

CITY OF CHERRY HILLS VILLAGE, COLORADO

BASIC FINANCIAL STATEMENTS

December 31, 2022

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FINANCIAL SECTION



JOHN CUTLER & ASSOCIATES

Honorable Mayor and Members of the City Council
City of Cherry Hills Village
Cherry Hills Village, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cherry Hills Village (the "City") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cherry Hills Village as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Cherry Hills Village, and to meet our 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 the 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.

Auditor's 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 auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 of 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 of 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages a - i and the budgetary comparison schedule for the general and major special revenue funds on pages 28-29 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 (GASB) 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 and Other 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 fund financial statements and schedules and the local highway finance report as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

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

John Luther & Associates, LLC

June 13, 2023

Management's Discussion and Analysis

As management of the City of Cherry Hills Village, we offer this narrative overview and analysis of the financial activities of the City of Cherry Hills Village for the fiscal year that ended December 31, 2022. Please read it in conjunction with the Auditors' Report at the front of this report and the City's financial statements, which follow this section.

Financial Highlights

- The assets of the City of Cherry Hills Village exceeded its liabilities at the close of fiscal year 2022 by \$51.4 million (net position). Of this amount, \$27.0 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- Compared to 2021, total Governmental Fund revenues (net of Other Financing Sources) increased by \$1.0 million or 7%. This increase is attributable to an increase in Sales and Use Taxes of \$.5 million or 13% and Interest revenues increasing by \$.5 million or 479%. Governmental Fund expenditures were roughly equal to 2021.
- At the close of fiscal year 2022, the City of Cherry Hills Village governmental funds reported combined ending fund balances of \$29.2 million, an increase of \$4.7 million in comparison with the prior year. Approximately 73% or \$21.3 million is available for spending at the government's discretion (unassigned fund balance).
- At the end of the fiscal year 2022, the fund balance for the General Fund was \$22.5 million, of which \$690,599, was committed for capital projects.
- General Fund actual revenues exceeded budgeted revenue by \$3.2 million or 41% for the fiscal year 2022 and actual expenditures were \$.1 million or 8% less than budgeted expenditures.

Overview of the Financial Statements

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

Government-wide financial statements. The government-wide financial statements report information on all activities of the City. The statement of net position includes all the City's assets and liabilities. All the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

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

The *statement of activities* presents information showing how the City of Cherry Hills Village net position changed during fiscal year 2022. 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).

The governmental activities of the City include general government, judicial, data processing, community development, Village Crier, public safety, public works and parks and recreation.

Fund financial statements. The fund financial statements provide more detailed information about the City's most significant funds – not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and bond covenants.
- The City Council establishes other funds to control and manage money for particular purposes (like the Parks and Recreation Fund) or to show that it is properly using certain taxes and grants (like the Conservation Trust Fund and the Arapahoe County Open Space Fund).

Governmental funds – All of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information at the bottom of the governmental funds statement is provided that explains the relationship between them.

Proprietary Funds – The City of Cherry Hills Village maintains one type of proprietary fund. *Enterprise Funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its Water and Sewer Fund. This fund is considered to be a major fund of the City of Cherry Hills Village.

Financial Analysis of the City as a Whole

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Cherry Hills Village, assets exceeded liabilities by \$51,366,510 at the close of the 2022 fiscal year.

A portion of the City of Cherry Hills Village's net position (42% or \$21.3 million) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment). The City of Cherry Hills Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the City of Cherry Hills Village net position (6% or \$3.1 million) represents resources that are subject to legal restrictions on how they may be used. The remaining balance of unrestricted net position (52% or \$27.0 million) may be used to meet the City's obligations to citizens and creditors.

At the end of the current fiscal year, the City of Cherry Hills Village can report positive balances in net position for the City as a whole, as well as for its governmental activities as a whole. The same situation held true for the prior fiscal year.

City of Cherry Hills Village Net Position

	Governmental Activities	Governmental Activities	Business-Type Activities	Business- Type Activities
	2022	2021	2022	2021
Assets	\$35,823,318	\$30,541,649	\$857,216	\$904,221
Capital assets	\$32,061,040	\$32,278,640	\$35,753	\$59,365
Total assets	\$67,884,358	\$62,820,289	\$892,969	\$963,586
Liabilities				
Long-term liabilities outstanding	\$10,774,770	\$10,766,694	\$0	\$0
Other liabilities	\$854,717	\$696,004	\$430	\$150,688
Total liabilities	\$11,629,487	\$11,462,698	\$430	\$150,688
Deferred Inflows of Property Taxes	\$5,780,900	\$5,746,835	\$0	\$0
Net Position:				
Net Investment in Capital Assets (net of Long-term Debt)	\$21,286,270	\$21,176,946	\$35,753	\$59,365
Restricted	\$3,076,072	\$2,492,543	\$0	\$0
Unrestricted	\$26,111,629	\$21,941,267	\$856,786	\$753,533
Total Net Position	\$50,473,971	\$45,610,756	\$892,539	\$812,898

Changes in Net Position

Governmental activities

- Governmental-type activities increased the City's total net position by \$4.8 million from 2021.
- The increase in total net position is due to increased current assets such as cash and investments and accounts receivable.

Business Type Activities

- Business-type activities increased the City's total net position by \$79,641 from 2021.
- The decrease is primarily due to decreased current liabilities.

Deferred Inflows of Resources

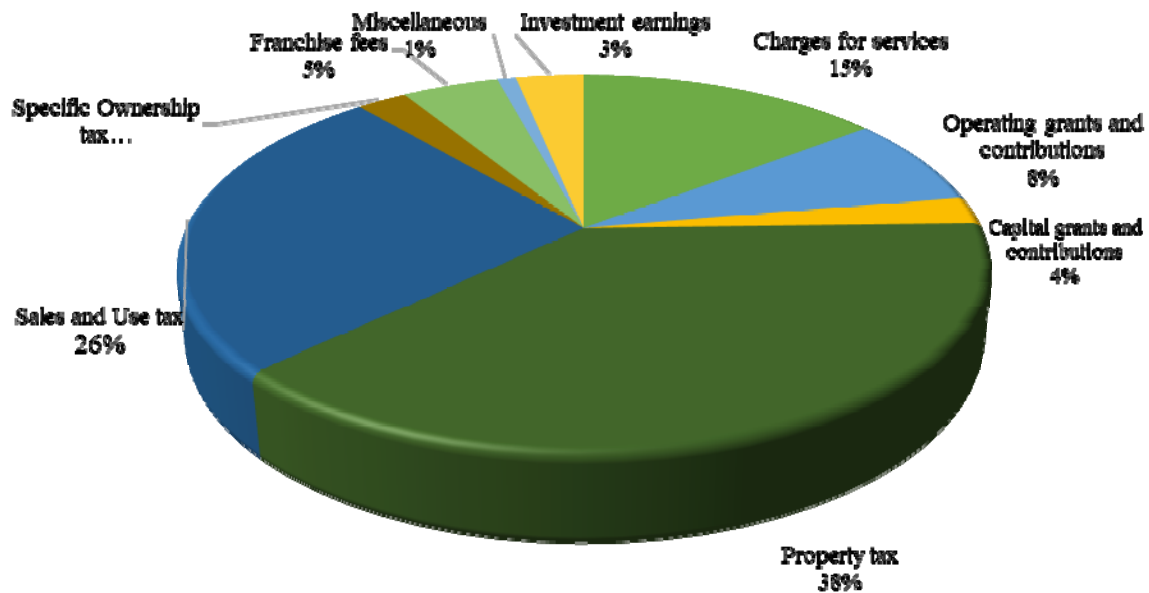
The deferred inflows of resources are recognized by the City as a result of property taxes levied in 2022 to finance the subsequent year's budget.

City of Cherry Hills Village Changes in Net Position

	Governmental Activities 2022	Governmental Activities 2021	Business-type Activities 2022	Business-type Activities 2021
Revenues				
Program Revenues				
Charges for services	\$2,192,866	\$2,286,130	\$63,927	\$83,420
Operating grants and contributions	1,153,911	1,172,265	-	-
Capital grants and contributions	351,571	457,654	-	5,550
General Revenues				
Property taxes	5,764,678	5,401,954	-	-
Specific Ownership taxes	362,809	371,854	-	-
Sales and Use taxes	3,899,418	3,448,582	-	-
Franchise fees	700,614	597,032	-	-
Investment earnings	489,442	10,025	15,714	441
Miscellaneous	135,093	283,006	-	617,859
Total revenues	\$15,050,402	\$14,028,502	\$79,641	\$707,270
Expenses				
General Government	\$2,135,653	\$1,330,654	\$0	\$0
Judicial	97,355	109,063	-	-
Community Development	571,625	587,617	-	-
Village Crier	38,257	35,518	-	-
Public Safety	3,648,850	3,746,955	-	-
Public Works	991,189	1,109,639	-	-
Parks and Recreation	2,265,693	3,017,294	-	-
Other	438,565	411,353	-	1,246,484
Total expenses	\$10,187,187	\$10,348,093	\$0	\$1,246,484
Change in net position	\$4,863,215	\$3,680,409	\$79,641	-\$539,214
Net position, beginning balance	\$45,610,756	\$41,930,347	\$812,898	\$1,352,112
Net position, ending balance	\$50,473,971	\$45,610,756	\$892,539	\$812,898

Financial Analysis of the City's Funds

Revenue by Source – Governmental Activities



The City of Cherry Hills Village uses fund accounting to segregate resources for the purpose of a specific activity or attaining certain objectives in accordance with regulations, restrictions, or limitations on the use of the funds.

Governmental Funds

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

As of the end of fiscal year 2022, the City of Cherry Hills Village governmental funds reported combined ending fund balances of \$29.2 million, an increase of \$4.7 million in comparison with the prior year. Approximately 73% of this total amount (\$21.3 million) constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed, restricted or is nonspendable.

The General Fund is the chief operating fund of the City of Cherry Hills Village (and is combined with the Capital Fund for audit purposes). At the end of fiscal year 2022, unassigned fund balance of the General Fund, combined with the Capital Fund (sub-fund), was \$21.3 million while total fund balance reached \$22.5 million.

As a measure of the Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 276% of total General Fund/Capital Fund expenditures, while total fund balance represents 291% of that same amount.

The Parks and Recreation Fund began receiving revenues in 2006. This fund had a balance of \$2,614,546 at the end of 2022 and will continue to receive property tax revenue as ordered by the South Suburban exclusion.

In 2017 a Capital Projects Fund was created to account for the Certificate of Participation (COP) proceeds and expenditures for the new Public Works Facility, the new City Hall and the improvements to John Meade Park/Alan Hutto Memorial Commons. This fund had a positive balance of \$690,623 at the end of 2022. This fund will likely dissolve in 2023 and the fund balance will likely be used for additional project costs or the COP debt service.

Proprietary Fund

The Water and Sewer Fund accounts for all revenue and expenses associated with the consolidation and operations of water and sewer utilities under the auspices of the City. In 2020, sewer repairs and maintenance fees of \$430 per year were charged to residents under the Englewood total service agreement. Expenditures exceed revenues by \$79,641 in this fund 2022.

General Fund Budgetary Highlights

The General Fund revenues (net of Operating Transfers) were over budget by \$3,171,957 mainly due to Sales and Use Taxes, Building Permits, and Interest Income. The General Fund expenditures were under budget by \$632,476. The General Fund balance increased by \$3,222,159 and had an ending fund balance of \$22,504,925.

Capital Asset and Debt Administration

Capital assets. The City of Cherry Hills Village investment in capital assets as of December 31, 2022, amounts to \$32.1 million. This investment in capital assets includes land, buildings, vehicles, equipment, art and sewer lines.

Capital asset events during the 2022 fiscal year included the following:

- New body worn cameras for police officers for \$73,200 and fully grant funded.
- One new police vehicle for \$44,973.
- Parks Division equipment and infrastructure for \$131,974.
- Chip seal replacement in the amount of \$298,425.

City of Cherry Hills Village's Capital Assets
(net of accumulated depreciation)

	2022	2021
Land	\$18,912,391	\$18,912,391
Buildings and Improvements	\$11,959,260	\$12,244,080
Software	\$119,000	\$119,000
Equipment	\$851,090	\$783,870
Art	\$219,299	\$219,299
Sewer Lines	\$35,753	\$59,365
Total Capital Assets	\$32,096,793	\$32,338,005

Long-term debt. At the end of the 2022 fiscal year, the City of Cherry Hills Village had total long-term debt outstanding of \$10,774,770. This total debt represents accrued compensated absences (\$261,939), Certificates of Participation (\$10,053,349), Charlou Park 3rd Filing General Improvement District bond payable (\$277,421), and Southmoor/Hudson Parkway Filing General Improvement District bond payable (\$182,061).

Economic Factors, Next Year's Budget and Tax Rates

The nation's Gross Domestic Product (GDP) grew by 5.9% in 2021, the fastest pace in nearly four decades. In 2022, growth will slow to an estimated 1.8% as the economy faced a number of headwinds: high inflation, rising interest rates, a disrupted supply chain, and worker shortage. While in 2023 most of these headwinds appear to be easing, the result will be slow growth, according to the 2023 Colorado Business Economic Outlook published by the Leed's School of Business, University of Colorado Business Research Division.

Rising national interest rates may affect the City's building activity and major revenue source derived from building and plan review/land use fees. These fees are approximately 15% of the General Fund revenues and, after dropping considerably in 2020 during the pandemic, have strongly rebounded in 2021 and 2022. The city is anticipating the building permits issued in 2023 to be roughly equal to the volume in 2022. The rising interest rates have positively impacted the City's investment portfolio, while will result in \$262,300 additional interest income.

The City's main revenue source is property taxes which are 47% of total city revenues (excluding operating transfers). Due to the City's above average home values and unique high-end housing market, these revenues have provided a stable revenue source for providing city services. In 2023 which is a non-reassessment year for the County, property taxes are roughly equal to 2022.

For 2022, the city's retail sales taxes are projected at \$1.8 million or 20% of the General Fund revenues. The December 2022 economic report from the State's Legislative Council staff, reports that state sales tax revenues were close to 20% higher in FY 2021-22 largely due to the economic recovery from the pandemic, excess household savings, and high inflation. For FY 2022-23, the state is forecasting slower sales tax receipts at close to 6% higher than the previous year. The City's 2023 sales tax projection will be discussed in more detail later in this Budget Message.

In total, the 2023 General Fund revenues are estimated at close to 11% above the 2022 Adopted Budget:

Revenue Source	2022 Adopted	2023 Adopted	\$ Change	% Change
Property Taxes	\$2,849,607	\$2,843,946	(\$5,661)	(0.2)
Motor Vehicle Use Taxes	1,000,000	1,200,000	200,000	20.0
Retail Sales Taxes	1,100,000	1,144,000	44,000	4.0
Building Permits	750,000	900,000	150,000	20.0
Electric Utility Franchise	360,000	420,000	60,000	16.7
Municipal Court Fees	280,000	225,000	(55,000)	(19.6)
Other Revenues	1,314,689	1,750,260	(882,953)	5.1
Total Revenue Sources	\$7,654,296	\$8,483,206	\$828,910	10.8

For the General Fund departments, this budget includes these initiatives: a new police officer wellness program, a new building permit portal to enhance customer service, funding to replace an antiquated telephone system to improve customer service, new budget software to better communicate budget characteristics and priorities to stakeholders, increased school safety by adding one School Resource Officer fully funded by St. Mary's Academy School.

In the Fall of 2022, the City Council put forth a ballot measure to the residents asking for a sales tax code change that would require deliveries into the City be taxable. The City of Cherry Hills Village is one of the few cities in the United States that doesn't charge sales tax for deliveries (remote) sales transactions. When the 2023 City Budget was proposed, the election results were not yet finalized so the budget includes \$1.1 million for retail sales tax. The ballot was approved, and the city code will soon be updated to match the will of the people. This will enable more accurate long-term financial planning as sales tax revenues will be more defined. At the February 2023 City Council retreat, one discussion item will be reviewing an updated Long-Range Financial Forecast, along with a proposed Capital Improvement Program (CIP).

The City of Cherry Hills Village sales tax rate remains at 3.5%, motor vehicle use tax at 3.0%, and the mill levy is 14.722.

Requests for Information

This financial report is designed to provide a general overview of the City of Cherry Hills Village's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Doug Farmen, CPA
Director of Finance and Administration
(303) 783-2730
dfarmen@cherryhillsvillage.com

or

City of Cherry Hills Village
2450 East Quincy Avenue
Cherry Hills Village, Colorado 80113

BASIC FINANCIAL STATEMENTS

CITY OF CHERRY HILLS VILLAGE, COLORADO

STATEMENT OF NET POSITION

As of December 31, 2022

	GOVERNMENTAL	BUSINESS TYPE	TOTALS	
	ACTIVITIES	ACTIVITIES	2022	2021
ASSETS				
Cash and Investments	\$ 26,782,940	\$ 841,458	\$ 27,624,398	\$ 23,541,194
Restricted Cash and Investments	2,194,638	-	2,194,638	1,477,206
Receivables				
Property Taxes	5,735,421	-	5,735,421	5,783,371
Sales and Other	178,140	-	178,140	231,008
Accounts Receivable	907,406	15,758	923,164	413,091
Prepaid Items	24,773	-	24,773	-
Capital Assets, Not Depreciated	18,912,391	-	18,912,391	18,912,391
Capital Assets, Depreciated Net of Accumulated Depreciation	13,148,649	35,753	13,184,402	13,425,614
TOTAL ASSETS	67,884,358	892,969	68,777,327	63,783,875
LIABILITIES				
Accounts Payable	764,168	-	764,168	440,199
Accrued Expenses	55,355	-	55,355	-
Unearned Revenue	-	-	-	36,761
Escrow Deposits	-	430	430	-
Accrued Interest Payable	35,194	-	35,194	34,732
Noncurrent Liabilities				
Due within One Year	356,080	-	356,080	335,000
Due in More Than One Year	10,418,690	-	10,418,690	10,766,694
TOTAL LIABILITIES	11,629,487	430	11,629,917	11,613,386
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	5,780,900	-	5,780,900	5,746,835
NET POSITION				
Net Investment in Capital Assets	21,286,270	35,753	21,322,023	21,236,311
Restricted for Parks and Recreation	2,614,546	-	2,614,546	1,951,417
Restricted for Emergencies	420,000	-	420,000	499,600
Restricted for Public Art	41,526	-	41,526	41,526
Unrestricted	26,111,629	856,786	26,968,415	22,694,800
TOTAL NET POSITION	\$ 50,473,971	\$ 892,539	\$ 51,366,510	\$ 46,423,654

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

CITY OF CHERRY HILLS VILLAGE, COLORADO

STATEMENT OF ACTIVITIES

Year Ended December 31, 2022

<u>FUNCTIONS/PROGRAMS</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>		
		<u>CHARGES FOR</u>	<u>OPERATING</u>	<u>CAPITAL</u>
		<u>SERVICES</u>	<u>GRANTS AND</u>	<u>GRANTS AND</u>
			<u>CONTRIBUTIONS</u>	<u>CONTRIBUTIONS</u>
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 2,135,653	\$ -	\$ 835,361	\$ -
Judicial	97,355	190,225	-	-
Community Development	571,625	1,925,050	-	-
Village Crier	38,257	15,030	-	-
Public Safety	3,648,850	62,561	-	-
Public Works	991,189	-	318,550	-
Parks and Recreation	2,265,693	-	-	351,571
Interest on Long Term Debt	438,565	-	-	-
Total Governmental Activities	10,187,187	2,192,866	1,153,911	351,571
Business-Type Activities				
Water and Sewer	41,593	83,420	-	22,100
Total Business-Type Activities	41,593	83,420	-	22,100
Total Primary Government	<u>\$ 10,228,780</u>	<u>\$ 2,276,286</u>	<u>\$ 1,153,911</u>	<u>\$ 373,671</u>

GENERAL REVENUES

Property Taxes
Specific Ownership Taxes
Sales and Use Taxes
Franchise Fees
Interest
Miscellaneous

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION Beginning

NET POSITION Ending

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

NET (EXPENSE) REVENUE AND
CHANGE IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	
		2022	2021
\$ (1,300,292)	\$ -	\$ (1,300,292)	\$ (495,293)
92,870	-	92,870	178,490
1,353,425	-	1,353,425	1,329,681
(23,227)	-	(23,227)	(19,263)
(3,586,289)	-	(3,586,289)	(3,681,931)
(672,639)	-	(672,639)	(772,735)
(1,914,122)	-	(1,914,122)	(2,559,640)
(438,565)	-	(438,565)	(411,353)
(6,488,839)	-	(6,488,839)	(6,432,044)
-	63,927	63,927	(1,157,514)
-	63,927	63,927	(1,157,514)
(6,488,839)	63,927	(6,424,912)	(7,589,558)
5,764,678	-	5,764,678	5,401,954
362,809	-	362,809	371,854
3,899,418	-	3,899,418	3,448,582
700,614	-	700,614	597,032
489,442	15,714	505,156	10,466
135,093	-	135,093	900,865
11,352,054	15,714	11,367,768	10,730,753
4,863,215	79,641	4,942,856	3,141,195
45,610,756	812,898	46,423,654	43,282,459
<u>\$ 50,473,971</u>	<u>\$ 892,539</u>	<u>\$ 51,366,510</u>	<u>\$ 46,423,654</u>

CITY OF CHERRY HILLS VILLAGE, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2022

	General Fund	Parks and Recreation Fund	Other Governmental Funds
ASSETS			
Cash and Investments	\$ 21,851,045	\$ 2,746,840	\$ 2,185,055
Restricted Cash and Investments	-	-	2,194,638
Due From Other Funds	80,701	-	224,319
Property Taxes Receivable	2,843,946	2,891,475	-
Accounts Receivable	556,073	-	46,313
Other Receivables	178,140	-	-
Prepaid Items	24,773	-	-
TOTAL ASSETS	<u>\$ 25,534,678</u>	<u>\$ 5,638,315</u>	<u>\$ 4,650,325</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY			
LIABILITIES			
Accounts Payable	\$ 144,167	\$ 118,579	\$ 196,402
Retainage Payable	-	-	-
Accrued Expenses	41,640	13,715	-
Due To Other Funds	-	-	305,020
Unearned Revenue	-	-	-
Escrow Deposits	-	-	-
TOTAL LIABILITIES	<u>185,807</u>	<u>132,294</u>	<u>501,422</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax Revenue	<u>2,843,946</u>	<u>2,891,475</u>	<u>45,479</u>
FUND EQUITY			
Nonspendable	24,773	-	-
Restricted	461,526	-	4,103,424
Committed	690,599	2,614,546	-
Unassigned	<u>21,328,027</u>	<u>-</u>	<u>-</u>
TOTAL FUND EQUITY	<u>22,504,925</u>	<u>2,614,546</u>	<u>4,103,424</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY	<u>\$ 25,534,678</u>	<u>\$ 5,638,315</u>	<u>\$ 4,650,325</u>

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.

Long-term liabilities are not due and payable in the current period and are not reported in the funds. These include COPs Payable (\$9,590,000), Premium on COPs Payable (\$463,349), Notes Payable (\$459,482) accrued interest payable (\$35,194), and Compensated Absences (\$261,939).

Net position of governmental activities

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

TOTAL
GOVERNMENTAL
FUNDS

2022	2021
\$ 26,782,940	\$ 22,637,511
2,194,638	1,477,206
305,020	305,020
5,735,421	5,783,371
602,386	412,553
178,140	231,008
24,773	-
<u>\$ 35,823,318</u>	<u>\$ 30,846,669</u>

\$ 459,148	\$ 289,511
-	-
55,355	-
305,020	305,020
-	36,761
-	-
<u>819,523</u>	<u>631,292</u>

<u>5,780,900</u>	<u>5,746,835</u>
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24,773	-
4,564,950	3,775,485
3,305,145	2,642,016
21,328,027	18,051,041
<u>29,222,895</u>	<u>24,468,542</u>

32,061,040	32,278,640
------------	------------

<u>(10,809,964)</u>	<u>(11,136,426)</u>
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<u>\$ 50,473,971</u>	<u>\$ 45,610,756</u>
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CITY OF CHERRY HILLS VILLAGE, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2022

	General Fund	Parks and Recreation Fund	Other Governmental Funds
REVENUES			
Property Taxes	\$ 2,805,771	\$ 2,920,119	\$ 38,788
Specific Ownership Taxes	362,809	-	-
Sales and Use Taxes	3,899,418	-	-
Franchise Fees	700,614	-	-
Licenses and Permits	1,925,050	-	-
Intergovernmental	354,756	-	1,150,726
Charges for Services	252,786	-	-
Miscellaneous	112,495	25,042	12,586
Interest	412,554	38,560	38,328
	<u>10,826,253</u>	<u>2,983,721</u>	<u>1,240,428</u>
TOTAL REVENUES			
EXPENDITURES			
Current			
General Government	1,710,532	-	418,255
Judicial	97,355	-	-
Community Development	571,625	-	-
Village Crier	38,257	-	-
Public Safety	3,648,850	-	-
Public Works	991,189	-	-
Parks and Recreation	-	1,780,785	36,580
Debt Service			
Principal	146,250	178,750	77,000
Interest	187,431	229,083	21,589
Capital Outlay	344,579	-	-
	<u>7,736,068</u>	<u>2,188,618</u>	<u>553,424</u>
TOTAL EXPENDITURES			
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,090,185</u>	<u>795,103</u>	<u>687,004</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from the Issuance of Debt	-	-	182,061
Operating Transfers	131,974	(131,974)	-
	<u>131,974</u>	<u>(131,974)</u>	<u>182,061</u>
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	3,222,159	663,129	869,065
FUND BALANCES, Beginning	<u>19,282,766</u>	<u>1,951,417</u>	<u>3,234,359</u>
FUND BALANCES, Ending	<u>\$ 22,504,925</u>	<u>\$ 2,614,546</u>	<u>\$ 4,103,424</u>

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

TOTAL
GOVERNMENTAL
FUNDS

2022	2021
\$ 5,764,678	\$ 5,401,954
362,809	371,854
3,899,418	3,448,582
700,614	597,032
1,925,050	1,917,298
1,505,482	1,629,919
252,786	352,577
150,123	299,261
489,442	10,025
<u>15,050,402</u>	<u>14,028,502</u>
2,128,787	1,318,989
97,355	109,063
571,625	587,617
38,257	35,518
3,648,850	3,606,592
991,189	962,717
1,817,365	2,426,575
402,000	325,000
438,103	445,740
344,579	735,212
<u>10,478,110</u>	<u>10,553,023</u>
<u>4,572,292</u>	<u>3,475,479</u>
182,061	-
-	-
<u>182,061</u>	-
4,754,353	3,475,479
<u>24,468,542</u>	<u>20,993,063</u>
<u>\$ 29,222,895</u>	<u>\$ 24,468,542</u>

CITY OF CHERRY HILLS VILLAGE, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2022

Amounts Reported for Governmental Activities in the Statement of Activities
are Different Because:

Net Changes in Fund Balances - Total Governmental Funds	\$ 4,754,353
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$458,430) exceeded capital outlay \$344,579, and disposal of asset of (\$103,749) in the current period.	(217,600)
Debt proceeds are reported as financing sources in the governmental funds and increase fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities in the statement of net position and does not effect the statement of activities.	(182,061)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. These include debt principal payments of \$402,000, amortization of premium \$24,387, change in accrued compensated absences of \$82,598, and change in accrued interest of (\$462).	<u>508,523</u>
Change in Net Position of Governmental Activities	<u>\$ 4,863,215</u>

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

CITY OF CHERRY HILLS VILLAGE, COLORADO

STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE
As of December 31, 2022

ASSETS	2022	2021
Current Assets		
Cash and Investments	\$ 841,458	\$ 903,683
Accounts Receivable	15,758	538
Total Current Assets	857,216	904,221
Noncurrent Assets		
Capital Assets, net of accumulated depreciation	35,753	59,365
TOTAL ASSETS	892,969	963,586
LIABILITIES		
Current Liabilities		
Accounts Payable	-	150,688
Unearned Revenues	430	-
TOTAL LIABILITIES	430	150,688
NET POSITION		
Investment in Capital Assets	35,753	59,365
Unrestricted	856,786	753,533
TOTAL NET POSITION	\$ 892,539	\$ 812,898

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

CITY OF CHERRY HILLS VILLAGE, COLORADO

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE
Year Ended December 31, 2022

	<u>2022</u>	<u>2021</u>
OPERATING REVENUES		
Charges for Services	<u>\$ 83,420</u>	<u>\$ 83,420</u>
TOTAL OPERATING REVENUES	<u>83,420</u>	<u>83,420</u>
OPERATING EXPENSES		
Operations	15,148	1,220,298
General and Administrative	2,833	2,574
Depreciation	<u>23,612</u>	<u>23,612</u>
TOTAL OPERATING EXPENSES	<u>41,593</u>	<u>1,246,484</u>
OPERATING INCOME	<u>41,827</u>	<u>(1,163,064)</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	15,714	441
Miscellaneous	<u>-</u>	<u>617,859</u>
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>15,714</u>	<u>618,300</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	<u>57,541</u>	<u>(544,764)</u>
Capital Contributions- Tap Fees	<u>22,100</u>	<u>5,550</u>
CHANGE IN NET POSITION	79,641	(539,214)
NET POSITION Beginning	<u>812,898</u>	<u>1,352,112</u>
NET POSITION, Ending	<u><u>\$ 892,539</u></u>	<u><u>\$ 812,898</u></u>

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

CITY OF CHERRY HILLS VILLAGE, COLORADO

STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE

Year Ended December 31, 2022

Increase (Decrease) in Cash and Cash Equivalents

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 68,200	\$ 84,924
Cash Paid to Suppliers	(168,239)	(1,590,081)
Net Cash Provided (Used) by Operating Activities	(100,039)	(1,505,157)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Contributions	22,100	5,550
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	15,714	441
CASH FLOWS FROM NON-OPERATING ACTIVITIES		
Miscellaneous	-	617,859
Net Decrease in Cash and Cash Equivalents	(62,225)	(881,307)
CASH AND CASH EQUIVALENTS, Beginning	903,683	1,784,990
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 841,458</u>	<u>\$ 903,683</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	\$ 41,827	\$ (1,163,064)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities		
Depreciation	23,612	23,612
Changes in Assets and Liabilities		
Accounts Receivable	(15,220)	1,504
Accounts Payable	(150,688)	150,628
Unearned Revenues	430	(517,837)
Total Adjustments	(141,866)	(342,093)
Net Cash Provided by Operating Activities	<u>\$ (100,039)</u>	<u>\$ (1,505,157)</u>

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

CITY OF CHERRY HILLS VILLAGE, COLORADO

STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUND - SPECIAL IMPROVEMENT DISTRICT NO.7
December 31, 2022

	Agency Fund
ASSETS	
Cash and Investments	\$ 19,893
Accounts Receivable	<u>7,363</u>
TOTAL ASSETS	<u><u>\$ 27,256</u></u>
LIABILITIES	
Due to Property Owners	<u>\$ -</u>
TOTAL LIABILITIES	<u><u>\$ -</u></u>

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

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Cherry Hills Village, Colorado (the “City”) is a continuation of the City of Cherry Hills Village after adoption of its Home Rule Charter in 1966. The City is governed by a Mayor and six-member council elected by the residents.

The accounting policies of the City of Cherry Hills Village, Colorado conform to generally accepted accounting principles as applicable to governments. Following is a summary of the more significant policies.

Reporting Entity

In accordance with governmental accounting standards, the City of Cherry Hills Village has considered the possibility of inclusion of additional entities in its basic financial statements.

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 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 to impose specific financial burdens on, the City. The City may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Based on the application of these criteria, the following organization is included in the City’s reporting entity.

Cherry Hills Village Charlou Park 3rd Filing General Improvement District

The Cherry Hills Village Charlou Park 3rd Filing General Improvement District (the “District”) was established by voters in the November 2018 election. On January 19, 2021, City Council passed an Ordinance declaring the District organized. The purpose of the District is to obtain financing to be repaid with property taxes levied by the District. The District is blended into the City’s financial statements as a special revenue fund. City Council serves as the Board of the District and has significant operational responsibility of the component unit.

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 nonfiduciary activities of the City. 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.

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Government-Wide and Fund Financial Statements (Continued)

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 governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when 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.

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

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

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

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. 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 nonoperating revenues and expenses.

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

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 *Parks and Recreation Fund* accounts for allocated property tax revenues for parks and recreation activities.

The City reports the following major proprietary fund:

The *Water Fund* accounts for the financial activities associated with the provision of water services.

Additionally, the City reports the following fund type:

The *Agency Fund* accounts for resources to support the activities of the Special Improvement District No. 7. The City holds all assets in a purely custodial capacity.

Cash and Investments

Cash equivalents include investments with original maturities of three months or less. Investments are recorded at fair value.

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

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

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

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

Buildings and Improvements	50 years
Machinery and Equipment	10-25 years
Vehicles	5-10 years
Infrastructure (Sewer Lines)	25-50 years

Compensated Absences

The City allows its employees to accrue personal time off (PTO). Employees are expected to manage their PTO banks throughout the year, and banks should not exceed 200 hours. Any excess leave accumulated (over 200 hours) at the end of the year shall be subject to forfeiture except where the employee has been denied the opportunity to take vacation time, or where special circumstances exist, and approval to exceed the limits has been authorized by the City Manager. If approved, hours in excess of the 200 hour maximum will be paid at 100% of the employee's regular hourly pay rate during the year in which the PTO was accrued. Upon separation of employment, up to 200 hours of unused PTO are paid out using the employee's regular hourly pay rate. Hours in excess of 200 are paid out at a rate of 50% of the employee's regular hourly pay rate.

These compensated absences are recognized when due in the governmental fund types. A liability has been recorded in the government-wide financial statements for the accrued compensated absences.

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Obligations

In the government-wide financial statements, and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds 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 debt service expenditures.

Deferred Outflows/Inflows of Resources

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

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

Property Taxes

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

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

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable** – This classification includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. At December 31, 2022, the City classifies prepaid expenses as nonspendable fund balances.
- **Restricted** – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The City has classified the following amounts as restricted:
 1. General Fund: Emergency Reserves of \$420,000 are restricted because its use is restricted by State Statute for declared emergencies. In addition, donations in the amount of \$41,526 are restricted for art purchases.
 2. Capital Projects Fund: The fund balance in this fund is restricted for capital expenditures.
 3. Land Donation Fund: The fund balance in this fund is restricted because its use is restricted by donors.
 4. Open Space Fund: The fund balance in this fund is restricted because its use is restricted by vote.
 5. Conservation Trust Fund: The fund balance in this fund is restricted because its use is restricted by State statute.
 6. CHV Charlou Park GID Fund: The fund balance in this fund is restricted as its use is restricted by vote.
 7. ARPA Fund. The fund balance in this fund is restricted for grant expenditures.
 8. Southmoor Hudson GID Fund. The fund balance in this fund is restricted as its use is restricted by vote.
- **Committed** – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Fund Balance Classification

As of December 31, 2022, the City committed \$690,599 of its General Fund fund balance to be used for capital projects. In addition, the City has committed the fund balance in the Park and Recreation Fund to be used for parks and open space projects and maintenance.

- Assigned – This classification includes amounts that are constrained by the City Council intent to be used for specific purposes but are neither restricted nor committed. As of December 31, 2022, the City does not have any assigned fund balances.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The City would typically use restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources.

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, complete comparative data in accordance with generally accepted accounting principles has not been presented since its inclusion would make the financial statements unduly complex and difficult to read.

Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

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

- In October, the City staff 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 31, the budget is legally enacted through passage of a resolution.
- The City Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the City Council.
- Budgets are legally adopted for all funds of the City. Budgets for the General, Capital Projects, and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparison presented for the Enterprise Fund is presented on a non-GAAP budgetary basis. Capital outlay and debt payments are budgeted as expenditures.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the City Council. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

NOTE 3: DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of December 31, 2022 follows:

Petty Cash	\$ 350
Cash Deposits	768,975
Investments	<u>29,049,711</u>
Total	<u>\$ 29,819,036</u>

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Cash and investments are reported in the financial statements as follows:

Governmental Activities - Unrestricted	\$ 26,782,940
Governmental Activities – Restricted	2,194,638
Business-type Activities	<u>841,458</u>
Total	<u>\$ 29,819,036</u>

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. At December 31, 2022, State regulatory commissioners have indicated that all financial institutions holding deposits for the City are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution 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 City has no policy regarding custodial credit risk for deposits.

At December 31, 2022, the City had deposits with financial institutions with a carrying amount of \$768,945. The bank balances with the financial institutions were \$1,075,680. Of these balances, \$407,415 was covered by federal depository insurance and \$668,265 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

Investments

At December 31, 2022, the City had the following investments:

<u>Investment Type</u>	<u>Investment Maturity (Years)</u>		
	Fair Value	Less Than One Year	One to Five Years
Money Market Funds	\$ 178,047	\$ 178,047	\$ -
Local Government Pools	14,275,707	14,275,707	-
U.S. Agency Securities	<u>14,595,957</u>	<u>7,282,773</u>	<u>7,213,184</u>
Total	<u>\$ 29,049,711</u>	<u>\$ 21,836,527</u>	<u>\$ 7,213,184</u>

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Interest Rate Risk

The City has a formal investment policy that limits interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily with durations of no longer than five years, money market mutual funds, or similar investment pools.

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which includes:

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

The above investments are authorized for all funds and fund types used by Colorado municipalities.

Local Government Investment Pools

The City had invested \$367,636 in the Colorado Surplus Asset Fund Trust (CSAFE) an investment vehicle established for local government entities in Colorado pursuant to Title 24, Article 75, Part 7 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. The State Securities Commissioner administers and enforces the requirements of creating and operating the Pools. CSAFE reports its underlying investments at amortized cost and is considered a qualifying external investment pool under GASB Statement 79. CSAFE operates similar to money market funds where each share is equal in value to \$1.00. The fair value of the position in the pools is the same as the value of the pooled shares.

CSAFE is rated AAAM by Standard and Poor's. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities are owned by the pools and held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pools.

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Local Government Investment Pools (Continued)

Investments of the pools comply with state statutes, consisting of U.S. Treasury bills, notes and note strips, repurchase agreements, U.S. Instrumentalities, Commercial Paper, Bank Deposits and Money Market Funds. CSAFE does not have any limitations or restrictions on participant withdrawals.

The City had invested \$13,908,071 in the Colorado Government Liquid Asset Trust (ColoTrust) which has a credit rating of AAAM by Standard and Poor's. ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds and is regulated by the State Securities Commissioner. It operates similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions.

Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities.

ColoTrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables.

Fair Value

The City 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 observable inputs.

At December 31, 2022, the City held investments in U.S. Agency Securities in the amount of \$15,595,957 with maturity dates of less than four years. Given the low risk of this type of investment, the City has not established a policy limiting the amount of investments in this type of security and deems it unnecessary at this time. These investments are valued with Level 1 inputs and are rated AAA+ by Standard and Poor's.

The City invested \$178,047 in a Money Market Mutual Fund. Portfolio investments are assigned a level based upon the observability of the inputs which are significant to the overall valuation. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Fair Value (Continued)

The fair value of investments in money market funds is based on the published net asset values per share of those funds. Money market securities are valued using amortized cost, in accordance with Rule 2a-7 under the 1940 Act. Generally, amortized cost approximates the current fair value of a security, but since the value is not obtained from a quoted price in an active market, such securities held by Prime Series and Government Series are categorized as Level 2.

Restricted Cash and Investments

At December 31, 2022, cash and investments in the amount of \$547,005 is restricted for capital expenditures in the Capital Projects Fund, cash in the amount of \$33,645 is restricted in the CHV Charlou Park GID fund as the debt reserve requirement per the Series 2019 Note agreement, cash in the amount of \$137,697 is restricted in the Southmoor Hudson GID fund as the debt reserve requirement per the Series 2022 Note agreement, and cash in the amount of \$1,476,291 is restricted in the ARPA fund for approved grant expenditures.

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2022 is summarized below:

	Balances 12/31/2021	Additions	Deletions	Balances 12/31/2022
Governmental Activities				
Capital Assets, not depreciated				
Land	\$ 18,912,391	\$ -	\$ -	\$ 18,912,391
Total Capital Assets, not depreciated	<u>18,912,391</u>	<u>-</u>	<u>-</u>	<u>18,912,391</u>
Capital Assets, depreciated				
Buildings	13,261,020	-	-	13,261,020
Software	274,367	-	-	274,367
Art	455,000	-	-	455,000
Machinery and Equipment	<u>3,551,526</u>	<u>344,579</u>	<u>103,749</u>	<u>3,792,356</u>
Total Capital Assets, depreciated	<u>17,541,913</u>	<u>344,579</u>	<u>103,749</u>	<u>17,782,743</u>
Less Accumulated Depreciation				
Buildings	1,016,940	284,821	-	1,301,761
Software	155,367	17,000	-	172,367
Art	235,701	39,500	-	275,201
Machinery and Equipment	<u>2,767,656</u>	<u>172,438</u>	<u>55,329</u>	<u>2,884,765</u>
Total Accumulated Depreciation	<u>4,175,664</u>	<u>513,759</u>	<u>55,329</u>	<u>4,634,094</u>
Total Capital Assets, depreciated, Net	<u>13,366,249</u>	<u>(169,180)</u>	<u>48,420</u>	<u>13,148,649</u>
Governmental Activities, Capital Assets, Net	<u>\$ 32,278,640</u>	<u>\$ (169,180)</u>	<u>\$ 48,420</u>	<u>\$ 32,061,040</u>

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 4: CAPITAL ASSETS (Continued)

	Balances 12/31/2021	Additions	Deletions	Balances 12/31/2022
Business-Type Activities				
Capital Assets, depreciated				
Sewer Lines	\$ 708,364	\$ -	\$ -	\$ 708,364
Total Capital Assets, depreciated	<u>708,364</u>	<u>-</u>	<u>-</u>	<u>708,364</u>
Less: Accumulated Depreciation				
Sewer Lines	<u>648,999</u>	<u>23,612</u>	<u>-</u>	<u>672,611</u>
Total Accumulated Depreciation	<u>648,999</u>	<u>23,612</u>	<u>-</u>	<u>672,611</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 59,365</u>	<u>\$ (23,612)</u>	<u>\$ -</u>	<u>\$ 35,753</u>

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

Governmental Activities

General Government	\$ 171,466
Public Safety	142,616
Public Works	183,302
Parks and Recreation	<u>16,375</u>
Total	<u>\$ 513,759</u>

NOTE 5: LONG-TERM DEBT**Governmental Activities**

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2022.

	Balance 12/31/2021	Additions	Payments	Balance 12/31/2022	Due In One Year
General Obligation Debt:					
2017 COPs	\$ 9,915,000	\$ -	\$ 325,000	\$ 9,590,000	\$ 335,000
2017 COPs Premium	487,736	-	24,387	463,349	-
Debt from Direct Borrowings and Direct Placements:					
2019 Charlou GID GO Note Payable	354,421	-	77,000	277,421	10,000
2022 Southmoor GID GO Note Payable	-	182,061	-	182,061	11,080
Other General Obligations:					
Compensated Absences	<u>344,537</u>	<u>-</u>	<u>82,598</u>	<u>261,939</u>	<u>-</u>
Total	<u>\$ 11,101,694</u>	<u>\$ 182,061</u>	<u>\$ 508,985</u>	<u>\$ 10,774,770</u>	<u>\$ 356,080</u>

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 5: LONG-TERM DEBT (Continued)

General Obligation Debt

2017 Certificates of Participation (COPs)

On February 28, 2017, the City issued Certificates of Participation, Series 2017, in the amount of \$11,395,000. Proceeds are used to finance the construction of buildings and improvements to City owned park property. The certificates carry interest rates ranging from 2% to 5% per annum. Principal payments are due annually on November 15 and interest payments are due on May 15 and November 15 through 2041. These Certificates are rated AA+ by S&P Global Ratings.

The Certificates have been issued in connection with a lease of the property from the City to UMB Bank N.A., and a lease back to the City from the UMB Bank N.A. This lease is subject to annual appropriation by the City. If the Lease is not renewed because of an Event of Nonappropriation has occurred or is terminated because and Event of Default has occurred, the City will be required to vacate or surrender possession of the Leased Property.

Certificates maturing in the years 2017 through 2026 are not subject to redemption prior to their respective maturity dates. Certificates maturing in the year 2027 and thereafter are subject to redemption at the option of the City on December 1, 2026 and any date thereafter at a redemption price equal to par plus accrued interest to the date of redemption. Certificates maturing on December 1, 2036 are also subject to mandatory sinking fund redemption by lot on December 1 of each year at a redemption price equal to the principal amount plus accrued interest to the redemption date.

Debt from Direct Borrowings and Direct Placements

2019 GID General Obligation Note Payable

On March 26, 2019, the Cherry Hills Village Charlou Park 3rd Filing General Improvement District (the District), a blended component unit of the City, issued the General Obligation Note, Series 2019, in the amount of \$375,000. Proceeds are used to finance the construction fund improvements related to underground existing overhead electrical distribution lines. The Series 2019 Note carries interest at a rate of 5.50%. Principal payments are due annually on December 1 and interest payments are due on June 1 and December 1 through 2040. In the event of default, the interest rate of the Series 2019 Note shall be adjusted to 8.50%.

The Series 2019 Note are subject to redemption prior to maturity, at the option of the District on December 1, 2029, and any date thereafter, at a redemption price equal to the principal amount of the Series 2019 Note to be redeemed, without redemption premium, plus accrued interest to the date of redemption.

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 5: LONG-TERM DEBT (Continued)

2022 GID General Obligation Note Payable

On May 3, 2022, the Southmoor General Improvement District (the District), a blended component unit of the City, issued the General Obligation Note, Series 2022, in the amount of \$182,061. Proceeds are used to finance the construction fund improvements related to underground existing overhead electrical distribution lines. The Series 2022 Note carries interest at a rate of 4.00%. Principal payments are due annually on December 1 and interest payments are due on June 1 and December 1 through 2042.

Other Obligations

Compensated Absences

Compensated Absences are being paid from resources generated by the General Fund.

Annual debt service requirements for the general obligation debt at December 31, 2022 are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 335,000	\$ 407,036	\$ 742,036
2024	345,000	396,988	741,988
2025	360,000	379,738	739,738
2026	380,000	361,738	741,738
2027	395,000	342,736	737,736
2028-2032	2,280,000	1,420,602	3,700,602
2033-2037	2,795,000	900,810	3,695,810
2038-2041	<u>2,700,000</u>	<u>257,812</u>	<u>2,957,812</u>
Total Debt Service Requirements	<u>\$9,590,000</u>	<u>\$ 4,467,460</u>	<u>\$14,057,460</u>

Annual debt service requirements for the direct borrowings and direct placements at December 31, 2022 are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 21,080	\$ 21,981	\$ 43,061
2024	20,677	21,833	42,510
2025	25,304	21,657	46,961
2026	20,908	19,365	40,273
2027	21,144	18,304	39,448
2028-2032	119,609	74,978	194,587
2033-2037	152,108	41,355	193,463
2038-2044	<u>78,652</u>	<u>9,297</u>	<u>87,949</u>
Total Debt Service Requirements	<u>\$ 459,482</u>	<u>\$ 228,770</u>	<u>\$ 688,252</u>

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 6: RETIREMENT COMMITMENTS

Police Pension Plan

Plan Description - The City contributes to a single employer money purchase pension plan (Plan) on behalf of police officers. All full time, paid police employees of the City are members of the Plan.

Funding Policy - The contribution requirements of plan members and the City are established and may be amended by the City Council. Both the City and the employee contribute 8.0% of the employee's covered salary. Employees vest in 25% of the City contributions after one year of employment and an additional 25% each year thereafter. Employees fully vest after four years of participation in the Plan. During the year ending December 31, 2022 the City contributed \$173,925 to the Plan, equal to the required contributions. All Plan assets are managed by the International City/County Management Association Retirement Corporation.

Non-Sworn Managers Pension Plan

The City contributes to a single-employer defined contribution money purchase pension plan (the "Plan") on behalf of non-sworn managers. All non-sworn managers are required to participate in the Plan. The contribution requirements are established and may be amended by the City Council. The city is required to contribute 5% the employee's covered salary and employees contribute 11% of covered salary. Employees fully vest in the Plan immediately.

During the year ended December 31, 2022, the City contributed \$50,182 to the Plan, equal to the required contributions. All Plan assets are managed by the International City/County Management Association Retirement Corporation.

Deferred 457 Compensation Plan

The City has a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457. Participation in the Plan is optional for employees. The City matches the contribution of participating employees up to 3% of sworn police officer salaries and up to 5% of other non-management employee salaries. Total contributions to the Plan during the year ended December 31, 2022 were \$268,578. The Plan is administered by the International City/County Management Association Retirement Corporation.

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 7: CONSOLIDATION OF WATER AND SANITATION DISTRICTS

The City has taken action to dissolve certain water and sanitation districts and other entities which have provided services to areas within the City limits. The City will provide water and sanitation services to these and future areas through service contracts with the Board of Water Commissioners to the City and County of Denver (Denver).

Denver

The City has entered into a “total service” contract with Denver to provide water service within the City’s service area, even though only part of the City is being served at this time. Although the City retains legal title to the water distribution facilities, Denver is responsible for all operations and maintenance, including all replacements of the facilities. Denver bills users within the City directly.

Englewood

The City has entered into a “total service” contract with Englewood to provide water within two small areas of the City. Englewood is responsible for all operations and maintenance, including all replacements of the distribution facilities within the service areas and bills users directly.

NOTE 8: COMMITMENTS AND CONTINGENCIES

South Metro Fire Rescue Authority

The City entered into an MOU with South Metro Fire Rescue Authority in February of 2011 for the planning and design of a public safety facility.

In September of 2011, the City entered into an Intergovernmental Agreement with the Authority to construct, own, and operate a common public safety facility. Ownership of the facility will be determined by a calculation of the aggregate amount of contributions made by each party to the Agreement. Upon completion of the construction, ongoing operating costs will be calculated based on the percentage share of ownership interest. The original Agreement expired in December 31, 2012 and automatically renews upon the same terms and conditions for one-year periods.

The City began construction of the facility in March of 2012 and the construction was substantially completed by December 31, 2012. The City’s Police Department along with the South Metro Fire Rescue Authority moved into the new facility in January of 2013. The City’s portion of the building cost is recorded as Buildings on the City’s government-wide financial statements.

CITY OF CHERRY HILLS VILLAGE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 8: COMMITMENTS AND CONTINGENCIES(Continued)

Under the terms of the operations agreement, South Metro Fire Rescue Authority is responsible for paying 50 percent of the building's utility costs and 20 percent of the building telephone and internet services. During the year ended December 31, 2022, the South Metro Fire Rescue Authority paid \$33,138 to the City for reimbursement of these operating costs under the terms of the agreement.

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. On November 5, 1996, voters within the City approved the collection, retention and expenditure of the full revenues generated by the City in 1996 and subsequent years for street improvement projects, capital projects, basic municipal services and/or lawful municipal purposes, notwithstanding the provisions of the Amendment.

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2022, the emergency reserve of \$420,000 was recorded in the General Fund.

NOTE 9: SUBSEQUENT EVENTS

Potential subsequent events were considered through June 13, 2023. It was determined that no events were required to be disclosed through this date.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CHERRY HILLS VILLAGE, COLORADO

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	2022			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES				
Property Taxes	\$ 2,849,607	\$ 2,805,771	\$ (43,836)	\$ 2,625,783
Specific Ownership Taxes	295,000	362,809	67,809	371,854
Sales and Use Taxes	2,100,000	3,899,418	1,799,418	3,448,582
Franchise Fees	500,000	700,614	200,614	597,032
Licenses and Permits	1,100,200	1,925,050	824,850	1,917,298
Intergovernmental	364,504	354,756	(9,748)	370,188
Charges for Services	362,000	252,786	(109,214)	352,577
Miscellaneous	72,785	112,495	39,710	75,330
Interest	10,200	412,554	402,354	7,364
TOTAL REVENUES	7,654,296	10,826,253	3,171,957	9,766,008
EXPENDITURES				
Current				
General Government	2,124,058	1,710,532	413,526	1,278,041
Judicial	98,092	97,355	737	109,063
Community Development	501,444	571,625	(70,181)	587,617
Village Crier	40,352	38,257	2,095	35,518
Public Safety	3,507,850	3,648,850	(141,000)	3,606,592
Public Works	1,048,695	991,189	57,506	962,717
Debt Service				
Principal	146,250	146,250	-	141,750
Interest	187,555	187,431	124	191,807
Capital Outlay	-	344,579	(344,579)	735,208
TOTAL EXPENDITURES	7,654,296	7,736,068	(81,772)	7,648,313
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	3,090,185	3,090,185	2,117,695
OTHER FINANCING SOURCES (USES)				
Transfers In	-	131,974	131,974	147,930
NET CHANGE IN FUND BALANCE	-	3,222,159	3,222,159	2,265,625
FUND BALANCE, Beginning	13,663,098	19,282,766	5,619,668	17,017,141
FUND BALANCE, Ending	\$ 13,663,098	\$ 22,504,925	\$ 8,841,827	\$ 19,282,766

See the accompanying independent auditors' report.

CITY OF CHERRY HILLS VILLAGE, COLORADO

PARKS AND RECREATION FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	2022			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES				
Property Taxes	\$ 2,897,231	\$ 2,920,119	\$ 22,888	\$ 2,732,957
Intergovernmental	-	-	-	136,395
Other	-	25,042	25,042	-
Interest	1,000	38,560	37,560	504
TOTAL REVENUES	2,898,231	2,983,721	85,490	2,869,856
EXPENDITURES				
Current				
Personnel Services	1,229,506	1,179,250	50,256	1,104,925
Supplies and Materials	60,975	32,807	28,168	42,198
Utilities	52,232	44,893	7,339	45,057
Contractual Services	279,583	72,684	206,899	177,850
Maintenance	82,322	91,773	(9,451)	65,013
Other	426,419	359,378	67,041	280,854
Capital Outlay	-	-	-	-
Debt Service				
Principal	178,750	178,750	-	173,250
Interest	229,233	229,083	150	234,431
TOTAL EXPENDITURES	2,539,020	2,188,618	350,402	2,123,578
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	359,211	795,103	435,892	746,278
OTHER FINANCING SOURCES (USES)				
Transfers Out	(197,500)	(131,974)	(65,526)	(147,930)
NET CHANGE IN FUND BALANCE	161,711	663,129	501,418	598,348
FUND BALANCE, Beginning	1,676,416	1,951,417	275,001	1,353,069
FUND BALANCE, Ending	\$ 1,838,127	\$ 2,614,546	\$ 776,419	\$ 1,951,417

See the accompanying independent auditors' report.

COMBINING AND INDIVIDUAL FUND SCHEDULES

CITY OF CHERRY HILLS VILLAGE, COLORADO

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2022

	CAPITAL PROJECTS FUND	LAND DONATION FUND	ARAPAHOE COUNTY OPEN SPACE FUND	CONSERVATION TRUST FUND
ASSETS				
Cash and Investments	\$ -	\$ 322,708	\$ 1,293,481	\$ 568,866
Restricted Cash and Investments	547,005	-	-	-
Due from Other Funds	224,319			
Accounts Receivable	-	834	-	-
Property Taxes Receivable	-	-	-	-
TOTAL ASSETS	<u>\$ 771,324</u>	<u>\$ 323,542</u>	<u>\$ 1,293,481</u>	<u>\$ 568,866</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 50,865	\$ 17,150
Due To Other Funds	80,701	-	224,319	-
Unearned Revenue	-	-	-	-
TOTAL LIABILITIES	<u>80,701</u>	<u>-</u>	<u>275,184</u>	<u>17,150</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	-	-	-	-
FUND BALANCES				
Restricted	<u>690,623</u>	<u>323,542</u>	<u>1,018,297</u>	<u>551,716</u>
TOTAL FUND BALANCES	<u>690,623</u>	<u>323,542</u>	<u>1,018,297</u>	<u>551,716</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 771,324</u>	<u>\$ 323,542</u>	<u>\$ 1,293,481</u>	<u>\$ 568,866</u>

See the accompanying independent auditors' report.

CHV CHARLOU PARK GID FUND	ARPA FUND	SOUTHMOOR HUDSON GID FUND	TOTALS	
			2022	2021
\$ -	\$ -	\$ -	\$ 2,185,055	\$ 1,865,345
33,645	1,476,291	137,697	2,194,638	930,209
			224,319	
25,550	-	19,929	46,313	-
-	-	-	-	36,761
<u>\$ 59,195</u>	<u>\$ 1,476,291</u>	<u>\$ 157,626</u>	<u>\$ 4,650,325</u>	<u>\$ 2,832,315</u>
\$ -	\$ 1,105	\$ 127,282	\$ 196,402	\$ 27,491
-	-	-	305,020	224,319
-	-	-	-	36,761
-	1,105	127,282	501,422	288,571
25,550	-	19,929	45,479	-
33,645	1,475,186	10,415	4,103,424	2,543,744
33,645	1,475,186	10,415	4,103,424	2,543,744
<u>\$ 59,195</u>	<u>\$ 1,476,291</u>	<u>\$ 157,626</u>	<u>\$ 4,650,325</u>	<u>\$ 2,832,315</u>

CITY OF CHERRY HILLS VILLAGE, COLORADO

NONMAJOR GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
Year Ended December 31, 2022

	CAPITAL PROJECTS FUND	LAND DONATION FUND	ARAPAHOE COUNTY OPEN SPACE FUND	CONSERVATION TRUST FUND
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	3,085	230,056	82,224
Other	-	12,586	-	-
Interest	8	7,249	25,226	5,787
TOTAL REVENUES	8	22,920	255,282	88,011
EXPENDITURES				
General Government	-	49,613	-	-
Parks and Recreation	-	-	32,801	3,779
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	-	49,613	32,801	3,779
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	8	(26,693)	222,481	84,232
OTHER FINANCING SOURCES				
Proceeds from the Issuance of Debt	-	-	-	-
CHANGE IN FUND BALANCES	8	(26,693)	222,481	84,232
FUND BALANCES, Beginning	690,615	350,235	795,816	467,484
FUND BALANCES, Ending	\$ 690,623	\$ 323,542	\$ 1,018,297	\$ 551,716

See the accompanying independent auditors' report.

CHV CHARLOU PARK GID FUND	ARPA FUND	SOUTHMOOR HUDSON GID FUND	TOTALS	
			2022	2021
\$ 38,788	\$ -	\$ -	\$ 38,788	\$ 43,214
-	835,361	-	1,150,726	1,123,336
-	-	-	12,586	223,911
42	-	16	38,328	2,157
38,830	835,361	16	1,240,428	1,392,618
4,794	195,536	168,312	\$ 418,255	40,948
-	-	-	36,580	710,678
			-	-
77,000	-	-	77,000	10,000
18,239	-	3,350	21,589	19,502
100,033	195,536	171,662	553,424	781,128
(61,203)	639,825	(171,646)	687,004	611,490
-	-	182,061	182,061	-
(61,203)	639,825	10,415	869,065	611,490
94,848	835,361	-	3,234,359	1,932,254
<u>\$ 33,645</u>	<u>\$ 1,475,186</u>	<u>\$ 10,415</u>	<u>\$ 4,103,424</u>	<u>\$ 2,543,744</u>

CITY OF CHERRY HILLS VILLAGE, COLORADO

CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	2022			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES				
Interest	\$ 2,000	\$ 8	\$ (1,992)	\$ -
Other	-	-	-	20
TOTAL REVENUES	2,000	8	(1,992)	20
EXPENDITURES				
General and Administrative	7,450	-	7,450	-
Capital Outlay	706,798	-	706,798	4
TOTAL EXPENDITURES	714,248	-	714,248	4
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(712,248)	8	712,256	16
OTHER FINANCING SOURCES				
Transfers In(Out)	197,500	-	(197,500)	-
NET CHANGE IN FUND BALANCE	(514,748)	8	514,756	16
FUND BALANCE, Beginning	4,724,710	690,615	(4,034,095)	690,599
FUND BALANCE, Ending	\$ 4,209,962	\$ 690,623	\$ (3,519,339)	\$ 690,615

See the accompanying independent auditors' report.

CITY OF CHERRY HILLS VILLAGE, COLORADO

LAND DONATION FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	2022			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES				
Intergovernmental	\$ -	\$ 3,085	\$ 3,085	\$ 2,173
Other	4,500	12,586	8,086	8,361
Interest	500	7,249	6,749	524
TOTAL REVENUES	5,000	22,920	17,920	11,058
EXPENDITURES				
General and Administrative	81,621	49,613	32,008	39,753
TOTAL EXPENDITURES	81,621	49,613	32,008	39,753
NET CHANGE IN FUND BALANCE	(76,621)	(26,693)	49,928	(28,695)
FUND BALANCE, Beginning	272,052	350,235	78,183	378,930
FUND BALANCE, Ending	\$ 195,431	\$ 323,542	\$ 128,111	\$ 350,235

See the accompanying independent auditors' report.

CITY OF CHERRY HILLS VILLAGE, COLORADO

ARAPAHOE COUNTY OPEN SPACE FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	2022			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES				
Open Space Shareback	\$ 160,000	\$ 220,211	\$ 60,211	\$ 197,602
Intergovernmental	3,000	9,845	6,845	7,433
Other	-	-	-	215,550
Interest	1,000	25,226	24,226	1,395
TOTAL REVENUES	164,000	255,282	91,282	421,980
EXPENDITURES				
Parks and Recreation	100,000	32,801	67,199	682,000
TOTAL EXPENDITURES	100,000	32,801	67,199	682,000
NET CHANGE IN FUND BALANCE	64,000	222,481	158,481	(260,020)
FUND BALANCE, Beginning	754,444	795,816	41,372	1,055,836
FUND BALANCE, Ending	\$ 818,444	\$ 1,018,297	\$ 199,853	\$ 795,816

See the accompanying independent auditors' report.

CITY OF CHERRY HILLS VILLAGE, COLORADO

CONSERVATION TRUST FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	2022			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES				
Intergovernmental	\$ 60,000	\$ 82,224	\$ 22,224	\$ 80,767
Other	-	-	-	-
Interest	600	5,787	5,187	101
TOTAL REVENUES	60,600	88,011	27,411	80,868
EXPENDITURES				
Parks and Recreation	64,500	3,779	60,721	28,678
TOTAL EXPENDITURES	64,500	3,779	60,721	28,678
NET CHANGE IN FUND BALANCE	(3,900)	84,232	(33,310)	52,190
FUND BALANCE, Beginning	444,514	467,484	22,970	415,294
FUND BALANCE, Ending	<u>\$ 440,614</u>	<u>\$ 551,716</u>	<u>\$ 111,102</u>	<u>\$ 467,484</u>

See the accompanying independent auditors' report.

CITY OF CHERRY HILLS VILLAGE, COLORADO

CHV CHARLOU PARK GID FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2022

	2022				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES					
Property Taxes	\$ 36,761	\$ 103,761	\$ 36,993	\$ (66,768)	\$ 40,428
Specific Ownership Taxes	2,941	2,941	1,795	(1,146)	2,786
Other	-	-	-	-	-
Interest	150	150	42	(108)	137
TOTAL REVENUES	39,852	106,852	38,830	(68,022)	43,351
EXPENDITURES					
General and Administrative	\$ 3,551	3,551	4,794	(1,243)	1,195
Capital Outlay	-	-	-	-	-
Debt Service					
Principal	10,000	77,000	77,000	-	10,000
Interest	19,525	19,525	18,239	1,286	19,502
TOTAL EXPENDITURES	33,076	100,076	100,033	43	30,697
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,776	6,776	(61,203)	(67,979)	12,654
OTHER FINANCING SOURCES					
Proceeds from Issuance of Debt	-	-	-	-	-
NET CHANGE IN FUND BALANCE	6,776	6,776	(61,203)	(67,979)	12,654
FUND BALANCE, Beginning	91,312	91,312	94,848	3,536	82,194
FUND BALANCE, Ending	\$ 98,088	\$ 98,088	\$ 33,645	\$ (64,443)	\$ 94,848

See the accompanying independent auditors' report.

CITY OF CHERRY HILLS VILLAGE, COLORADO

ARPA FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	2022			VARIANCE Positive (Negative)	2021 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
REVENUES					
Intergovernmental	\$ 835,361	\$ 835,361	\$ 835,361	\$ -	\$ 835,361
TOTAL REVENUES	835,361	835,361	835,361	-	835,361
EXPENDITURES					
General and Administrative	-	201,951	195,536	6,415	-
TOTAL EXPENDITURES	-	201,951	195,536	6,415	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	835,361	633,410	639,825	6,415	835,361
OTHER FINANCING SOURCES					
Transfers Out	-	-	-	-	-
NET CHANGE IN FUND BALANCE	-	633,410	639,825	6,415	835,361
FUND BALANCE, Beginning	835,361	835,361	835,361	-	-
FUND BALANCE, Ending	\$ 1,670,722	\$ 1,468,771	\$ 1,475,186	\$ 6,415	\$ 835,361

See the accompanying independent auditors' report.

CITY OF CHERRY HILLS VILLAGE, COLORADO

SOUTHMOOR HUDSON GID FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	2022			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Specific Ownership Taxes	-	-	-	-
Interest	-	16	16	-
TOTAL REVENUES	-	16	16	-
EXPENDITURES				
General and Administrative	43,368	31,030	12,338	-
Capital Outlay	135,343	137,282	(1,939)	-
Debt Service				
Principal	-	-	-	-
Interest	3,350	3,350	-	-
TOTAL EXPENDITURES	182,061	171,662	10,399	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(182,061)	(171,646)	10,415	-
OTHER FINANCING SOURCES				
Proceeds from Issuance of Debt	182,061	182,061	-	-
NET CHANGE IN FUND BALANCE	-	10,415	10,415	-
FUND BALANCE, Beginning	-	-	-	-
FUND BALANCE, Ending	\$ -	\$ 10,415	\$ 10,415	\$ -

See the accompanying independent auditors' report.

CITY OF CHERRY HILLS VILLAGE, COLORADO

WATER AND SEWER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022

	2022			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES				
Tap Fees	\$ 5,000	\$ 22,100	\$ 17,100	\$ 5,550
Sewer Repairs and Maintenance Fees	69,660	83,420	13,760	83,420
Miscellaneous	42,000	-	(42,000)	617,859
Interest	1,000	15,714	14,714	441
TOTAL REVENUES	117,660	121,234	3,574	707,270
EXPENDITURES				
Legal Fees	2,000	-	2,000	1,905
Contractual Services	85,000	2,833	82,167	413
Repairs and Maintenance	400,000	15,148	384,852	1,220,298
Other	350	-	350	256
Depreciation Expense	23,612	23,612	-	23,612
TOTAL EXPENDITURES	510,962	41,593	469,369	1,246,484
NET INCOME	<u>\$ (393,302)</u>	79,641	<u>\$ 472,943</u>	(539,214)
NET POSITION, Beginning		812,898		1,352,112
NET POSITION, Ending		<u>\$ 892,539</u>		<u>\$ 812,898</u>

See the accompanying independent auditors' report.

CITY OF CHERRY HILLS VILLAGE, COLORADO

AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year Ended December 31, 2022

	BALANCE DECEMBER 31, 2021	ADDITIONS	DEDUCTIONS	BALANCE DECEMBER 31, 2022
ASSETS				
Cash and Investments	\$ 19,893	\$ -	\$ -	\$ 19,893
Due from Others	7,363	-	-	7,363
TOTAL ASSETS	<u>\$ 27,256</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,256</u>
LIABILITIES				
Due Property Owners	-	-	-	-
Accounts Payable	-	-	-	-
TOTAL LIABILITIES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying independent auditors' report.

STATE COMPLIANCE

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Arapahoe
		YEAR ENDING : December 2022
This Information From The Records Of (example - City of _ or County of City of Cherry Hills Village	Prepared By: Phone:	Doug Farnen 303-783-2730

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	1,051,381
3. Other local imposts (from page 2)	449,859
4. Miscellaneous local receipts (from page 2)	0
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	0
b. Bonds - Refunding Issues	0
c. Notes	0
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	1,501,240
B. Private Contributions	
C. Receipts from State government (from page 2)	255,903
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	1,757,143

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	408,910
2. Maintenance:	494,543
3. Road and street services:	
a. Traffic control operations	14,412
b. Snow and ice removal	58,431
c. Other	7,545
d. Total (a. through c.)	80,388
4. General administration & miscellaneous	226,485
5. Highway law enforcement and safety	546,817
6. Total (1 through 5)	1,757,143
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
2. Notes:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	0
D. Payments to toll facilities	0
E. Total disbursements (A.6 + B.3 + C + D)	1,757,143

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

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	1,757,143	1,757,143	0	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado YEAR ENDING (mm/yy): December 2022	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
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	449,859	g. Other Misc. Receipts	
6. Total (1. through 5.)	449,859	h. Other	
c. Total (a. + b.)	449,859	i. Total (a. through h.)	0
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	231,500	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	24,403	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	24,403	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	255,903	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs		1,193	1,193
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		407,717	407,717
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	407,717	407,717
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	408,910	408,910
			(Carry forward to page 1)
Notes and Comments:			