2039 to \$2,280,000.

The 2011B Bonds can be optionally redeemed on any date after the Series 2011A Bonds are no longer outstanding from any Pledged Incremental Tax Revenues and on any December 15 from the Debt Service Public Improvement Fee or the SRA Public Improvement Fee, at a redemption price equal to the maturity value, subject to the following provisions.

No payment will be made on the Series 2011B Bonds until (a) the Series 2011A's Reserve Fund contains an amount equal to the reserve requirement, (b) the Series 2011A Bond Payment Fund contains an amount equal to the sum of (i) three months of interest on the Series 2011A Bonds and (ii) one-fourth of the principal due on the Series 2011A Bonds in the next calendar year; (c) all Agency Bond Fees and Bank Fees then due have been paid, (d) all amounts due and payable under the Bank Reimbursement Agreement, or any Interest Rate Exchange Agreement have been paid, and (vii) no Event of Default under the Indenture has occurred and is continuing.

Any sinking fund amounts not paid in the current year, no longer accrete interest, and become due and payable in the subsequent period. As of December 31, 2024, there were no past due sinking fund requirements.

Projected annual debt service requirements for the outstanding Series 2011B-1 Bonds at December 31, 2024, are as follows:

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 5 - LONG-TERM DEBT (CONTINUED)

Subordinate Tax Increment Refunding Revenue Bonds Series 2011B (continued)

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ -	\$ -	\$ -
2026	-	-	-
2027	-	-	-
2028	549,403	180,567	729,970
2029	634,268	185,732	820,000
2030 - 2034	5,608,123	2,001,877	7,610,000
2035 - 2039	5,222,641	2,327,359	7,550,000
Total	<u>\$ 12,014,435</u>	<u>\$ 4,695,535</u>	<u>\$ 16,709,970</u>

Projected annual debt service requirements for the outstanding Series 2011B-2 Bonds at December 31, 2024, are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ -	\$ -	\$ -
2026	-	-	-
2027	-	-	-
2028	931,903	273,098	1,205,001
2029	953,324	286,676	1,240,000
2030 - 2034	8,358,482	2,981,518	11,340,000
2035 - 2039	7,881,891	3,518,109	11,400,000
Total	<u>\$ 18,125,600</u>	<u>\$ 7,059,401</u>	<u>\$ 25,185,001</u>

Series 2011C Note Payable

On April 28, 2011, the SRA refinanced \$13,139,024 of Series 2007C Notes and \$2,243,698 of interest by issuing 73 promissory 2011C Notes totaling \$17,463,266. The notes are owed to the Developer.

The notes accrete interest at an annual rate of 6.533%. Payments of principal and interest begin in December 2034 in the amount of \$1,525,000 and increase annually through December 2106 to \$26,420,000. These notes are payable from public improvement fee revenues. Payments of principal and interest on the notes are subordinate to the payment of the Series 2011A Bonds and the Series 2011B Bonds.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 5 - LONG-TERM DEBT (CONTINUED)

Series 2011C Note Payable (continued)

Any Series 2011C note not paid as of its maturity date will no longer accrete interest, and if not paid by December 15, 2106, will be defeased.

Deferred Loss on Refunding

As described above, during the year ended December 31, 2011, the SRA undertook a refunding of all of its debt. In the refunding, the reacquisition price exceeded the net carrying amount of the old debt by \$9,721,880. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt.

Compensated Absences

Compensated absences are expected to be liquidated with revenues of the General Fund. During the year ended December 31, 2024, the change in compensated absences was allocated to the following functions on the statement of activities.

Compensated absences by function	
General govt	\$ 1,168
Public safety	4,638
Public works	367
Community development	285
Total	<u>\$ 6,457</u>

NOTE 6 - DERIVATIVE INSTRUMENTS

The SRA is party to interest rate swap agreements classified as cash flow hedges which are recorded as deferred outflows of resources and long-term liabilities in the statement of net position. The contracts were entered into on March 7, 2007 and terminate on December 1, 2029.

Under the agreements, the SRA agreed to pay a fixed interest rate of 3.80% on a notional amount equal to the outstanding principal on the Series 2011A-1 Bonds and a fixed interest rate of 5.27% on a notional amount equal to the outstanding principal on the Series 2011A-2 Bonds to the counterparty, Royal Bank of Canada (“RBC”). The counterparty will in turn pay variable interest rate equal to the seven-day USD-SIFMA Municipal SWAP Index on a notional amount equal to the outstanding principal on the Series 2011 A-1 Bonds and a variable interest rate equal to the one-month SOFR Index on a notional amount equal to the outstanding principal on the Series 2011 A-2 Bonds.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 6 - DERIVATIVE INSTRUMENTS (CONTINUED)

Net settlement payments are due to the counterparty on a monthly basis. During the year ended December 31, 2024, the SRA paid the counterparty approximately \$134,300 under the interest rate swap agreements.

Payments due to the counterparty are guaranteed by the developer and a related entity.

Fair Value

Fair value for the SRA's derivative instruments were estimated using the zero-coupon method, which calculates the future net settlement payments, assuming that current forward rates implied by the yield curve correctly anticipate future spot interest rates. The payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps.

At December 31, 2024, the fair value of this contract is estimated to be a negative \$923,233 (i.e., a net liability to the SRA).

Credit Risk

The SRA has no net exposure to actual credit risk as the swap agreements were a net liability as of December 31, 2024.

RBC was rated Aa1 and AA- under Moody's and Standard and Poor's, respectively.

Interest Rate Risk

The SRA pays a fixed interest rate under the swap agreements and therefore has limited interest rate risk.

Basis Risk

The SRA is exposed to basis risk because the variable rate payments received on these derivative instruments are based on a rate or index other than interest rates the SRA pays on its hedged variable-rate debt (Series 2011 A-1 and A-2 Bonds), which is remarketed every 7 days. As of December 31, 2024, the weighted average interest rate on the SRA's hedged variable-rate debt was 3.8 percent, while the seven-day USD-SIFMA swap index rate was approximately 3.2 percent and the one-month SOFR was approximately 4.5 percent.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 6 - DERIVATIVE INSTRUMENTS (CONTINUED)

Termination Risk

The counterparty may terminate this contract if the SRA fails to perform under the contract or credit support agreement. In addition, the swap may automatically terminate due to cross default or other provisions included in the contract. If the derivative instruments is in a liability position at the time of termination, the SRA would be liable for a payment equal to the liability, adjusted for netting arrangements.

Rollover Risk

As the swap agreements are scheduled to terminate when the 2011 A-1 and A-2 bonds mature, the SRA has no rollover risk.

NOTE 7 - PENSION PLANS

The City maintains the following separately administered pension plans:

Plan Name	Plan Type
Volunteer Firefighters' Pension Plan	Agent multiple-employer defined benefit
Statewide Retirement Plan	Cost-sharing multiple-employer defined benefit plan
Paid Staff Pension Plan	Defined contribution

These defined benefit plans are administered by the Fire and Police Pension Association of Colorado ("FPPA"). They are reported in the FPPA comprehensive annual financial report (CAFR). The CAFR of the FPPA may be obtained by contacting FPPA at 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111-2721.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 7 - PENSION PLANS (CONTINUED)

Volunteer Firefighters' Pension Plan

Plan Description – The City has established the Volunteer Firefighters' Pension Plan (the "Volunteer Plan"), an agent multiple-employer defined benefit pension plan for volunteer firefighters as authorized by State of Colorado Statute.

The City no longer has an active Volunteer Fire Department, so there are no active members of the Plan.

Benefits Provided – Any firefighter who has both attained the age of fifty and completed twenty years of active service shall be eligible for a full benefit monthly pension of \$626.19. In addition, firefighters receive \$31.31 per month for each year of service exceeding 20 years. Any firefighter who has completed ten to twenty years of active service shall be eligible for a benefit of \$31.31 for each year served.

The Volunteer Plan also provides for a lump-sum burial benefit in the amount of \$1,135.58 upon the death of a retired firefighter. Spouses of deceased firefighters receive benefits equal to one-half those of a firefighter. Benefits are determined by the Volunteer Firefighter Pension Board and ratified by the City Council.

At December 31, 2024, the following members were covered by the benefit terms:

Retirees and Beneficiaries	14
Inactive, Nonretired Members	-
Active Members	-
	<hr/>
	14
	<hr/> <hr/>

Contributions – Contributions are determined by the FPPA actuary, using the entry age normal cost method as of January 1, 2023. Contributions into the pension fund are derived from two sources: contributions directly from the City and contributions from the State based on assessed property values and other formulas. For the year ended December 31, 2024 the City and State actual contributions of \$50,000 and \$23,194 respectively, were equal to the required contributions to the Volunteer Plan.

Pension Asset/Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024, the City reported a net pension liability of \$360,027. The net pension liability was measured as of December 31, 2023 and was determined by an actuarial valuation as of January 1, 2023. Standard update procedures were used to roll forward the total pension liability to December 31, 2024.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 7 - PENSION PLANS (CONTINUED)

Pension Asset/Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

For the year ended December 31, 2024, the City recognized pension income of \$40,824. 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		
Earnings on Pension Plan Investments	\$ 11,947	\$ -
Contributions Subsequent to the Measurement Date	50,000	-
Total	<u>\$ 61,947</u>	<u>\$ -</u>

\$50,000 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year December 31, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Amount</u>
2025	\$ 2,124
2026	3,735
2027	7,223
2028	(1,135)
Total	<u>\$ 11,947</u>

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 7 - PENSION PLANS (CONTINUED)

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 measurements:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Remaining Amortization Period	14 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 rates were based on the following:

- **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 percent 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.

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

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). Being that the plan's fiduciary net position is projected to be sufficient to pay benefits, the long-term expected rate of return of 7.00 percent was used as the discount rate.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 7 - PENSION PLANS (CONTINUED)

Actuarial Assumptions (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. Best estimates of arithmetic nominal 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 Nominal 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	34.00%	10.31%
Total	<u>100.00%</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 Volunteer 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 payment) to determine the total pension liability.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 7 - PENSION PLANS (CONTINUED)

Changes in the Net Pension Liability (Asset)

For the purpose of this valuation, the long-term 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.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liabilities
<u>Volunteer Plan</u>	<u>[a]</u>	<u>[b]</u>	<u>[a]-[b]</u>
Balance, December 31, 2023	\$ 628,322	\$ 222,867	\$ 405,455
Changes for the year:			
Interest	41,513	-	41,513
Net investment income	-	21,081	(21,081)
Contributions - employer	-	50,000	(50,000)
Benefit payments including refunds of employee contributions	(71,761)	(71,761)	-
Administrative expense	-	(7,334)	7,334
State of Colorado supplemental discretionary payment	-	23,194	(23,194)
Net changes	(30,248)	15,180	(45,428)
Balance, December 31, 2024	<u>\$ 598,074</u>	<u>\$ 238,047</u>	<u>\$ 360,027</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

Sensitivity of the City’s net pension liability to changes in the discount rate. The following presents the net pension asset calculated using the discount rate of 7.00 percent, as well as the net pension asset 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:

	Current		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the Net Pension Liability (Asset)	<u>\$ 405,974</u>	<u>\$ 360,027</u>	<u>\$ 320,164</u>

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 7 - PENSION PLANS (CONTINUED)

The Fire & Police Pension Association administers an agent multiple-employer Public Employee Retirement System (PERS). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at <http://www.fppaco.org>.

State of Colorado Fire and Police Pension Association-Statewide Retirement Plan

Plan Description – The City contributes to the Statewide Retirement Plan, formally known as the Statewide Defined Benefit Plan (SWDB), a cost-sharing multiple-employer defined benefit pension plan. The plan is administered by the Fire and Police Pension Association of Colorado (FPPA). The Plan provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members hired prior to January 1, 1997 through the Plan.

Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and requires supplementary information for both the SWDB and the Statewide Death and Disability Plan. FPPA issues a publicly available financial report that includes information on the plan. That report may be obtained at 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 a 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 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 for the defined benefit component is 2.0 percent of the average of the member's highest three-year 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.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 7 - PENSION PLANS (CONTINUED)

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 of 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.

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

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

Members of the defined benefit component contributed 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 2024, the members of the defined benefit component and their employers contributed at a rate of 12.0 percent and 10.0 percent, respectively, of base salary for a total contribution rate of 22.0 percent. The City's contributions to the plan of the year ended December 31, 2024, were \$344,739, equal to the required contributions.

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.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 7 - PENSION PLANS (CONTINUED)

Pension Asset/Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At December 31, 2024, the City reported a net pension liability of \$0, representing its proportionate share of the net pension liability of the plan. The net pension liability was measured at 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 the City's share of contributions to the pension plan relative to the contributions of all participating entities. At December 31, 2023, the City's proportion was 0.2405 percent which was a decrease of 0.0296 percent from its proportion measured at December 31, 2022.

For the year ended December 31, 2024, the City recognized pension income of \$14,648. 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>
Difference between Expected and Actual Experience	\$ 458,122	\$ 22,011
Changes of Assumptions or other Inputs	265,729	-
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	328,890	-
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate Share		
of Contributions	238,573	10,200
Contributions Subsequent to the Measurement Date	<u>344,739</u>	<u>-</u>
Total	<u>\$ 1,636,053</u>	<u>\$ 32,211</u>

\$344,739 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a decrease in the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 7 - PENSION PLANS (CONTINUED)

Pension Asset/Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (continued)

<u>Year Ended December 31,</u>	<u>Amount</u>
2025	\$ 213,948
2026	299,219
2027	411,705
2028	82,943
2029	91,723
Thereafter	159,565
Total	<u>\$ 1,259,103</u>

Actuarial Assumptions

The actuarial valuations as of January 1, 2024, determined the total pension liability using the following actuarial assumptions and other inputs:

	<u>Total Pension Liability</u>	<u>Actuarial Determined Contributions</u>
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*	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 nondisabled 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.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 7 - PENSION PLANS (CONTINUED)

Actuarial Assumptions (continued)

The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 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 Real 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>	

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.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 7 - PENSION PLANS (CONTINUED)

Discount Rate (continued)

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 Benefits 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.

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 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 weekly rate closet 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 Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as the City's proportionate share of the net pension asset (liability) if it were calculated using a discount rate that is one percentage point lower (6.0 percent) or one percentage point higher (8.0 percent) than the current rate, as follows:

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 7 - PENSION PLANS (CONTINUED)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate (continued)

	<u>1% Decrease</u>	<u>Current</u> <u>Discount Rate</u>	<u>1% Increase</u>
	<u>(6.00%)</u>	<u>(7.00%)</u>	<u>(8.00%)</u>
Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 1,348,881</u>	<u>\$ -</u>	<u>\$ -</u>

Pension Plan Fiduciary Net Position

Detailed information about the plan’s fiduciary net position is available in FPPA’s separately issued financial report, which may be obtained at www.fppaco.org.

NOTE 8 - RISK MANAGEMENT

The City is exposed to various risks of loss relating to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the City is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes and Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability and property coverage 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 and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any members of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. The City’s claims have not exceeded coverage in any of the past three fiscal years.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 8 - RISK MANAGEMENT (CONTINUED)

During 2013, the City entered into a level funding policy for its health insurance with a third-party insurance company. The Colorado Division of Insurance considers this to be a self-funded medical plan. The City is responsible for the first \$20,000 of claims for each covered individual. The City funds claims by paying the maximum monthly claim liability as defined by the policy. At the end of the plan year, December 31, if the maximum monthly claim liability exceeds the amount of actual claims paid, that surplus (minus adjustments for the terminal fund account) is divided 50% to the insurance company and the City receives a credit on the following year's premiums for 50% of the surplus. If the amount of actual claims paid exceeds the maximum monthly claim liability the City has no additional liability to the insurance company. For the policy year ended December 31, 2024 the City will receive a credit related to the 2022 premium of \$8,937. If the contract were to terminate the City is responsible to pay a terminal attachment factor to cover the incurred but not reported claims at that date.

Management believes that terminal attachment factor is fully funded as the Terminal Fund on Account with the insurance company is \$62,010 at December 31, 2024. For the year ended December 31, 2024, the City's maximum monthly claim liability totaled \$659,137. Claims paid against this amount totaled \$507,149.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue increases, spending abilities, and other specific requirements of state and local government.

In November 1999, voters within the City authorized the retention of any funds collected by the City during 2000, 2001, 2002 and 2003, notwithstanding the provisions of the Amendment, subject to the express condition that any such funds will be used solely for the purpose of street construction, maintenance, or repair.

In November 2004, voters within the City authorized the retention of all revenues received from any source during the 2004 budget year and each budget year thereafter that are in excess of the revenue and fiscal year spending limits that would otherwise apply under Article X, Section 20 of the Colorado Constitution, or any other law. Management believes the City is in compliance with Amendment.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 9 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

TABOR Amendment (continued)

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2024, the emergency reserve of \$448,000 was recorded as restricted fund balance in the General Fund.

The SRA is not subject to the TABOR amendment. See Olsen v City of Golden, 53 p.3d.747 (Colo. App 2002) certiorari denied. In addition, the Housing Authority believes it is exempt from TABOR.

Environmental Remediation – SRA

A large portion of the property included in the urban renewal area (the “site”) consisted of landfills and junk yards in addition to a medical transfer station, various businesses that generated hazardous wastes, vehicle repair facilities, and petroleum service stations, all, or some of which may have resulted in contamination of the site. Above and below ground storage tanks were discovered on the site. Contaminants from various off-site commercial/industrial activities have or may have migrated or may migrate in the future onto the site. As a result of historic on and off-site operations, a variety of contaminants have been documented or is suspected to be present at the site.

The developer submitted a voluntary cleanup plan application (the “plan”) for the site to the Colorado Department of Public Health and Environment (the CDPHE”). The plan contained several sub-plans that addressed materials removal, vapor intrusion and accumulation issues, and operations. The plan and related modifications have been approved by CDPHE. While some municipal waste material was excavated and disposed of off-site, municipal waste and other waste materials and contaminants remain on-site. Every owner, tenant, or occupant, within the mitigated zone, is required to design and construct a vapor intrusion mitigation system to address concerns related to methane gas produced by the remaining decomposing material. In addition, the plan did not address remediation of groundwater contamination existing on the site. The developer anticipates that the remediation efforts will take several years and will require additional CDPHE extensions to the plan.

The developer and related entities have jointly and severally agreed to indemnify the owners of the Series 2011A Bonds, through the Trustee, from certain losses that might be incurred as a result of claims arising under certain environmental laws.

The SRA is unaware of any contingent liabilities arising from environmental remediation costs as of December 31, 2024.

CITY OF SHERIDAN, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 9 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Environmental Remediation – SRA (continued)

In addition, the developer has obtained two environmental insurance policies covering potential liabilities associated with the development of the site, including a Pollution Legal Liability policy in the amount of \$40 million and a Contractor's Pollution Liability policy in the amount of \$10 million.

Employment Contracts

The City has entered into an employment agreement. Under the terms of the agreement, if the employee is terminated, but not for cause, severance payments equal to approximately 6 month's salary are due under the contract.

NOTE 10 - NET POSITION

At December 31, 2024, the City had a deficit net position related to governmental activities. As more fully described in Note 5, the debt of the SRA was refinanced in 2011. However, the ability of the SRA to meet future debt service payments is dependent upon the ability of the River Point Project to generate future sufficient tax increment revenues and public improvement fees, the ability to the developer to reach agreements with additional retail tenants for the River Point Project, and the ability of the developer and related entities to meet debt service guarantees.

NOTE 11 - INTERNAL BALANCES

All balances owed between funds as of December 31, 2024 are expected to be repaid within one year. In addition, during the year ended December 31, 2024, the Sheridan Redevelopment Agency transferred \$1,719,612 to the General Fund as reimbursement for services provided by the City to the SRA. In addition, the General Fund transferred \$1,659,249 to the Capital Improvements Fund for its operations.

NOTE 12 - SUBSEQUENT EVENT

Subsequent to December 31, 2024, the City issued Series 2025, Certificates of Participation in the amount of \$3,940,000. The issuance includes an issue premium of \$194,055 and a maturity date of fiscal year 2040. The City will make principal payments on December 1st of each year and semi-annual interest payments on June 1st and December 1st of each fiscal year commencing on June 1, 2026.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SHERIDAN, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for Year Ended December 31, 2023

	2024		Variance With Final Budget	2023
	Original and Final Budget	Actual		Actual
<u>Revenues</u>				
Taxes	\$ 9,243,961	\$ 9,532,579	\$ 288,618	\$ 9,658,237
Licenses	419,690	428,024	8,334	401,912
Intergovernmental	61,155	242,637	181,482	194,697
Charges for services	189,156	286,693	97,537	233,227
Fines and forfeitures	866,152	982,127	115,975	944,703
Investment earnings	150,000	566,867	416,867	494,622
Other income	3,076,333	1,471,736	(1,604,597)	1,499,965
Total Revenues	<u>14,006,447</u>	<u>13,510,663</u>	<u>(495,784)</u>	<u>13,427,363</u>
<u>Expenditures</u>				
General Government				
General government	1,050,212	1,196,812	(146,600)	1,500,907
City clerk	229,130	238,174	(9,044)	231,867
Victims advocate	166,280	88,168	78,112	130,768
Municipal court	335,821	337,662	(1,841)	298,204
Legislative	297,613	220,987	76,626	230,688
Total General Government	<u>2,079,056</u>	<u>2,081,803</u>	<u>(2,747)</u>	<u>2,392,434</u>
Public Safety				
Police	6,092,302	6,388,865	(296,563)	5,518,581
Fire	2,400,697	2,353,404	47,293	2,447,544
Total Public Safety	<u>8,492,999</u>	<u>8,742,269</u>	<u>(249,270)</u>	<u>7,966,125</u>
Public works				
Community Development	1,341,394	1,166,477	174,917	1,075,712
Non-Departmental	665,659	737,735	(72,076)	629,082
Debt Service	633,337	666,450	(33,113)	610,665
Debt Service	201,600	-	201,600	-
Total Expenditures	<u>13,414,045</u>	<u>13,394,734</u>	<u>19,311</u>	<u>12,674,018</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	<u>592,402</u>	<u>115,929</u>	<u>(476,473)</u>	<u>753,345</u>
Other financing sources (uses)				
Transfer in	-	1,719,612	1,719,612	1,564,536
Transfer out	(2,015,966)	(1,659,249)	356,717	(565,727)
Sale of Assets	-	-	-	14,590
Total Other Financing Sources (Uses)	<u>(2,015,966)</u>	<u>60,363</u>	<u>2,076,329</u>	<u>1,013,399</u>
Changes in Fund Balance	<u>\$ (1,423,564)</u>	176,292	<u>\$ 1,599,856</u>	1,766,744
Fund Balance, Beginning		<u>12,558,958</u>		<u>10,792,214</u>
Fund Balance, Ending		<u>\$ 12,735,250</u>		<u>\$ 12,558,958</u>

See accompanying Independent Auditors' Report

CITY OF SHERIDAN, COLORADO
BUDGETARY COMPARISON SCHEDULE
SHERIDAN REDEVELOPMENT AGENCY FUND
YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for Year Ended December 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
<u>Revenues</u>					
Property tax increment revenue	\$ 3,800,308	\$ 3,217,454	\$ 2,607,407	\$ (610,047)	\$ 3,334,298
Sales tax increment revenue	7,102,604	7,745,951	7,772,869	26,918	7,398,910
Public Improvement Fees	3,388,444	3,694,256	3,740,360	46,104	3,451,436
Investment earnings	440,000	701,004	643,628	(57,376)	755,218
Total Revenue	<u>14,731,356</u>	<u>15,358,665</u>	<u>14,764,264</u>	<u>(594,401)</u>	<u>14,939,862</u>
<u>Expenditures</u>					
General government	1,771,491	1,881,523	171,442	1,710,081	318,815
Redevelopment projects	151,399	152,898	150,471	2,427	17,582
Debt service	12,809,840	13,734,594	13,775,638	(41,044)	12,814,055
Contingency	70,000	70,000	-	70,000	-
Total Expenditures	<u>14,802,730</u>	<u>15,839,015</u>	<u>14,097,551</u>	<u>1,741,464</u>	<u>13,150,452</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(71,374)</u>	<u>(480,350)</u>	<u>666,713</u>	<u>1,147,063</u>	<u>1,789,410</u>
<u>Other Financing Sources (Uses)</u>					
Transfers out	-	-	(1,719,612)	(1,719,612)	(1,564,536)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(1,719,612)</u>	<u>(1,719,612)</u>	<u>(1,564,536)</u>
Changes in Fund Balance	<u>\$ (71,374)</u>	<u>\$ (480,350)</u>	(1,052,899)	<u>\$ (572,549)</u>	224,874
Fund Balance, Beginning			<u>12,157,920</u>		<u>11,933,046</u>
Fund Balance, Ending			<u>\$ 11,105,021</u>		<u>\$ 12,157,920</u>

See accompanying Independent Auditors' Report

CITY OF SHERIDAN, COLORADO
SCHEDULE OF CHANGES IN THE NET PENSION
LIABILITY AND RELATED RATIOS
VOLUNTEER PENSION TRUST FUND
LAST 10 FISCAL YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>Total Pension Liability</u>										
Interest	\$ 41,513	\$ 43,772	\$ 46,248	\$ 52,368	\$ 55,274	\$ 57,589	\$ 60,637	\$ 57,408	\$ 60,574	\$ 61,997
Benefit changes	-	-	-	25,204	-	42,925	-	43,504	-	27,371
Difference between expected and actual experience of the Total Pension Liability	-	(4,994)	-	(75,921)	-	2,778	-	3,968	-	(4,472)
Changes in assumptions	-	2,452	-	-	-	20,467	-	41,202	-	-
Benefit payments	(71,761)	(75,165)	(87,871)	(90,232)	(103,141)	(100,746)	(101,796)	(104,220)	(101,394)	(106,251)
Net changes	(30,248)	(33,935)	(41,623)	(88,581)	(47,867)	23,013	(41,159)	41,862	(40,820)	(21,355)
Total pension liability-beginning	628,322	662,257	703,880	792,461	840,328	817,315	858,474	816,612	857,432	878,787
Total pension liability-ending	<u>\$ 598,074</u>	<u>\$ 628,322</u>	<u>\$ 662,257</u>	<u>\$ 703,880</u>	<u>\$ 792,461</u>	<u>\$ 840,328</u>	<u>\$ 817,315</u>	<u>\$ 858,474</u>	<u>\$ 816,612</u>	<u>\$ 857,432</u>
<u>Plan Fiduciary Net Position</u>										
Contributions - employer	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 47,000	\$ 44,000	\$ 41,000	\$ 38,000	\$ 35,000
Net investment income	21,081	(22,613)	36,759	26,964	34,516	787	39,305	14,952	6,779	23,640
Benefit payments	(71,761)	(75,165)	(87,871)	(90,232)	(103,141)	(100,746)	(101,796)	(104,220)	(101,394)	(106,251)
Pension plan administrative expense	(7,334)	(4,528)	(6,332)	(4,072)	(6,232)	(4,518)	(5,885)	(740)	(2,822)	(936)
State of colorado supplemental discretionary payment	23,194	23,194	23,194	23,194	23,194	23,194	23,194	23,194	23,194	23,194
Net changes	15,180	(79,112)	15,750	5,854	(1,663)	(34,283)	(1,182)	(25,814)	(36,243)	(25,353)
Plan fiduciary net position - beginning	222,867	301,979	286,229	280,375	282,038	316,321	317,503	343,317	379,560	404,913
Plan fiduciary net position - ending	<u>\$ 238,047</u>	<u>\$ 222,867</u>	<u>\$ 301,979</u>	<u>\$ 286,229</u>	<u>\$ 280,375</u>	<u>\$ 282,038</u>	<u>\$ 316,321</u>	<u>\$ 317,503</u>	<u>\$ 343,317</u>	<u>\$ 379,560</u>
Net pension liability - ending	<u>\$ 360,027</u>	<u>\$ 405,455</u>	<u>\$ 360,278</u>	<u>\$ 417,651</u>	<u>\$ 512,086</u>	<u>\$ 558,290</u>	<u>\$ 500,994</u>	<u>\$ 540,971</u>	<u>\$ 473,295</u>	<u>\$ 477,872</u>
Plan fiduciary net position as a percentage of total pension liability	39.80%	35.47%	45.60%	40.66%	35.38%	33.56%	38.70%	36.98%	42.04%	44.27%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

See accompanying Independent Auditors' Report

CITY OF SHERIDAN, COLORADO
SCHEDULE OF CONTRIBUTIONS
VOLUNTEER PENSION TRUST FUND
LAST 10 FISCAL YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 48,910	\$ 48,910	\$ 63,846	\$ 63,846	\$ 66,102	\$ 66,102	\$ 46,984	\$ 46,984	\$ 45,879	\$ 45,879
Actual contribution*	<u>73,194</u>	<u>73,194</u>	<u>73,194</u>	<u>73,194</u>	<u>73,194</u>	<u>73,194</u>	<u>70,194</u>	<u>67,194</u>	<u>64,194</u>	<u>61,194</u>
Contribution deficiency (excess)	<u>\$ (24,284)</u>	<u>\$ (24,284)</u>	<u>\$ (9,348)</u>	<u>\$ (9,348)</u>	<u>\$ (7,092)</u>	<u>\$ (7,092)</u>	<u>\$ (23,210)</u>	<u>\$ (20,210)</u>	<u>\$ (18,315)</u>	<u>\$ (15,315)</u>
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Actual contribution as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*Includes both employer and State of Colorado Discretionary payment.

See accompanying Independent Auditors' Report

CITY OF SHERIDAN, COLORADO
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY – STATEWIDE
RETIREMENT PLAN

Fiscal year ending December 31,	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement period ending December 31,	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion (percentage) of the collective net pension liability	0.2406%	0.2702%	0.2977%	0.3050%	0.3078%	0.3008%	0.0329%	0.3516%	0.3457%	0.3436%
City's proportionate share of the collective net pension liability (asset)	\$ -	\$ 239,821	\$ (1,613,409)	\$ (662,194)	\$ (174,058)	\$ 380,330	\$ (473,065)	\$ 127,044	\$ (6,095)	\$ (387,777)
Covered payroll	\$ 2,483,455	\$ 2,687,410	\$ 2,679,114	\$ 2,946,126	\$ 2,428,527	\$ 2,015,125	\$ 1,923,388	\$ 1,807,735	\$ 1,681,663	\$ 1,545,175
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.0%	8.9%	(60.2%)	(22.5%)	(7.2%)	18.9%	(24.6%)	7.0%	(0.4%)	(25.1%)
Plan fiduciary net pension as a percentage of the total pension liability (asset)	100.0%	97.6%	116.2%	106.7%	101.9%	95.2%	106.3%	98.2%	100.1%	106.8%

See accompanying Independent Auditors' Report

CITY OF SHERIDAN, COLORADO
SCHEDULE OF THE CITY'S CONTRIBUTIONS AND RELATED RATIOS
STATEWIDE RETIREMENT PLAN
LAST 10 FISCAL YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contributions	\$ 344,739	\$ 222,606	\$ 225,891	\$ 209,025	\$ 235,690	\$ 194,282	\$ 161,210	\$ 153,871	\$ 144,619	\$ 134,533
Contributions in relation to the statutorily required contributions	<u>344,739</u>	<u>222,606</u>	<u>225,891</u>	<u>209,025</u>	<u>235,690</u>	<u>194,282</u>	<u>161,210</u>	<u>153,871</u>	<u>144,619</u>	<u>134,533</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll - SWDB	\$ 3,055,218	\$ 2,187,398	\$ 2,311,514	\$ 2,211,625	\$ 2,946,126	\$ 2,428,527	\$ 2,015,125	\$ 1,923,388	\$ 1,807,735	\$ 1,681,663
Covered payroll - SWDB Reentry	<u>392,174</u>	<u>296,057</u>	<u>375,896</u>	<u>467,489</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,447,392</u>	<u>\$ 2,483,455</u>	<u>\$ 2,687,410</u>	<u>\$ 2,679,114</u>	<u>\$ 2,946,126</u>	<u>\$ 2,428,527</u>	<u>\$ 2,015,125</u>	<u>\$ 1,923,388</u>	<u>\$ 1,807,735</u>	<u>\$ 1,681,663</u>
Contribution as a percentage of covered payroll - SWDB Plan	10.0%	9.5%	9.0%	8.5%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Contribution as a percentage of covered payroll - SWDB Reentry	10.0%	5.0%	4.8%	4.5%						

See accompanying Independent Auditors' Report

SUPPLEMENTARY INFORMATION

CITY OF SHERIDAN, COLORADO
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2024
With Comparative Totals for December 31, 2023

	<u>Special Revenue Funds</u>		<u>Total</u>	
	<u>Conservation</u>	<u>Arapahoe</u>		
	<u>Trust</u>	<u>County Open</u>	<u>2024</u>	<u>2023</u>
	<u>Fund</u>	<u>Space</u>		
		<u>Fund</u>		
<u>Assets</u>				
Cash and investments	\$ -	\$ 1,465,606	\$ 1,465,606	\$ 1,656,046
Restricted cash and investments	324,420	-	324,420	272,423
Due from other funds	-	57,256	57,256	-
Total Assets	<u>\$ 324,420</u>	<u>\$ 1,522,862</u>	<u>\$ 1,847,282</u>	<u>\$ 1,928,469</u>
<u>Liabilities</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ 162,500
Due to other funds	24,925	-	24,925	179,255
Total Liabilities	<u>24,925</u>	<u>-</u>	<u>24,925</u>	<u>341,755</u>
<u>Fund Balances</u>				
Restricted for:				
Parks and open space	299,495	1,522,862	1,822,357	1,586,714
Total Fund Balances	<u>299,495</u>	<u>1,522,862</u>	<u>1,822,357</u>	<u>1,586,714</u>
Total Liabilities and Fund Balances	<u>\$ 324,420</u>	<u>\$ 1,522,862</u>	<u>\$ 1,847,282</u>	<u>\$ 1,928,469</u>

See the accompanying Independent Auditors' Report

CITY OF SHERIDAN, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for Year Ended December 31, 2023

	<u>Special Revenue Funds</u>		<u>Total</u>	
	<u>Conservation Trust Fund</u>	<u>Arapahoe County Open Space Fund</u>	<u>2024</u>	<u>2023</u>
<u>Revenues</u>				
Intergovernmental	\$ 36,360	\$ 907,530	\$ 943,890	\$ 1,310,913
Investment earnings	15,637	70,720	86,357	92,190
Total Revenues	<u>51,997</u>	<u>978,250</u>	<u>1,030,247</u>	<u>1,403,103</u>
<u>Expenditures</u>				
Parks, recreation and open space	7,266	-	7,266	8,715
Capital Outlay	-	787,338	787,338	1,124,050
Total Expenditures	<u>7,266</u>	<u>787,338</u>	<u>794,604</u>	<u>1,132,765</u>
Changes in Fund Balance	44,731	190,912	235,643	270,338
Fund Balance, Beginning	<u>254,764</u>	<u>1,331,950</u>	<u>1,586,714</u>	<u>1,316,376</u>
Fund Balance, Ending	<u>\$ 299,495</u>	<u>\$ 1,522,862</u>	<u>\$ 1,822,357</u>	<u>\$ 1,586,714</u>

See the accompanying Independent Auditors' Report

CITY OF SHERIDAN, COLORADO
BUDGETARY COMPARISON SCHEDULE
CONSERVATION TRUST FUND
YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for Year Ended December 31, 2023

	<u>2024</u>		Variance with Final Budget	<u>2023</u>
	Original and Final Budget	Actual		Actual
<u>Revenues</u>				
Intergovernmental	\$ 44,275	\$ 36,360	\$ (7,915)	\$ 42,239
Investment earnings	10,000	15,637	5,637	12,623
Total Revenues	<u>54,275</u>	<u>51,997</u>	<u>(2,278)</u>	<u>54,862</u>
<u>Expenditures</u>				
Parks, recreation and open space	18,000	7,266	10,734	8,715
Capital Outlay	100,000	-	100,000	-
Total Expenditures	<u>118,000</u>	<u>7,266</u>	<u>110,734</u>	<u>8,715</u>
Changes in fund balance	<u>\$ (63,725)</u>	44,731	<u>\$ 108,456</u>	46,147
Fund Balance, Beginning		<u>254,764</u>		<u>208,617</u>
Fund Balance, Ending		<u>\$ 299,495</u>		<u>\$ 254,764</u>

See the accompanying Independent Auditors' Report

CITY OF SHERIDAN, COLORADO
BUDGETARY COMPARISON SCHEDULE
ARAPAHOE COUNTY OPEN SPACE FUND
YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for Year Ended December 31, 2023

	2024			Variance with Final Budget	2023
	Original Budget	Final Budget	Actual		Actual
<u>Revenues</u>					
Intergovernmental	\$ 829,031	\$ 1,377,529	\$ 907,530	\$ (469,999)	\$ 1,268,674
Investment earnings	60,000	70,011	70,720	709	79,567
Total Revenues	889,031	1,447,540	978,250	(469,290)	1,348,241
<u>Expenditures</u>					
Capital outlay	635,815	1,195,038	787,338	407,700	1,124,050
Total Expenditures	635,815	1,195,038	787,338	407,700	1,124,050
Changes in Fund Balance	\$ 253,216	\$ 252,502	190,912	\$ (61,590)	224,191
Fund Balance, Beginning			1,331,950		1,107,759
Fund Balance, Ending			\$ 1,522,862		\$ 1,331,950

See the accompanying Independent Auditors' Report

CITY OF SHERIDAN, COLORADO
BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for Year Ended December 31, 2023

	2024		Variance With Final Budget	2023
	Original and Final Budget	Actual		Actual
<u>Revenues</u>				
Intergovernmental revenues	\$ 560,966	\$ -	\$ (560,966)	\$ -
Investment earnings	100,000	156,886	56,886	120,081
Total Revenues	<u>660,966</u>	<u>156,886</u>	<u>(504,080)</u>	<u>120,081</u>
<u>Expenditures</u>				
Public safety	200,000	-	200,000	-
Public Works	1,255,000	-	1,255,000	-
Capital Outlay	700,000	886,984	(186,984)	422,783
Total Expenditures	<u>2,155,000</u>	<u>886,984</u>	<u>1,268,016</u>	<u>422,783</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,494,034)</u>	<u>(730,098)</u>	<u>763,936</u>	<u>(302,702)</u>
Other Financing Sources:				
Transfers in	1,455,000	1,659,249	204,249	565,727
Insurance proceeds	-	89,111	89,111	75,660
Sale of assets	-	5,500	5,500	18,500
Total Other Financing Sources	<u>1,455,000</u>	<u>1,753,860</u>	<u>298,860</u>	<u>659,887</u>
Changes in Fund Balance	<u>\$ (39,034)</u>	1,023,762	<u>\$ 1,062,796</u>	357,185
Fund Balance, Beginning		<u>1,825,036</u>		<u>1,467,851</u>
Fund Balance, Ending		<u>\$ 2,848,798</u>		<u>\$ 1,825,036</u>

See the accompanying Independent Auditors' Report

CITY OF SHERIDAN, COLORADO
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for Year Ended December 31, 2023

	2024		Variance With Final Budget	2023
	Original and Final Budget	Actual		Actual
<u>Revenues</u>				
Taxes	\$ 2,096,263	\$ 2,048,424	\$ (47,839)	\$ 2,144,651
Investment earnings	75,000	136,448	61,448	133,691
Total Revenues	2,171,263	2,184,872	13,609	2,278,342
<u>Expenditures</u>				
General government	30,115	20,573	9,542	20,757
Debt Service				
Principal	880,000	880,000	-	845,000
Interest	1,179,275	1,179,275	-	1,214,425
Contingency	20,000	-	20,000	-
Total Expenditures	2,109,390	2,079,848	29,542	2,080,182
Changes in Fund Balance	\$ 61,873	105,024	\$ 43,151	198,160
Fund Balance, Beginning		1,819,392		1,621,232
Fund Balance, Ending		\$ 1,924,416		\$ 1,819,392

See the accompanying Independent Auditors' Report

CITY OF SHERIDAN, COLORADO
BUDGETARY COMPARISON SCHEDULE
STORM WATER FUND – NON-GAAP BASIS
YEAR ENDED DECEMBER 31, 2024
With Comparative Totals for Year Ended December 31, 2023

	2024			2023
	Original and Final Budget	Actual	Variance With Final Budget	Actual
<u>Revenue</u>				
User changes and fees	\$ 142,788	\$ 149,283	\$ 6,495	\$ 132,972
Interest income	1,000	1,677	677	1,566
Total Operating Revenues	143,788	150,960	7,172	134,538
<u>Operating Expenses</u>				
Stormwater operations	464,664	345,367	119,297	332,528
Changes in Net Position	\$ (320,876)	(194,407)	\$ 126,469	(197,990)
Net Position, Beginning		6,363,121		6,561,111
Net Position, Ending		\$ 6,168,714		\$ 6,363,121

See the accompanying Independent Auditors' Report

COMPLIANCE SECTION

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

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO YEAR ENDING (mm/yy): 12/2024
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This Information From The Records Of: City of Sheridan	Prepared By: Teresa Adler tadler@ci.sheridan.co.us
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I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. EXPENDITURES FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 409,563.00
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 237,283.43
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ 21,058.71
2. General fund appropriations	\$ 1,986,130.29	b. Snow and ice removal	\$ 37,287.58
3. Other local imposts (from page 2)	\$ 2,048,423.70	c. Other	\$ 185,617.94
4. Miscellaneous local receipts (from page 2)	\$ -	d. Total (a. through c.)	\$ 243,964.23
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 839,899.51
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 1,730,710.17
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	\$ 1,179,275.00
7. Total (1 through 6)	\$ 4,034,553.99	b. Redemption	\$ 880,000.00
B. Private Contributions		c. Total (a. + b.)	\$ 2,059,275.00
C. Receipts from State government (from page 2)	\$ 208,276.54	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 4,242,830.53	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ 2,059,275.00
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 3,789,985.17

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	\$ 25,395,000.00		\$ 880,000.00	\$ 24,515,000.00
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
	\$ 1,819,391.41	\$ 4,242,830.53	\$ 3,789,985.17	\$ 2,272,236.77	\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
 YEAR ENDING (mm/yy):
 12/2024

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 Assesments	\$ 1,907,033.00	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		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	\$ 141,390.70	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 141,390.70	h. Other	
c. Total (a. + b.)	\$ 2,048,423.70	i. Total (a. through h.)	\$ -
<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.)	\$ 187,364.97	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	\$ 20,911.57	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ 20,911.57	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 208,276.54	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		\$ 409,563.00	\$ 409,563.00
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 409,563.00	\$ 409,563.00
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 409,563.00	\$ 409,563.00

(Carry forward to page 1)

Notes and Comments:

CITY OF SHERIDAN

CONTINUING DISCLOSURE

December 31, 2024

TABLE II (Series 2016 & 2017)

History of City's Mill Levy

<u>Levy/Collection Year</u>	<u>General Fund</u>	<u>Bond Account¹</u>	<u>Abatements</u>	<u>Total Mill Levy</u>
2018/2019	5.974	17.288	0.077	23.339
2019/2020	5.974	14.168	0.582	20.724
2020/2021	5.974	14.462	0.168	20.604
2021/2022	5.974	12.447	0.092	18.513
2022/2023	5.974	12.795	0.380	19.149
2023/2024	5.974	10.431	0.198	16.603

¹ A separate account used to pay the principal of and interest on the City's general obligation bonds.

Source: Arapahoe County Assessor's Office

TABLE III (Series 2016 & 2017)

Historical of City's Assessed Valuation

<u>Levy/Collection Year</u>	<u>Gross Assessed Valuation</u>	<u>Tax Increment Valuation¹</u>	<u>Net Assessed Valuation</u>	<u>Percent Change</u>
2018/2019	143,825,021	31,185,295	112,639,726	
2019/2020	168,649,120	32,019,450	136,629,670	21.30%
2020/2021	166,766,748	32,735,192	134,031,556	-1.90%
2021/2022	191,674,708	35,824,788	155,849,920	16.28%
2022/2023	187,955,744	36,236,260	151,719,484	-2.65%
2023/2024	227,479,870	41,392,279	186,087,591	22.65%

¹ The City does not receive property revenue from incremental assessed valuation in excess of "base" valuation in property tax increment areas.

Source: Arapahoe County Assessor's Office

CITY OF SHERIDAN

CONTINUING DISCLOSURE

December 31, 2024

TABLE V (Series 2016 & 2017)
Property Tax Collections for the City

<u>Levy/Collection Year</u>	<u>Total Taxes Levied</u>	<u>Current Taxes Collected¹</u>	<u>Percent of Levy Collected</u>
2018/2019	2,685,782	2,683,959	100%
2019/2020	2,774,949	2,745,975	99%
2020/2021	2,766,411	2,752,010	99%
2021/2022	2,885,250	2,828,251	98%
2022/2023	2,905,276	2,910,156	100%
2023/2024	3,089,612	3,096,280	100%

¹ Figures include current and delinquent tax collections, as well as penalties thereon.

The Arapahoe County Treasurer fees have not been deducted/

Source: The City of Sheridan

CITY OF SHERIDAN

CONTINUING DISCLOSURE

December 31, 2024

**TABLE VIII (Series 2016 & 2017)
History of General Fund Revenues, Expenditures and Changes in Fund Balances**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
REVENUES					
Taxes	\$ 7,976,478	\$ 8,453,990	\$ 8,787,625	\$ 9,658,237	\$ 9,532,579
Licenses	427,135	412,652	443,534	401,912	428,024
Intergovernmental	843,847	95,996	1,665,543	194,697	242,637
Charges for services	248,759	235,252	291,602	233,227	286,693
Fines and forfeitures	1,212,487	762,323	679,643	944,703	982,127
Investment Earnings	39,921	5,394	157,055	494,622	566,867
Other income	1,052,255	1,137,978	1,199,189	1,499,965	1,471,736
Total Revenues	<u>11,800,882</u>	<u>11,103,585</u>	<u>13,224,191</u>	<u>13,427,363</u>	<u>13,510,663</u>
EXPENDITURES					
General government					
General government	712,296	793,456	1,085,005	1,500,907	1,196,812
City Clerk	171,104	176,622	300,372	231,867	238,174
Victims advocate	105,039	112,260	115,001	130,768	88,168
Municipal court	282,556	319,766	335,176	298,204	337,662
Legislative	212,145	230,686	180,988	230,688	220,987
Public Safety					
Police	4,803,896	5,308,559	5,374,215	5,518,581	6,388,865
Fire	2,148,634	2,196,978	2,262,887	2,447,544	2,353,404
Public works	892,830	825,544	1,073,830	1,075,712	1,166,477
Community Development	383,997	453,100	776,621	629,082	737,735
Non-departmental	1,247,950	551,010	588,518	610,665	666,450
Total Expenditures	<u>10,960,447</u>	<u>10,967,981</u>	<u>12,092,613</u>	<u>12,674,018</u>	<u>13,394,734</u>
Excess (Deficiency) of revenues over (under) expenditures	840,435	135,604	1,131,578	753,345	115,929
Other financing sources (uses)					
Transfers in	1,192,680	1,252,273	1,297,370	1,564,536	1,719,612
Transfers out	(789,406)	(607,446)	(609,148)	(565,727)	(1,659,249)
Sale of assets	-	3,255	4,244	14,590	-
Total	<u>403,274</u>	<u>648,082</u>	<u>692,466</u>	<u>1,013,399</u>	<u>60,363</u>
Changes in fund balance	1,243,709	783,686	1,824,044	1,766,744	176,292
Beginning fund balance	6,940,775	8,184,484	8,968,170	10,792,214	12,558,958
Ending Fund balance	<u>\$ 8,184,484</u>	<u>\$ 8,968,170</u>	<u>\$ 10,792,214</u>	<u>\$ 12,558,958</u>	<u>\$ 12,735,250</u>

Source: City's audited financial statements for years ended December 31, 2020 - 2024