

September 28, 2023

BENNETT PARK AND RECREATION DISTRICT
2022 ANNUAL REPORT

**FOR FILING WITH THE COLORADO STATE AUDITOR, DIVISION OF LOCAL
GOVERNMENT, ADAMS COUNTY CLERK AND RECORDER AND THE TOWN OF
BENNETT, COLORADO**

The following shall constitute the mandatory 2022 Annual Report for Bennett Park and Recreation District, a quasi-municipal corporation and political subdivision of the State of Colorado and duly organized and existing special district organized pursuant to Title 32, Article 1, Colorado Revised Statutes (the "District").

BOUNDARY CHANGES

No changes were made to the District's boundaries in 2022.

INTERGOVERNMENTAL AGREEMENTS

Amendment One to the Restated and Amended Intergovernmental Agreement Between the Town of Bennett, Colorado and the Bennett Park and Recreation District for the Lease of a Portion of Lot 2 of the Hand Annexation to the Town of Bennett, Adams County, Colorado, executed October 25, 2022 and attached hereto as Exhibit A.

RULES & REGULATIONS

No rules or regulations were adopted by the District's Board of Directors in 2022.

LITIGATION

As of December 31, 2022, there is no active or pending litigation against the District.

CONSTRUCTION OF PUBLIC IMPROVEMENTS

None.

**FACILITIES/IMPROVEMENTS CONSTRUCTED AND CONVEYED OR DEDICATED TO
COUNTY OR MUNICIPALITY**

None.

FINAL ASSESSED VALUATION OF THE DISTRICT AS OF DECEMBER 31, 2022

The final assessed valuation of the District as of December 31, 2022 is \$63,019,040.

2023 BUDGET

A copy of the District's 2023 budget is attached hereto as Exhibit B.

AUDITED FINANCIAL STATEMENT/APPLICATION FOR EXEMPTION FROM AUDIT

A copy of the District's 2022 audited financial statement is attached hereto as Exhibit C.

DEFAULTS

None.

UNPAID OBLIGATIONS (PAST 90 DAYS)

None.

EXHIBIT A
AMENDMENT ONE TO
RESTATED AND AMENDED INTERGOVERNMENTAL AGREEMENT

**AMENDMENT ONE TO THE RESTATED AND AMENDED
INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF BENNETT,
COLORADO AND THE BENNETT PARK AND RECREATION DISTRICT FOR
THE LEASE OF A PORTION OF LOT 2 OF THE HAND ANNEXATION TO THE
TOWN OF BENNETT, ADAMS COUNTY, CO.**

THIS AMENDMENT ONE (the “Amendment One”) is made and entered into this 25th day of October, 2022, by and between the TOWN OF BENNETT, a Colorado statutory municipality (the “Town”), and the BENNETT PARK AND RECREATION DISTRICT, a special district organized pursuant to title 32, C.R.S. (the “District”).

RECITALS

WHEREAS, on or about August 9, 2005, the Town and the District entered into a Restated and Amended Intergovernmental Agreement (the “Original Agreement”) pursuant to which the Town leased to the District approximately 6.3 acres of land near the intersection of State Highway 79/South First Street and Muegge Way, which area is now known as the Civic Center property; and

WHEREAS, the Original Agreement has an initial term of fifty (50) years, commencing on the first day of September 1, 2005 and terminating on August 31, 2055; and

WHEREAS, the Town and the District mutually desire to amend the Original Agreement to condense the area of land being leased to the District, to change the maintenance responsibilities of the parties, and to make other necessary changes based on the needs of the parties.

NOW, THEREFORE, for the consideration set forth herein, the sufficiency of which is mutually acknowledged by the parties, the Town and the District agree to amend the Original Agreement as follows:

1. Throughout the Original Agreement, replace the references to “Restated and Amended Lease” with “Ground Lease.”
2. Section 1.0 of the Original Agreement is hereby replaced in its entirety with the following:

1.0 General Provisions.

- 1.1 Ground Lease. The Town does hereby lease to the District the property described in Exhibit A, attached hereto and incorporated herein by reference (the “Property”). Should the Town choose to construct playing fields on the remaining portions of the Civic Center property, it is the intent of the parties that the playing fields will be leased to the District for recreational purposes.

1.2 Annual Payment. For the duration of this Ground Lease, the District shall pay the Town one dollar (\$1.00) annually as compensation for the use of the Property.

3. Section 3.0 of the Original Agreement is hereby replaced in its entirety with the following:

3.0 Renewal. This Ground Lease may be renewed beyond its initial term only upon the mutual written consent of the parties and adoption by the Town of an ordinance authorizing such renewal. The Town and the District agree that they shall begin lease renewal negotiations at least one (1) year prior to the expiration of the Ground Lease.

4. Section 5.0 of the Original Agreement is replaced in its entirety with the following:

5.0 Responsibilities of the District.

5.1 Maintenance. The District shall keep all improvements currently on or in the future constructed upon the Property in good condition and repair, including water and sewer connections, at the District's sole cost and expense. The District shall also keep the surrounding sidewalks of the Property, as identified in Exhibit A (the "District Maintenance Area"), clear of ice and snow, litter, dirt, debris and obstructions. These maintenance obligations shall apply to the sidewalks that lead to the access doors and to Muegge Way. The District shall keep the exterior and interior of the Recreation Center in good condition and repair and shall keep the Property free of all litter, dirt, debris and obstructions. At the expiration of the Ground Lease, the District shall surrender the Property in good condition, ordinary wear excepted.

5.2 Sublease. The District shall not assign the Ground Lease or any interest therein without the written consent of the Town, which consent may be withheld at the Town's sole discretion. Notwithstanding the foregoing, the District may sublease facilities on the Property to private or public recreation providers, on a temporary basis, in furtherance of the District's goals as described in its approved District Service Plan.

5.3 Prohibited Activity. The District shall not use the Property for any purposes prohibited by the laws of the United States, the State of Colorado, or the codes and ordinances of the Town.

5.4 Insurance. The District shall obtain and keep in force liability and property insurance in adequate amounts. Policies shall name the Town, as the owner

of the Property, as an additional insured. In addition, the District shall assume any and all liability associated with any sublease of the Property.

- 5.5 Utilities. Unless otherwise agreed to in writing by the Town, the District shall pay all charges for utilities to serve the Property, including but not limited to internet, gas, electricity, water and sewer.
- 5.6 Master Plan. The District agrees to partner with the Town on any master planning processes to set forth expectations for development and improvements associated with the future development of the 13.67 acre +/- parcel known as the Civic Center. In addition, the District shall, to the best of its ability, create a District master plan or strategic plan for growth and future service needs for the District that aligns with the comprehensive plan of the Town. The District master plan or strategic plan shall be reviewed every five years to ascertain current applicability.

5. Section 6.0 of the Original Agreement is replaced in its entirety with the following:

6.0 Responsibilities of the Town

- 6.1 Maintenance. The Town shall maintain parking areas and landscaped areas adjacent to the Property, and shall keep the areas outside of the District's Maintenance Area free and clear of ice and snow, litter, dirt, debris and obstructions.
- 6.2 Grants. The Town agrees to reasonably cooperate with the District in preparing and submitting grant applications for recreation facilities and programs on the Property.

6. Section 7.0 of the Original Agreement is amended by the addition of a new Section 7.8 to read as follows:

- 7.8 Regular Meetings. At the time of annual payment, the Town Administrator for the Town and the Executive Director for the District shall have a regular meeting to discuss the terms of the Ground Lease and mutual partnership goals.

In addition to the annual payment meeting, the Town Administrator and the Executive Director shall meet at least three (3) additional times in each calendar year to discuss mutual partnership goals. Ideally, meetings will be held once every calendar quarter.

7. Exhibit A to the Original Agreement is hereby replaced in its entirety with the new Exhibit A, attached hereto and incorporated herein by reference.

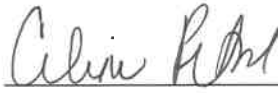
8. The Original Agreement, as amended by this Amendment One, is hereby ratified and confirmed and remains in full force and effect in accordance with its terms.
9. This Amendment One may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.
10. Each party represents and warrants that it has the power and ability to enter into this Amendment One and to perform the duties and obligations herein described.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment One which shall be in full force and effect the day and year first above written.

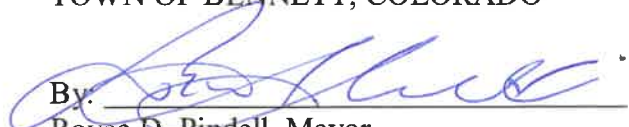
BENNETT PARK AND RECREATION
DISTRICT

By: 
President and Chair

ATTEST:

By: 
Secretary/Treasurer

TOWN OF BENNETT, COLORADO

By: 
Royce D. Pindell, Mayor

ATTEST:

By: 
Christina Hart, Town Clerk



EXHIBIT A
PROPERTY LEGAL DESCRIPTION AND DEPICTION OF DISTRICT
MAINTENANCE AREA

**EXHIBIT A
PROPERTY DESCRIPTION
RECREATION CENTER LEASE**

A parcel of land over and across that parcel of land described at Reception No. C0495843 in the Public Records of Adams County, located in the Northeast Quarter of Section 33, Township 3 South, Range 63 West of the Sixth Principal Meridian, County of Adams, State of Colorado, said parcel being more particularly described as follows:

For the purpose of this description the bearings are referenced to the east line of the Northeast Quarter of Section 33, Township 3 South, Range 63 West of the Sixth Principal Meridian, assumed to bear South 00°25'23" East, a distance of 2680.45 feet. Monumented by a 2 $\frac{1}{2}$ " Alum. Cap stamped PLS 25397 at the Northeast Corner and by a 3 $\frac{1}{4}$ " Alum. Cap stamped PLS 26715 at the East Quarter of said Section 33.

Commencing at the Northeast Corner of Section 33, Township 3 South, Range 63 West of the 6th Principal Meridian;

THENCE South 14°30'06" West, a distance of 504.34 feet to the Point of Beginning

THENCE South 00°09'56" East, a distance of 235.00 feet;

THENCE South 89°50'04" West, a distance of 14.00 feet;

THENCE South 00°09'56" East, a distance of 24.00 feet;

THENCE South 89°50'04" West, a distance of 111.00 feet;

THENCE North 00°09'56" West, a distance of 21.50 feet;

THENCE South 89°50'04" West, a distance of 54.00 feet;

THENCE North 00°09'56" West, a distance of 187.99 feet;

THENCE along a curve to the right, an arc length of 7.39 feet, said curve having a radius of 5.00 feet, a delta angle of 84°37'55", a chord bearing of North 42°09'02" East, and a chord length of 6.73 feet;

THENCE North 84°28'00" East, a distance of 13.92 feet;

THENCE along a curve to the left, an arc length of 48.81 feet, said curve having a radius of 62.11 feet, a delta angle of 45°01'40", a chord bearing of North 25°39'57" West, and a chord length of 47.57 feet;

THENCE North 51°57'56" West, a distance of 21.33 feet;

THENCE along a curve to the right, an arc length of 12.00 feet, said curve having a radius of 14.13 feet, a delta angle of 48°40'20", a chord bearing of North 20°21'29" West, and a chord length of 11.64 feet;

THENCE North 00°09'04" East, a distance of 5.33 feet;

THENCE South 89°50'56" East, a distance of 8.00 feet;

THENCE South 00°09'04" West, a distance of 5.65 feet;

THENCE along a curve to the left, an arc length of 5.01 feet, said curve having a radius of 6.13 feet, a delta angle of 46°52'42", a chord bearing of South 17°28'34" East, and a chord length of 4.88 feet;

THENCE South 51°57'56" East, a distance of 20.97 feet;

THENCE along a curve to the right, an arc length of 53.56 feet, said curve having a radius of 70.11 feet, a delta angle of 43°46'07", a chord bearing of South 26°31'05" East, and a chord length of 52.27 feet;

THENCE North 89°50'04" East, a distance of 12.74 feet;

THENCE North 00°09'56" West, a distance of 41.00 feet;

THENCE North 89°50'04" East, a distance of 140.00 feet to the Point of Beginning.

Containing 43,886 Square Feet, or 1.007 Acres, more or less.

ILLUSTRATION TO EXHIBITS A

N89°25'02"E
50.00' TIE

N89°25'02"E 649.96'

N. LINE NORTHEAST QUARTER SECTION 33

NORTHEAST CORNER
SECTION 33, T.3S., R.63W. OF THE 6TH P.M.
FND 2 1/2" ALUM CAP PLS 25379 2009

LINE	BEARING	DISTANCE
L1	N84°28'00"E	13.92'
L2	N89°50'04"E	12.74'
L3	N00°09'56"W	41.00'

CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1	5.00'	7.39'	6.73'	N42°09'02"E	84°37'55"
C2	62.11'	48.81'	47.57'	N25°39'57"W	45°01'40"
C3	14.13'	12.00'	11.64'	N20°21'29"W	48°40'20"
C4	6.13'	5.01'	4.88'	S17°28'34"E	46°52'42"
C5	70.11'	53.56'	52.27'	S26°31'05"E	43°46'07"

N00°23'21"W 917.77'

P.O.B. LEASE AREA

P.O.B. TO SECTION CORNER TIE
S14°43'00"W 504.34'

S00°25'23"E 756.57'

S. 1ST STREET

S00°25'23"E 2680.45'
BASIS OF BEARING

E. LINE NORTHEAST QUARTER SECTION 33

PARCEL
RECEPTION NO. C0495843
PARCEL ID. 0181533100001
OWNER: TOWN OF BENNETT
355 4TH STREET
BENNETT, CO 80102-8425

PARCEL
RECEPTION NO. 113147
PARCEL ID. 0181500000257
OWNER: TOWN OF BENNETT
355 4TH STREET
BENNETT, CO 80102-8425

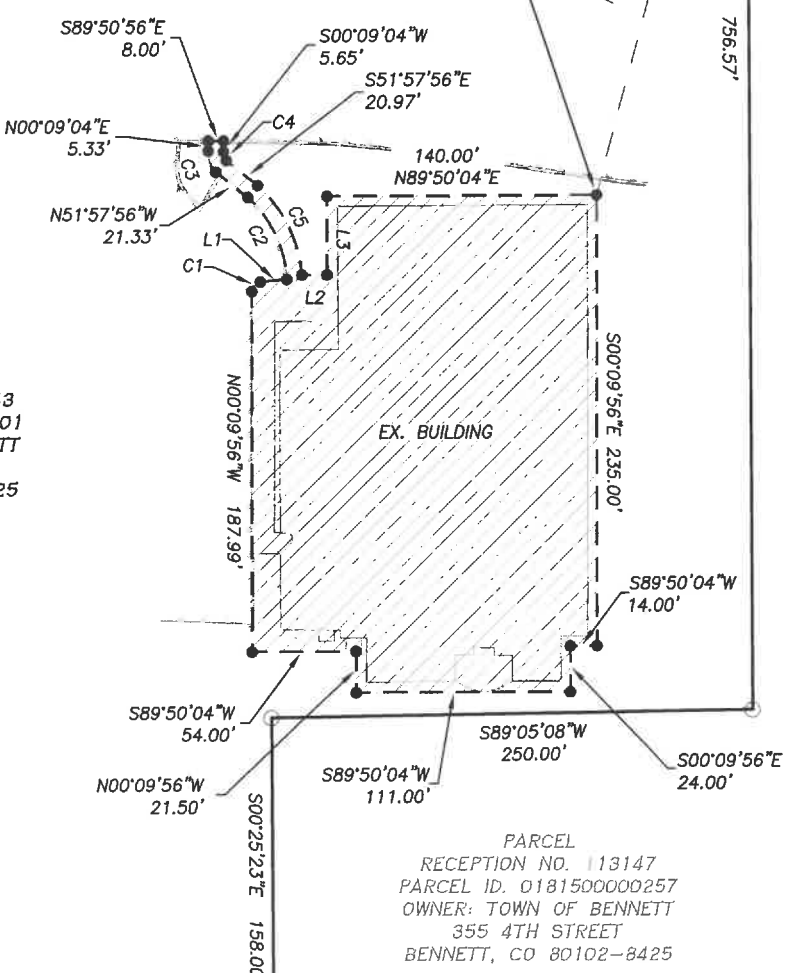


EXHIBIT B


2023 BUDGET

**CERTIFICATION OF 2023 BUDGET FOR
BENNETT PARK AND RECREATION DISTRICT**

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for the Bennett Park and Recreation District, for the budget year ending December 31, 2023, as adopted on November 3, 2022.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Bennett Park and Recreation District in Adams County, Colorado, this 3rd day of November, 2022.



Timothy J. Flynn, Attorney for the District

BENNETT PARK AND RECREATION DISTRICT

2023 BUDGET MESSAGE

Services Provided

The Bennett Park and recreation District is a quasi-municipal corporation and political subdivision of the State organized and operated pursuant to provisions set forth in the Colorado Special District Act, Section 32-1-101, C.R.S., *et. seq.* The District was formed in January 2001 to acquire or lease land for a recreation center and for multi-purpose recreation fields, and to thereafter construct, install, equip, operate, and maintain various recreation facilities and improvements including but not limited to a recreation center.

The District prepares its budget on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

**BENNETT PARK AND RECREATION DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

	Actual 2021	Estimated 2022	Budget 2023
REVENUE			
Property Taxes	\$ 191,315	\$ 204,986	\$ 220,567
Specific Ownership Tax	28,566	28,000	-
Conservation Trust Fund	26,574	24,000	27,000
Recreation Fees and Revenues:			
Admissions	10,816	20,000	30,000
Program Fees	55,778	62,000	70,000
Room Rentals	26,390	28,000	35,000
Memberships	132,872	125,000	140,000
Grants - Governmental	54,625	25,000	100,000
Grants - Other	-	-	-
Communities that Care Grant	92,376	103,000	103,000
Special Events	6,181	2,000	4,000
Advertising	1,875	500	6,000
Vending and Sales	212	1,500	-
Contributions	5,613	15,000	10,000
Interest Income	475	1,200	1,700
Insurance Reimbursement	-	-	-
Other	-	3,000	-
Total Revenue	633,668	643,186	747,267
EXPENDITURES			
Administration			
Personnel Services	100,357	105,000	120,000
Accounting	14,800	17,000	20,000
Advertising	1,001	405	500
Audit	4,200	4,200	4,500
Bank and Credit Card Fees	6,423	5,500	7,000
Contingency	-	-	12,000
Copier	-	-	4,000
Dues and Subscriptions	4,910	4,000	5,000
Equipment Rental	4,167	4,460	-
Insurance	22,961	26,671	30,000
Legal Fees	6,599	5,000	5,000

**BENNETT PARK AND RECREATION DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

	Actual 2021	Estimated 2022	Budget 2023
Meeting and Travel	649	200	500
Office Supplies	2,731	2,500	3,000
County Treasurer's Fees	2,880	3,100	3,309
Other	2,244	7,000	3,000
Postage	110	200	200
Repairs and Maintenance	-	5,000	1,000
Small Equipment and Supplies	-	1,000	-
Subtotal Administration	174,032	191,236	219,009
Building Operations			
Personnel Services	15,893	12,000	45,000
Building Maintenance	18,986	25,000	60,000
Contingency	-	-	12,000
Contract Cleaning	23,404	24,000	28,000
Equipment Parts and Repairs	382	200	500
Janitorial Supplies	2,766	1,500	3,000
Telephone and Internet	6,467	4,400	8,000
Utilities	65,631	55,000	-
Subtotal Building Operations	133,529	122,100	156,500
Communities that Care (CTC)			
Personnel Services	62,662	65,966	65,966
Accounting	3,350	2,000	2,000
Advertising	3,116	-	-
Audit	-	-	-
Ballot Initiative	-	-	-
Bank and Credit Card Fees	-	-	-
Community Relations	-	5,000	5,000
Contingency	-	-	-
Copier	-	-	-
Dues and Subscriptions	-	1,220	1,220
Equipment Rental	-	-	-
Incentives	-	1,750	1,950
Insurance	-	-	-

**BENNETT PARK AND RECREATION DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

	Actual 2021	Estimated 2022	Budget 2023
Office Supplies	-	-	-
Other	-	5,000	5,000
Postage	-	-	-
Professional Services	-	-	-
Program Supplies	12,974	7,800	5,600
Repairs and Maintenance	-	-	-
Small Equipment and Supplies	-	6,000	6,000
Telephone	1,665	900	900
Training	245	-	-
Subtotal CTC	84,012	95,636	93,636
Recreation			
Personnel Services	25,487	55,000	50,000
Community Events	-	-	500
Conservation Trust Fund Expenditures	-	-	-
Contingency	-	-	12,000
Copier	-	-	-
Dues and Subscriptions	-	4,000	-
Insurance	-	-	-
Marketing	20	50	-
Meeting and Travel	-	150	-
Office Supplies	102	-	-
Postage	-	-	-
Program Supplies	5,736	500	-
Professional Services	-	-	-
Repairs and Maintenance	2,563	2,000	-
Small Equipment and Supplies	-	-	-
Equipment Rental	-	-	-
Telephone and Internet	-	-	-
Utilities	-	-	-
Other	-	-	-
Subtotal Recreation	33,908	61,700	62,500
Senior Recreation			

**BENNETT PARK AND RECREATION DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

	Actual 2021	Estimated 2022	Budget 2023
Personnel Services	6,933	28,000	30,000
Community Events and Programs	-	-	-
Conservation Trust Fund Expenditures	-	-	-
Contingency	-	-	-
Copier	-	-	-
Dues and Subscriptions	-	-	-
Insurance	-	-	-
Marketing	-	30	-
Meeting and Travel	-	140	-
Office Supplies	-	-	-
Postage	-	-	-
Program Supplies	-	100	-
Professional Services	-	-	-
Repairs and Maintenance	-	-	-
Small Equipment and Supplies	-	-	-
Equipment Rental	-	-	-
Telephone and Internet	-	-	-
Utilities	-	-	-
Other	-	-	-
Subtotal Senior Recreation	6,933	28,270	30,000
Aquatics			
Personnel Services	59,971	69,000	75,000
Chemicals	-	5,000	-
Clothing	-	-	-
Computer Equipment	-	-	-
Conservation Trust Fund Expenditures	-	-	-
Contingency	-	-	-
Copier	-	-	-
Dues and Subscriptions	-	-	-
Program Supplies	974	1,500	-
Marketing	-	-	-
Meeting and Travel	2,000	500	-
Repairs and Maintenance	46,941	20,000	-

**BENNETT PARK AND RECREATION DISTRICT
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

	Actual 2021	Estimated 2022	Budget 2023
Small Equipment and Supplies	37	-	-
Equipment Rental	-	-	-
Telephone and Internet	-	-	-
Utilities	-	-	-
Subtotal Aquatics	<u>109,923</u>	<u>96,000</u>	<u>75,000</u>
Debt Service			
Capital Lease Principal	20,391	19,468	21,691
Capital Lease Interest	5,222	7,682	3,154
Subtotal Debt Service	<u>25,613</u>	<u>27,150</u>	<u>24,845</u>
Total Expenditures	<u>567,950</u>	<u>622,092</u>	<u>661,490</u>
Other Financing (Uses)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	65,718	21,094	85,777
BEGINNING FUND BALANCE	<u>(130,457)</u>	<u>(64,739)</u>	<u>(43,645)</u>
ENDING FUND BALANCE	<u><u>\$ (64,739)</u></u>	<u><u>\$ (43,645)</u></u>	<u><u>\$ 42,132</u></u>

BENNETT PARK AND RECREATION DISTRICT
DEBT SERVICE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

	Actual 2021	Estimated 2022	Budget 2023
Revenues			
Property Taxes	\$ 145,389	\$ 155,789	\$ 167,631
Interest Income	358	-	3,000
Total Revenues	<u>145,747</u>	<u>155,789</u>	<u>170,631</u>
Expenditures			
County Treasurer's Fees	2,188	2,200	2,515
Principal - 2018 GO Refunding Loan	97,000	101,000	104,000
Interest - 2018 GO Refunding Loan	43,860	40,523	37,049
Contingency	-	-	3,000
Total Expenditures	<u>143,048</u>	<u>143,723</u>	<u>146,564</u>
Other Financing Sources (Uses)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	2,699	12,066	24,067
Fund Balance - Beginning	<u>255,571</u>	<u>258,270</u>	<u>270,336</u>
Fund Balance - Ending	<u><u>\$ 258,270</u></u>	<u><u>\$ 270,336</u></u>	<u><u>\$ 294,403</u></u>

2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

	<u>Actual 2021</u>	<u>Estimated 2022</u>	<u>Budget 2023</u>
ASSESSED VALUATION - ADAMS COUNTY			
Certified Assessed Value	<u>\$ 54,556,310</u>	<u>\$ 58,567,430</u>	<u>\$ 63,019,040</u>
MILL LEVY			
General	3.500	3.500	3.500
Debt Service	2.660	2.660	2.660
	<u>6.160</u>	<u>6.160</u>	<u>6.160</u>
PROPERTY TAXES			
General	\$ 190,947	\$ 204,986	\$ 220,567
Debt Service	145,120	155,789	167,631
Levied property taxes	336,067	360,775	388,198
Refunds and abatements	-	-	-
Budgeted property taxes	<u>\$ 336,067</u>	<u>\$ 360,775</u>	<u>\$ 388,198</u>
BUDGETED PROPERTY TAXES			
General	\$ 190,947	\$ 204,986	\$ 220,567
Debt Service	145,120	155,789	167,631
	<u>\$ 336,067</u>	<u>\$ 360,775</u>	<u>\$ 388,198</u>

BENNETT PARK AND RECREATION DISTRICT

RESOLUTION NO. 2022-11-1

RESOLUTION TO ADOPT BUDGET

WHEREAS, the Board of Directors (“Board”) of Bennett Park and Recreation District (“District”) has appointed a budget committee to prepare and submit a proposed 2023 budget to the Board at the proper time; and

WHEREAS, such budget committee has submitted the proposed budget to the Board for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on November 3, 2022, and interested electors were given the opportunity to file or register any objections to the budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, enterprise, reserve transfer and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“TABOR”) and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever decreases may have been made in the revenues, like decreases were made to the expenditures so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Bennett Park and Recreation District:

1. That estimated expenditures for each fund are as follows:

General Fund:	\$ 661,490
Debt Service Fund:	<u>\$ 146,564</u>
Total	\$ 808,054

2. That estimated revenues are as follows:

<u>General Fund:</u>	
From unappropriated surpluses	\$ 0
From sources other than general property tax	\$526,700
From general property tax	<u>\$220,567</u>
Total	\$747,267

Debt Service Fund:

From unappropriated surpluses	\$ 0
From sources other than general property tax	\$ 3,000
From general property tax	<u>\$167,631</u>
Total	\$170,631

3. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of the Bennett Park and Recreation District for the 2023 fiscal year.

4. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

TO SET MILL LEVIES

WHEREAS, the amount of money from property taxes necessary to balance the budget for general operating expenses is \$220,567; and

WHEREAS, the amount of money necessary to balance the budget for debt service expenses is \$167,131; and

WHEREAS, the 2022 valuation for assessment of the District, as certified by the County Assessor, is \$63,019,040.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Bennett Park and Recreation District:

1. That for the purpose of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a property tax, inclusive of the mill levy for refunds and abatements, of 3.500 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$220,567.

2. That for the purpose of meeting all debt service expenses of the District during the 2023 budget year, there is hereby levied a property tax of 2.660 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise \$167,131.

3. That the Treasurer and/or President of the District is hereby authorized and directed to immediately certify to the County Commissioners of Adams County, Colorado, the mill levies for the District as hereinabove determined and set, or as adjusted, if necessary, upon receipt of the final (December) certification of valuation from the county assessor in order to comply with any applicable revenue and other budgetary limits.

TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Bennett Park and Recreation District has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; and

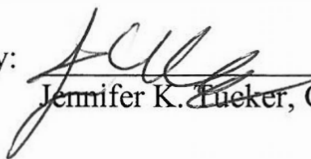
WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any inter-fund transfers listed therein, so as not to impair the operations of District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Bennett Park and Recreation District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

General Fund:	\$ 661,490
Debt Service Fund:	<u>\$ 146,564</u>
Total	\$ 808,054

Adopted this 3rd day of November, 2022.

BENNETT PARK AND RECREATION
DISTRICT

By: 
Jennifer K. Tucker, Chair

ATTEST:



Celina M. Petre, Secretary

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Adams County, Colorado.

On behalf of the Bennett Park and Recreation District,

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Bennett Park and Recreation District

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 63,019,040 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 63,019,040 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/6/2022 for budget/fiscal year 2023.
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	3.500 mills	\$ 220,567
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	3.500 mills	\$ 220,567
3. General Obligation Bonds and Interest ^J	2.660 mills	\$ 167,631
4. Contractual Obligations ^K	0.000 mills	\$ 0
5. Capital Expenditures ^L	0.000 mills	\$ 0
6. Refunds/Abatements ^M	0.000 mills	\$ 0
7. Other ^N (specify): _____	0.000 mills	\$ 0
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	6.160 mills	\$ 388,197

Contact person: Timothy J. Flynn Daytime phone: (720) 617-0080
 Signed:  Title: Attorney for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 866-2156.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | | |
|----|-------------------|-----------------------------------|
| 1. | Purpose of Issue: | General Obligation Refunding Note |
| | Series: | 2018 |
| | Date of Issue: | June 12, 2018 |
| | Coupon Rate: | 4.5% to 5% |
| | Maturity Date: | 2031 |
| | Levy: | 2.660 |
| | Revenue: | \$167,631 |
| | | |
| 2. | Purpose of Issue: | _____ |
| | Series: | _____ |
| | Date of Issue: | _____ |
| | Coupon Rate: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

CONTRACTS^K:

- | | | |
|----|----------------------|-------|
| 3. | Purpose of Contract: | N/A |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |
| | | |
| 4. | Purpose of Contract: | N/A |
| | Title: | _____ |
| | Date: | _____ |
| | Principal Amount: | _____ |
| | Maturity Date: | _____ |
| | Levy: | _____ |
| | Revenue: | _____ |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

EXHIBIT C

2022 AUDIT

**BENNETT PARK AND RECREATION
DISTRICT**

Financial Statements

December 31, 2022

BENNETT PARK AND RECREATION DISTRICT

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Dazzio & Associates, PC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Bennett Park and Recreation District
Adams County, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Bennett Park and Recreation District (the District), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the District, as of December 31, 2022, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District'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.

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• Member American Institute of Certified Public Accountants • Member Colorado Society of Certified Public Accountants •

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 District'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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District'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 IV–XI be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The Other Information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Duggio & Associates, P.C.

May 10, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

BENNETT PARK AND RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2022

As management of the Bennett Park and Recreation District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with the District's financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of 2022 by \$1,747,195. Of the net position total, \$1,420,476 is classified as net investment in capital assets and \$285,595 is restricted. The District has an unrestricted net position of \$41,124.
- The District's total net position increased \$84,034.
- The total expenses of the District's programs increased \$69,730, or 9%, compared to 2021.
- Total revenue increased \$145,124, or 19%, compared to 2021.
- The District's governmental funds reported combined ending fund balance of \$341,022, an increase of \$147,491 in comparison with the prior year.
- The General Fund reported an *unassigned* fund balance of \$42,404 as of December 31, 2022, an increase of 132,179 in 2022.
- The District made all debt service payments in 2022.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

BENNETT PARK AND RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

Government-wide financial statements

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

The *statement of net position* presents information on all of the District's 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 District is improving or deteriorating.

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

The government-wide financial statements present functions of the District that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the District include Administrative, Recreation, Senior, Aquatics and Janitorial services.

Fund financial statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and

BENNETT PARK AND RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2022

the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains two individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund and the Debt Service Fund, which are considered to be major funds.

The District adopts an annual appropriated budget for each of its funds. Budgetary comparison statements and schedules have been provided for all funds to demonstrate compliance with the budget.

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

Supplementary and Other Information. In addition to the basic financial statements and the accompanying notes, this report also presents a budget to actual schedule for the District's debt service fund as well as schedules presenting the District's debt requirements and a history of assessed valuation and mill levies for the past several years.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The analysis below focuses on the net position and changes in net position of the District's governmental activities.

Table 1 presents an analysis of the District's net position as of December 31, 2022 and 2021. The District's assets exceeded liabilities by \$1,747,195 at the close of 2022. Total net position increased \$84,034 in 2022 and increased \$8,640 in 2021.

The increase is comprised of the following:

- Total assets decreased \$6,492 to \$3,315,201. This was mainly caused by increases in cash balances of \$151,546 less depreciation on capital assets of \$188,089.
- Total liabilities decreased \$117,949 to \$1,179,808. The decrease was due to payments towards long-term debt obligations in 2022 amounting to \$121,645.

BENNETT PARK AND RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

Table 1
Summary of Net Position

	<u>2022</u>	<u>2021</u>
Assets		
Current and Other Assets	\$ 749,302	\$ 573,185
Capital Assets	2,565,899	2,748,508
Total Assets	<u>3,315,201</u>	<u>3,321,693</u>
Liabilities		
Long-term Liabilities	1,156,639	1,275,501
Other Liabilities	23,169	22,256
Total Liabilities	<u>1,179,808</u>	<u>1,297,757</u>
Deferred Inflows of Resources	<u>388,198</u>	<u>360,775</u>
Net Position		
Net Investment in Capital Assets	1,420,476	1,481,440
Restricted	285,595	271,293
Unrestricted	41,124	(89,572)
Total Net Position	<u>\$ 1,747,195</u>	<u>\$ 1,663,161</u>

The largest portion of the District's assets reflects its investment of \$2,565,899 in capital assets (e.g., buildings and equipment). Net Capital assets are reported less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position, \$285,595 represents resources that are subject to external restrictions on how they may be used. The District's unrestricted net position was \$41,124 at the end of the year compared to a deficit of \$89,572 at the end of 2021.

BENNETT PARK AND RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

Changes in Net Position

As presented in Table 2, the District's net position increased \$84,034 during 2022.

Revenues increased \$145,124, or 19%, compared to 2021. Revenues from charges for services increased \$33,388 (15%) due to increased center usage. Property taxes increased \$21,492 due to an increase in assessed valuation by 7%. Operating and capital grants increased \$85,874 mainly due to a Federal American Recovery Act grant of \$80,000.

Expenses increased \$69,730, or 9%, in 2022 mainly due to increased personnel costs and increased costs for the Communities that Care program of \$16,364 which was covered from reimbursements from the grant program.

Table 2
Summary of Changes in Net Position

Revenues	2022	2021
Program Revenues		
Charges for Services	\$ 259,244	\$ 225,856
Operating Grants	265,062	179,188
General Revenues		
Taxes	386,762	365,270
Investment Earnings	6,265	833
Other	7,206	8,268
Total Revenues	<u>924,539</u>	<u>779,415</u>
Expenses		
Administration	234,945	174,434
Building Operations	149,964	133,529
Communities that Care	100,376	84,012
Recreation Programs	120,374	129,970
Interest Expense	46,787	50,992
Unallocated Depreciation	188,059	197,838
Total Expenses	<u>840,505</u>	<u>770,775</u>
Change in Net Position	84,034	8,640
Net Position - Beginning	<u>1,663,161</u>	<u>1,654,521</u>
Net Position - Ending	<u>\$ 1,747,195</u>	<u>\$ 1,663,161</u>

BENNETT PARK AND RECREATION DISTRICT

**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022**

Financial Analysis of the Government's Funds

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

The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable resources*. This information is necessary to assess the District's financing requirements. Types of governmental funds reported by the District include the General Fund and the Debt Service Fund.

At December 31, 2022, the District's governmental funds reported combined ending fund balance of \$341,022, an increase of \$147,491.

The fund balance of the District's General Fund increased \$132,179 during 2022. Key factors are as follows:

- As mentioned earlier, the General Fund's main revenue source of recreation and aquatics revenues increased \$33,388 from \$225,856 in 2021 to \$259,244 in 2022 due to increased recreation center usage. The District received \$114,500 in grants during 2022 compared to \$54,625 in 2021. The District received a Communities that Care Grant in the amount of \$425,000 over a 5-year period, beginning in October 2016. The grant was extended to June 30, 2023. The purpose of the grant is to implement local evidence-based youth substance abuse prevention strategies to prevent youth initiation of substance use, by addressing common risk factors and improving protective factors across the socio ecological model within Adams County. In 2021, this generated \$110,498 and \$100,376 in revenues and expenditures, respectively.
- Expenditures increased in 2022, increasing \$59,430 or 10%, mainly due to increased personnel expenditures of approximately \$36,000.

The fund balance of the Debt Service Fund increased \$15,312 from \$258,270 to \$273,582 due to the increase in debt service property taxes collected from \$145,389 in 2021 to \$155,787 in 2022.

General Fund Budgetary Highlights

General Fund actual revenues were \$3,185 more than budgeted (as amended) and expenditures equaled the amount budgeted (as amended) for 2022.

BENNETT PARK AND RECREATION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

Capital Assets and Debt Administration

Capital Assets

As can be seen from the table below, the District's investment in capital assets as of December 31, 2022 amounts to \$2,565,899 (net of accumulated depreciation). This investment in capital assets includes buildings, improvements and machinery and equipment.

The following table provides comparative information on the District's net capital assets for 2022 and 2021.

	<u>2022</u>	<u>2021</u>
Recreation Center	\$ 1,399,433	\$ 1,440,285
Pool	1,165,606	1,306,875
Equipment, Furniture & Fixtures	860	1,348
Total Capital Assets, Net	<u>\$ 2,565,899</u>	<u>\$ 2,748,508</u>

Additional information on capital assets can be found in the notes to the financial statements (Note 4).

Debt Administration

The following tables provide comparative information on the District's long-term debt for 2022 and 2021.

	<u>2022</u>	<u>2021</u>
General Obligation Refunding Note	\$ 1,077,000	\$ 1,178,000
Leases	68,423	89,068
Compensated Absences	11,216	8,433
Total Long-term Debt	<u>\$ 1,156,639</u>	<u>\$ 1,275,501</u>

All scheduled debt service payments were made on the District's obligations in 2022.

Additional information on the District's long-term obligations can be found in the notes to the financial statements (Note 5).

BENNETT PARK AND RECREATION DISTRICT

MANAGEMENT’S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

Next Year’s Budgets and Rates

The District has appropriated \$661,490 for spending in the 2023 fiscal year budget. It is anticipated that beginning fund balances, property tax revenue, specific ownership tax revenue, recreation fees and grants revenue will be sufficient to cover these expenditures. Below is a summary of revenues and expenditures budgeted for 2023:

	2023 Budget
Revenues:	
Taxes	\$ 220,567
Fees and Charges	275,000
Communities that Care	103,000
Grants	100,000
Conservation Trust	27,000
Miscellaneous	21,700
Total Revenues	<u>747,267</u>
Expenditures:	
Administration	219,009
Building Operations	156,500
Communities that Care	93,636
Recreation	62,500
Senior Recreation	30,000
Aquatics	75,000
Debt Service	24,845
Total Expenditures	<u>661,490</u>
Net Change in Fund Balance	<u>\$ 85,777</u>

Requests for Information

This financial report is designed to provide a general overview of the District’s finances for all those with an interest in the District’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Bennett Park and Recreation District at PO Box 379, Bennett, Colorado, 80102.

BASIC FINANCIAL STATEMENTS

BENNETT PARK AND RECREATION DISTRICT

STATEMENT OF NET POSITION

December 31, 2022

Assets	
Cash and Investments	\$ 68,107
Cash and Investments - Restricted	273,582
Due from County Treasurer	2,130
Accounts Receivable	7,349
Prepaid Expense	9,936
Property Taxes Receivable	388,198
Capital Assets, Net of Accumulated Depreciation	<u>2,565,899</u>
Total Assets	<u>3,315,201</u>
Liabilities	
Accounts Payable	20,082
Accrued Interest Payable	3,087
Noncurrent Liabilities	
Due Within One Year	129,991
Due In More Than One Year	<u>1,026,648</u>
Total Liabilities	<u>1,179,808</u>
Deferred Inflows of Resources	
Unavailable Revenue - Property Taxes	<u>388,198</u>
Net Position	
Net Investment in Capital Assets	1,420,476
Restricted	
Debt Service	270,495
Labor Emergencies	15,100
Unrestricted	<u>41,124</u>
Total Net Position	<u>\$ 1,747,195</u>

The notes to the financial statements are an integral part of this statement.

BENNETT PARK AND RECREATION DISTRICT

**STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022**

Function/Program Activities	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Administration	\$ 234,945	\$ -	\$ 125,321	\$ -	\$ (109,624)
Building Operations	149,964	-	-	-	(149,964)
Communities that Care	100,376	-	110,498	-	10,122
Recreation Programs	120,374	259,244	29,243	-	168,113
Interest and Related Charges on Long-term Debt	46,787	-	-	-	(46,787)
Unallocated Depreciation	188,059	-	-	-	(188,059)
Total	\$ 840,505	\$ 259,244	\$ 265,062	\$ -	(316,199)

General Revenues

Property Taxes - Operating	204,490
Property Taxes - Debt Service	155,787
Specific Ownership Taxes	26,485
Net Investment Income	6,265
Other	7,206

Total General Revenues 400,233

Change in Net Position 84,034

Net Position - Beginning 1,663,161

Net Position - Ending \$ 1,747,195

The notes to the financial statements are an integral part of this statement.

BENNETT PARK AND RECREATION DISTRICT

**BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2022**

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
Assets			
Cash and Investments	\$ 68,107	\$ -	\$ 68,107
Cash and Investments - Restricted	-	273,582	273,582
Due from County Treasurer	2,130	-	2,130
Accounts Receivable	7,349	-	7,349
Prepaid Expenditures	9,936	-	9,936
Property Taxes Receivable	220,567	167,631	388,198
Total Assets	<u>\$ 308,089</u>	<u>\$ 441,213</u>	<u>\$ 749,302</u>
Liabilities			
Accounts Payable	\$ 20,082	\$ -	\$ 20,082
Total Liabilities	<u>20,082</u>	<u>-</u>	<u>20,082</u>
Deferred Inflows of Resources			
Unavailable Revenue - Property Taxes	220,567	167,631	388,198
Fund Balances			
Nonspendable	9,936	-	9,936
Restricted:			
Debt Service	-	273,582	273,582
TABOR Emergencies	15,100	-	15,100
Unassigned	42,404	-	42,404
Total Fund Balances	<u>67,440</u>	<u>273,582</u>	<u>341,022</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 308,089</u>	<u>\$ 441,213</u>	<u>\$ 749,302</u>

The notes to the financial statements are an integral part of this statement.

BENNETT PARK AND RECREATION DISTRICT

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
December 31, 2022**

Total Fund Balance - Governmental Funds \$ 341,022

Total net position reported for governmental activities in the statement of net position is different because:

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

Those assets consist of:

Recreation Building, Net	\$ 1,399,433	
Swimming Pool, Net	1,165,606	
Equipment and Furniture, Net	<u>860</u>	2,565,899

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net position.

Balances at year-end are:

General Obligation Note Payable	(1,077,000)	
Capital Lease Obligations	(68,423)	
Compensated Absences	<u>(11,216)</u>	(1,156,639)

Interest on long-term debt is not accrued in the funds, but rather is recognized as an expenditure when due (3,087)

Net Position - Governmental Activities \$ 1,747,195

The notes to the financial statements are an integral part of this statement.

BENNETT PARK AND RECREATION DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)

GOVERNMENTAL FUNDS

For the Year Ended December 31, 2022

	General	Debt Service	Total
Revenues			
Property Taxes	\$ 204,490	\$ 155,787	\$ 360,277
Specific Ownership Taxes	26,485	-	26,485
Conservation Trust Fund	29,243	-	29,243
Recreation Fees and Revenues	259,244	-	259,244
Intergovernmental Revenue	114,500	-	114,500
Grant Revenue	110,498	-	110,498
Contributions	10,821	-	10,821
Interest Income	2,862	3,403	6,265
Other	7,206	-	7,206
Total Revenues	765,349	159,190	924,539
Expenditures			
Current			
Administration	232,162	2,355	234,517
Building Operations	149,964	-	149,964
Communities that Care	100,376	-	100,376
Recreation	58,212	-	58,212
Senior Recreation	2,427	-	2,427
Aquatics	65,185	-	65,185
Debt Service			
Principal	20,645	101,000	121,645
Interest	4,199	40,523	44,722
Total Expenditures	633,170	143,878	777,048
Net Change in Fund Balances	132,179	15,312	147,491
Fund Balances (Deficit) - Beginning	(64,739)	258,270	193,531
Fund Balances - Ending	\$ 67,440	\$ 273,582	\$ 341,022

The notes to the financial statements are an integral part of this statement.

BENNETT PARK AND RECREATION DISTRICT

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

Net Change in Fund Balances - Governmental Funds	\$ 147,491
Amounts reported for governmental activities in the statement of activities are different because:	
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.	
Capital Outlay	5,450
Depreciation Expense	(188,059)
The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to the governmental funds. However, issuing debt increases long-term liabilities on the statement of net position, so these transactions have no effect on net position.	
Repayments of principal:	
General Obligation Refunding Note	101,000
Capital Lease Obligations	20,645
Interest expense in the statement of activities differs from the amount reported in governmental funds because of additional accrued and accreted interest, amortization of bond premiums and issue costs.	
Decrease in accrued interest on long-term debt	290
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Adjustment to compensated absences liability	<u>(2,783)</u>
Change in Net Position - Governmental Activities	<u><u>\$ 84,034</u></u>

The notes to the financial statements are an integral part of this statement.

BENNETT PARK AND RECREATION DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL**

GENERAL FUND

For the Year Ended December 31, 2022

(With Comparative Actual Totals for the Year Ended December 31, 2021)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>2021 Actual</u>
Revenues					
Property Taxes	\$ 204,986	\$ 204,986	\$ 204,490	\$ (496)	\$ 191,315
Specific Ownership Tax	28,000	28,000	26,485	(1,515)	28,566
Conservation Trust Fund	24,000	29,000	29,243	243	26,574
Recreation Fees and Revenues:					
Admissions	20,000	30,000	29,819	(181)	10,816
Program Fees	65,000	65,000	65,893	893	55,778
Room Rentals	28,000	28,000	24,553	(3,447)	26,390
Memberships	125,000	139,000	138,979	(21)	132,872
Intergovernmental Revenue	25,000	114,500	114,500	-	54,625
Communities that Care Grant	103,000	103,000	110,498	7,498	92,376
Special Events	2,000	2,000	4,994	2,994	6,181
Advertising	500	500	2,000	1,500	1,875
Vending and Sales	1,500	1,500	212	(1,288)	212
Contributions	15,000	15,000	10,821	(4,179)	5,613
Interest Income	1,200	1,678	2,862	1,184	475
Total Revenues	643,186	762,164	765,349	3,185	633,668
Expenditures					
Current					
Administration					
Personnel Services	-	105,000	143,890	(38,890)	100,357
Accounting	17,000	17,000	14,800	2,200	14,800
Advertising	405	405	472	(67)	1,001
Audit	4,200	4,200	4,200	-	4,200
Bank and Credit Card Fees	5,500	5,500	8,699	(3,199)	6,423
Contingency	3,000	3,000	-	3,000	-
County Treasurer's Fees	3,100	3,100	3,066	34	2,880
Dues and Subscriptions	4,000	4,000	6,920	(2,920)	4,910
Equipment Rental	4,460	4,460	5,730	(1,270)	4,167
Insurance	26,671	26,671	23,456	3,215	22,961
Legal Fees	5,000	5,000	7,777	(2,777)	6,599
Meeting and Travel	200	200	-	200	649
Office Supplies	2,500	2,500	5,008	(2,508)	2,731

(Continued)

BENNETT PARK AND RECREATION DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL**

GENERAL FUND

For the Year Ended December 31, 2022

(With Comparative Actual Totals for the Year Ended December 31, 2021)

(Continued)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)	2021 Actual
Administration (Continued)					
Other	\$ -	\$ -	\$ 8,127	\$ (8,127)	\$ 2,244
Postage	200	200	-	200	110
Small Equipment and Supplies	1,000	1,000	17	983	-
Subtotal Administration	77,236	182,236	232,162	(49,926)	174,032
Building Operations					
Personnel Services	22,000	22,000	14,396	7,604	15,893
Building Maintenance	30,000	30,000	12,741	17,259	18,986
Contract Cleaning	24,000	24,000	28,781	(4,781)	23,404
Equipment Parts and Repairs	-	-	1,389	(1,389)	382
Janitorial Supplies	1,700	1,700	2,348	(648)	2,766
Telephone and Internet	4,000	4,000	3,644	356	6,467
Utilities	55,000	68,978	86,665	(17,687)	65,631
Subtotal Building Operations	136,700	150,678	149,964	714	133,529
Communities that Care (CTC)					
Personnel Services	65,966	65,966	67,156	(1,190)	62,662
Accounting	2,000	2,000	3,500	(1,500)	3,350
Advertising	1,750	1,750	1,651	99	3,116
Dues and Subscriptions	1,220	1,220	-	1,220	-
Program Supplies	15,800	15,800	24,179	(8,379)	12,974
Small Equipment and Supplies	6,000	6,000	-	6,000	-
Telephone	900	900	1,892	(992)	1,665
Training	-	-	1,998	(1,998)	245
Subtotal CTC	93,636	93,636	100,376	(6,740)	84,012
Recreation					
Personnel Services	45,000	45,000	32,551	12,449	25,487
Community Events	-	-	4,900	(4,900)	-
Dues and Subscriptions	4,000	4,000	-	4,000	-
Marketing	50	50	-	50	20
Meeting and Travel	150	150	56	94	-
Office Supplies	-	-	66	(66)	102

(Continued)

BENNETT PARK AND RECREATION DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL**

GENERAL FUND

For the Year Ended December 31, 2022

(With Comparative Actual Totals for the Year Ended December 31, 2021)

(Continued)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)	2021 Actual
Recreation (Continued)					
Program Supplies	\$ 500	\$ 500	\$ 12,680	\$ (12,180)	\$ 5,736
Repairs and Maintenance	2,000	2,000	7,959	(5,959)	2,563
Telephone and Internet	3,500	3,500	-	3,500	-
Subtotal Recreation	55,200	55,200	58,212	(3,012)	33,908
Senior Recreation					
Personnel Services	28,000	28,000	2,282	25,718	6,933
Marketing	30	30	-	30	-
Meeting and Travel	140	140	-	140	-
Program Supplies	100	100	145	(45)	-
Subtotal Senior Recreation	28,270	28,270	2,427	25,843	6,933
Aquatics					
Personnel Services	69,000	69,000	46,965	22,035	59,971
Meeting and Travel	500	500	100	400	2,000
Program Supplies	1,500	1,500	996	504	974
Repairs and Maintenance	25,000	25,000	17,124	7,876	46,941
Small Equipment and Supplies	-	-	-	-	37
Subtotal Aquatics	96,000	96,000	65,185	30,815	109,923
Debt Service					
Capital Lease Principal	18,686	18,686	20,645	(1,959)	20,391
Capital Lease Interest	8,464	8,464	4,199	4,265	5,222
Subtotal Debt Service	27,150	27,150	24,844	2,306	25,613
Total Expenditures	514,192	633,170	633,170	-	567,950
Net Change in Fund Balance	128,994	128,994	132,179	3,185	65,718
Fund Balance (Deficit) - Beginning	73,288	73,288	(64,739)	(138,027)	(130,457)
Fund Balance (Deficit) - Ending	\$ 202,282	\$ 202,282	\$ 67,440	\$ (134,842)	\$ (64,739)

The notes to the financial statements are an integral part of this statement.

BENNETT PARK AND RECREATION DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

Note 1 – Definition of Reporting Entity

The Bennett Park and Recreation District (the District), is a quasi-municipal corporation and political subdivision of the State of Colorado was organized by order and decree of the District Court of Adams County on January 2, 2001 and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by Adams County on May 22, 2000 and revised on June 19, 2002. The District was organized for the purpose of providing recreational facilities and programs for its citizens. The District is located in the Town of Bennett in Adams County, Colorado (the Town).

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations, and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other District organization, nor is the District a component unit of any other primary governmental entity.

Note 2 – Summary of Significant Accounting Policies

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. Governmental activities are normally supported by taxes, intergovernmental revenue and fees and charges.

The statement of net position reports all financial and capital resources of the District, the difference between the assets and deferred outflows, and liabilities and deferred inflows of the District being reported as net position.

BENNETT PARK AND RECREATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2022

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenue* 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 revenue are reported instead as *general revenue*.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported in 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. Revenues are recorded when earned and expenses are recorded when a 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. Other items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days after year-end. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

BENNETT PARK AND RECREATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2022

The District reports the following major governmental funds:

General Fund – This fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund – This fund is used to account for the accumulation of resources for, and the payment of long-term obligation principal, interest and related costs.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors may modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its annual budget for the year ended December 31, 2022.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash and investments. Investments are carried at fair value.

Cash and investments are presented on the balance sheet in the basic financial statements at fair value.

Capital Assets

Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets defined by the District as assets include improvements to buildings and equipment 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 estimated

BENNETT PARK AND RECREATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2022

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

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

Recreation Center Building	50 years
Aquatics Center (Swimming Pool)	20 years
Equipment, Furniture and Fixtures	5-15 years

Property Taxes

Property taxes are levied by the District Board of Directors. The levy is based on assessed valuations determined by the County Assessors generally as of January 1 of each year. The levy is normally set December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurers collect the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and sales of the tax liens on delinquent properties are normally held in November or December. The County Treasurers remit the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. Property taxes are recorded as revenue in the year it is available or collected (the year it is levied for).

Long Term Obligations

In the government-wide financial statements, debt premiums and discounts are deferred and amortized over the life of the issue using the percentage of current principal payments to total debt issue. Debt issuance costs, except any portion related to prepaid insurance costs, are expensed when incurred.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt 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.

BENNETT PARK AND RECREATION DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, one item, unavailable revenue – property tax, is reported in both the government-wide statement of net position and the governmental funds balance sheet. This amount is deferred and recognized as inflow of resources in the period that the amounts become available.

Compensated Absences

It is the District's policy to allow employees to accumulate unused vacation leave up to a certain maximum number of hours, depending on years of service. All such benefits are accrued when incurred in the government-wide financial statements. A liability for this amount is reported in governmental funds only if they have matured, for example, because of employee resignations and retirements. Compensated absences are liquidated by the General Fund. All unpaid vacation balances are paid at the hourly rate when the employee retires, resigns or is terminated.

Net Position and Fund Equity

Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted net position is subject to restrictions by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provision or enabling legislation.

Unrestricted net position represents assets that do not have any third-party limitations on their use.

BENNETT PARK AND RECREATION DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

For government -wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balances

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted fund balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

The District reports the following Restricted Fund Balances:

Restricted for Debt Service

Represents the portion of fund balance that is legally restricted to payment of principal and interest on long-term debt maturing in future years.

Restricted for TABOR Emergencies

Emergency reserves have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 9).

Committed fund balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

BENNETT PARK AND RECREATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2022

Assigned fund balance – The portion of fund balance that is constrained by the government’s intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District’s practice to use the most restrictive classification first.

Use of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. An example of such an estimate that has been made by management is depreciation expense.

Note 3 – Cash and Investments

At December 31, 2022 the District had the following cash and investments:

Cash Deposits	\$ 93,402
Investments	<u>248,287</u>
	<u>\$ 341,689</u>

Cash Deposits

Custodial credit risk

Custodial risk for deposits is the risk that, in the event of a failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The Colorado Public Deposit Protection Act (PDPA) governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to

BENNETT PARK AND RECREATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2022

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

At December 31, 2022, the District's cash deposit had a bank balance of \$99,778 and a carrying balance of \$93,402.

Investments

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

The District generally limits its concentration of investments to obligations of the United States, certain U.S. government agency securities and Local Government Investment Pools, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors, such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

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

BENNETT PARK AND RECREATION DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (Colotrust PLUS+)	Weighted Average Under 60 days	<u>\$ 248,287</u>

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

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

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

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

BENNETT PARK AND RECREATION DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

Note 4 – Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2022 follows.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital Assets Being Depreciated				
Recreation Center	\$ 2,014,853	\$ -	\$ -	\$ 2,014,853
Pool	2,856,697	5,450	-	2,862,147
Equipment, Furniture & Fixtures	96,722	-	-	96,722
Total Capital Assets Being Depreciated	<u>4,968,272</u>	<u>5,450</u>	<u>-</u>	<u>4,973,722</u>
Less Accumulated Depreciation for				
Recreation Center	(574,568)	(40,852)	-	(615,420)
Pool	(1,549,822)	(146,719)	-	(1,696,541)
Equipment, Furniture & Fixtures	(95,374)	(488)	-	(95,862)
Total Accumulated Depreciation	<u>(2,219,764)</u>	<u>(188,059)</u>	<u>-</u>	<u>(2,407,823)</u>
Total Capital Assets, Net	<u>\$ 2,748,508</u>	<u>\$ (182,609)</u>	<u>\$ -</u>	<u>\$ 2,565,899</u>

Note 5 – Long-Term Obligations

The following is an analysis of changes in the governmental activities long-term obligations for the year ended December 31, 2022.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General Obligation Refunding Note, Series 2018 (Direct Borrowing)	\$ 1,178,000	\$ -	\$ 101,000	\$ 1,077,000	\$ 104,000
Lease Obligation:					
Building Improvements, 2010	89,068	-	20,645	68,423	21,691
Compensated Absences	8,433	8,970	6,187	11,216	4,300
Total	<u>\$ 1,275,501</u>	<u>\$ 8,970</u>	<u>\$ 127,832</u>	<u>\$ 1,156,639</u>	<u>\$ 129,991</u>

\$1,576,000 General Obligation Refunding Note, Series 2018

On June 12, 2018, the District issued a \$1,576,000 General Obligation Refunding Note, Series 2018 (the Note). The Note was issued to refund the remaining principal amount due on the Series 2003 Bonds which were used to fund the construction of the Bennett Recreation Center.

BENNETT PARK AND RECREATION DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

The Note is due on December 31, 2031, with an interest rate of 3.44%, paid semiannually on June 1 and December 1. The Note is subject to mandatory sinking fund redemption beginning on December 1, 2018 in varying amounts through maturity on December 1, 2031. The Note is subject to redemption prior to maturity, at the option of the District, in whole or in part, on any interest payment date, upon payment of par and accrued interest, without redemption premium. The Note is considered a general obligation of the District and the full faith and credit of the District are pledged for the punctual payment of the principal of and interest on the Note.

Annual debt service requirements to maturity for Note follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 104,000	\$ 37,049	\$ 141,049
2024	108,000	33,471	141,471
2025	111,000	29,756	140,756
2026	115,000	25,938	140,938
2027	119,000	21,982	140,982
2028-2031	520,000	45,512	565,512
	<u>\$1,077,000</u>	<u>\$ 193,708</u>	<u>\$1,270,708</u>

Lease Obligation

Building Improvements

On October 22, 2010, the District entered into a lease agreement in the original amount of \$250,000 to fund a portion of an addition to the recreation center, including a swimming pool, locker rooms, equipment rooms, storage and meeting rooms. A portion of the building constructed with the proceeds of this financing serves as security under the lease. Lease payments are due in annual installments beginning April 20, 2011 through October 20, 2025, with interest at 5%. Lease payments are made by the General Fund. The net present value of these minimum lease payments as of December 31, 2022, follows:

<u>Year Ending December 31</u>	<u>Amount</u>
2023	\$ 24,845
2024	24,845
2025	24,845
Minimum lease payments	74,535
Less: Amount representing interest	(6,112)
Present value of minimum lease payments	<u>\$ 68,423</u>

BENNETT PARK AND RECREATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2022

Assets acquired through capital leases are as follows:

Assets:

Building Improvements	\$ 260,000
Less: Accumulated Depreciation	<u>(162,500)</u>
	<u>\$ 97,500</u>

Note 6 – Net Position

The District has net position consisting of three components - net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2022, the District had net investment in capital assets calculated as follows:

Capital Assets, Net	\$ 2,565,899
Outstanding Long-Term Debt Applicable to Capital Assets	<u>(1,145,423)</u>
Net Investment in Capital Assets	<u>\$ 1,420,476</u>

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

The District had restricted net position as of December 31, 2022, as follows:

Restricted net position:

Emergency reserves	\$ 15,100
Debt service	<u>270,495</u>
Total	<u>\$ 285,595</u>

BENNETT PARK AND RECREATION DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

Note 7 – Risk Management

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets, errors or omissions, injuries to employees, or natural disasters.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for property, general and automobile liability, public officials, auto physical damage, equipment/boiler and machinery, and worker's compensation coverage. In the event aggregate losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds, which the Pool determines are not needed for purposes of the Pool, may be returned to the members pursuant to a distribution formula.

Note 8 – Ground Lease

On February 12, 2002, the District entered into an Intergovernmental Agreement with the Town (Town IGA) to lease land at the Bennett Recreation Center location. The lease term expires December 31, 2026, and may be renewed at the discretion of the District for additional twenty-five-year terms. Under the lease terms, the District paid a one-time nominal amount.

On August 9, 2005, the Town IGA was amended to extend the lease term 50 years to August 31, 2055.

On October 25, 2022, the Town IGA was amended to modify certain responsibilities of the District and the Town as they pertain to the leased property.

The lease may be terminated by either the District or the Town, at their discretion. In the event the District terminates the lease, all buildings and improvements shall become the property of the Town. Additionally, the Town may require the District, at the sole cost and expense of the District, to remove any buildings or other improvements from the property. In the event the Town terminates the lease, the Town shall pay the District the depreciated value of any buildings and other leasehold improvements that were constructed by the District, such value to be determined by an appraisal.

BENNETT PARK AND RECREATION DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

Note 9 – Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

On May 7, 2002, the registered voters of the District authorized the District to collect, retain and spend all revenues it receives from its rates, fees, tolls and charges (both operating and capital in nature) for parks and recreation facilities and services and any and all other revenues it receives in 2002 and subsequent years and authorized the District to spend such revenues as a voter-approved revenue change and an exception to any spending limitations which might otherwise apply, without limiting the collection and spending of other revenues of the District in any year.

The voters also authorized the District to continue to levy 3.5 mills each year for operations regardless of any revenue limitations in Section 29-1-301, C.R.S. or other State law.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

SUPPLEMENTARY INFORMATION

BENNETT PARK AND RECREATION DISTRICT

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

DEBT SERVICE FUND

For the Year Ended December 31, 2022

(With Comparative Actual Totals for the Year Ended December 31, 2021)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)	2021 Actual
Revenues					
Property Taxes	\$ 155,789	\$ 155,789	\$ 155,787	\$ (2)	\$ 145,389
Interest Income	-	3,400	3,403	3	358
Total Revenues	<u>155,789</u>	<u>159,189</u>	<u>159,190</u>	<u>1</u>	<u>145,747</u>
Expenditures					
County Treasurer's Fees	2,200	2,355	2,355	-	2,188
Principal - 2018 GO Refunding Loan	100,681	101,000	101,000	-	97,000
Interest - 2018 GO Refunding Loan	40,519	40,523	40,523	-	43,860
Total Expenditures	<u>143,400</u>	<u>143,878</u>	<u>143,878</u>	<u>-</u>	<u>143,048</u>
Net Change in Fund Balance	12,389	15,311	15,312	1	2,699
Fund Balance - Beginning	<u>257,681</u>	<u>258,270</u>	<u>258,270</u>	<u>-</u>	<u>255,571</u>
Fund Balance - Ending	<u><u>\$ 270,070</u></u>	<u><u>\$ 273,581</u></u>	<u><u>\$ 273,582</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ 258,270</u></u>

See the Independent Auditor's Report

OTHER INFORMATION

BENNETT PARK AND RECREATION DISTRICT

**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2022**

\$1,576,000 General Obligation Refunding Note Series 2018					\$260,000 Capital Lease Obligation Series 2010			
Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2023	3.44	\$ 104,000	\$ 37,049	\$ 141,049	5.00	\$ 21,691	\$ 3,154	\$ 24,845
2024	3.44	108,000	33,471	141,471	5.00	22,789	2,056	24,845
2025	3.44	111,000	29,756	140,756	5.00	23,943	902	24,845
2026	3.44	115,000	25,938	140,938	-	-	-	-
2027	3.44	119,000	21,982	140,982	-	-	-	-
2028	3.44	123,000	17,888	140,888	-	-	-	-
2029	3.44	128,000	13,657	141,657	-	-	-	-
2030	3.44	132,000	9,254	141,254	-	-	-	-
2031	3.44	137,000	4,713	141,713	-	-	-	-
		<u>\$ 1,077,000</u>	<u>\$ 193,708</u>	<u>\$ 1,270,708</u>		<u>\$ 68,423</u>	<u>\$ 6,112</u>	<u>\$ 74,535</u>

BENNETT PARK AND RECREATION DISTRICT

**SCHEDULE OF ASSESSED VALUATION, MILL LEVY AND
PROPERTY TAXES COLLECTED
December 31, 2022**

Levy Year	Collection Year	Assessed Valuation	Mill Levy				Total Levy	Current Collection	Collection Rate
			General	Debt	Abate-ments	Total			
2011	2012	\$ 27,942,560	3.500	6.500	-	10.000	\$ 279,426	\$ 283,652	101.51%
2012	2013	29,211,440	3.500	5.000	-	8.500	248,297	242,387	97.62%
2013	2014	29,563,160	3.500	5.400	-	8.900	263,112	264,386	100.48%
2014	2015	29,434,910	3.500	5.400	-	8.900	261,971	255,954	97.70%
2015	2016	32,532,200	3.500	5.000	-	8.500	276,524	267,659	96.79%
2016	2017	34,105,240	3.500	4.600	0.254	8.354	284,915	283,757	99.59%
2017	2018	42,338,730	3.500	4.600	-	8.100	342,944	342,405	99.84%
2018	2019	42,688,190	3.500	3.852	-	7.352	313,844	310,569	98.96%
2019	2020	56,957,900	3.500	2.515	-	6.015	342,602	333,223	97.26%
2020	2021	54,556,310	3.500	2.660	-	6.160	336,067	336,704	100.19%
2021	2022	58,567,430	3.500	2.660	-	6.160	360,775	360,277	99.86%

Estimated for the
Year Ending
December 31,
2023

\$ 63,019,040 3.500 2.660 - 6.160 \$ 388,198

Note:

Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the Adams County Treasurer does not permit identification of specific year of levy.

Source: Adams County Assessor and Treasurer.