



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ending: December 31, 2023

PREPARED BY :
Urban Drainage &
Flood Control District

MHFD
MILE HIGH FLOOD DISTRICT

Annual Comprehensive Financial Report

For the Year Ended December 31, 2023

Urban Drainage & Flood Control District, Colorado

Prepared by the Finance Department

Urban Drainage and Flood Control District
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For the Year Ended December 31, 2023

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BOARD OF DIRECTORS

EXECUTIVE COMMITTEE

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Stephanie Piko, Mayor, City of Centennial Chairperson Pro Tem
Tracy Kraft-Tharp, Commissioner, Jefferson CountyTreasurer
Jan Kulmann, Mayor, City of Thornton Secretary
Nancy McNally, Mayor, City of Westminster.....Member-at-Large

MEMBERS

Mike Anderson, Engineer, Retired
Lynn Baca, Commissioner, Adams County
Guyleen Castriotta, Mayor Pro Tem, City/County Broomfield
Tracy Engerman, Mayor, City of Castle Pines
Curtis Gardner, Mayor Pro Tem, City of Aurora
Stacie Gilmore, Council Member, City & County of Denver
Robert Harberg, Engineer-Retired
Paul Kashmann, Council Member City and County of Denver
Meredith Leighty, Mayor City of Northglenn
Dennis Maloney, Mayor, City of Louisville
Adam Paul, Mayor, City of Lakewood
Kyle Schlachter, Mayor, City of Littleton
Ashley Stolzmann, Mayor, City of Louisville
Leslie Summey, Commissioner, Arapahoe County
George Teal, Commissioner, Douglas County
Jamie Torres, Council President, City & County of Denver
Mark Wallach, Mayor Pro Tem, City of Boulder
Marc Williams, Mayor, City of Arvada

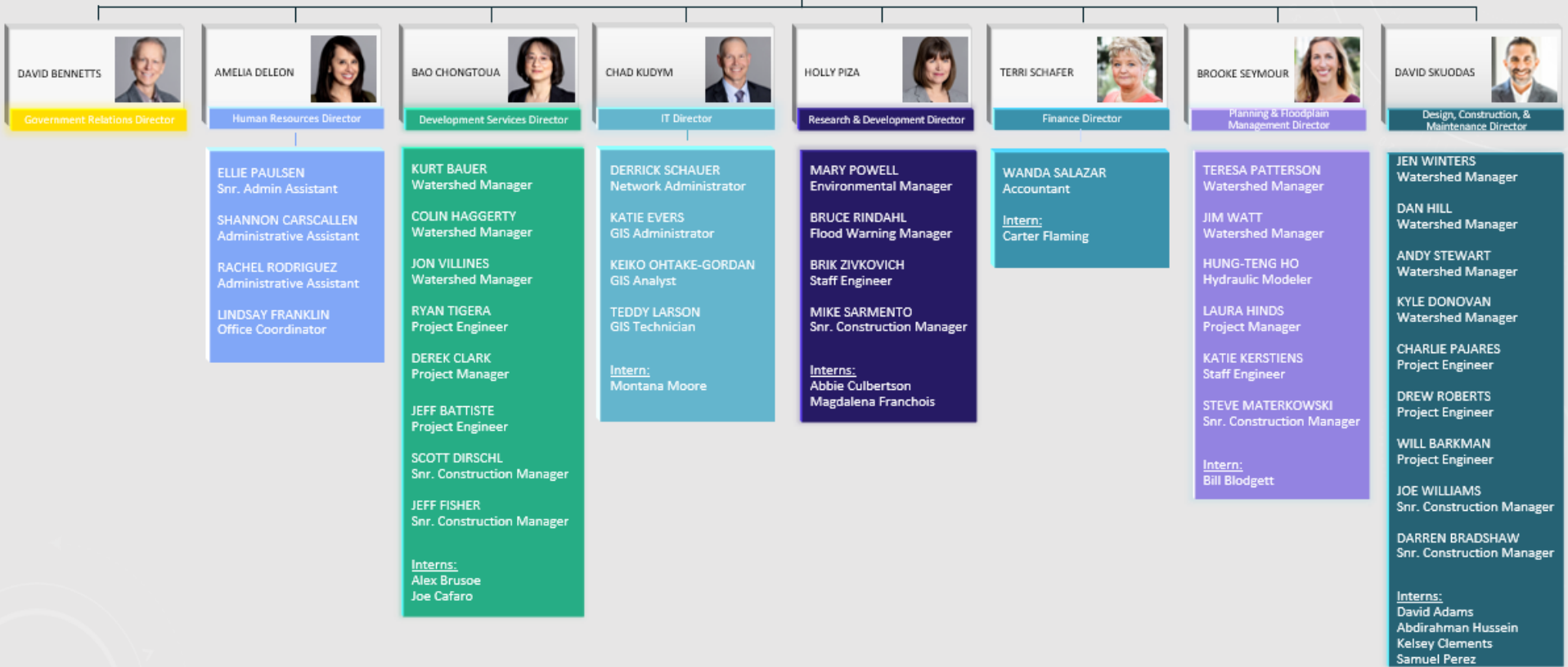
DISTRICT STAFF

Laura Kroeger, Executive Director	Terri Schafer, Director of Finance
David Bennetts, Director, Government Relations	Dave Skuodas, Director, Design, Construction & Maintenance
Barbara Chongtousa, Director, Development Services	Brooke Seymour, Director, Planning & Floodplain Management
Amelia Deleon, Director of Human Resources	
Chad Kudym, Director of IT	
Holly Piza, Director, Research & Development	

ORGANIZATION CHART



LAURA KROEGER
 Executive Director





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March 29, 2024

Board of Directors
Urban Drainage and Flood Control District
d/b/a/ Mile High Flood District

INTRODUCTION

GENERAL

The Annual Comprehensive Financial Report (ACFR) of Urban Drainage and Flood Control District, d/b/a Mile High Flood District (District) for the year ended December 31, 2023 is submitted herewith. The report was prepared by staff of the District's Accounting Division with the assistance of Eide Bailly, LLP. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe that the data presented are accurate in all material aspects; that the report is presented in a manner designed to fairly describe the results of operations of the District; that the report fairly presents the financial position of the District for the year then ended; and that all disclosures necessary to enable the reader to gain a maximum understanding of the District's financial activities have been included.

In the accompanying financial statements, the District has included all funds that are controlled by the District's Board of Directors in conformance with those standards set by the Governmental Accounting Standards Board (GASB). Control is determined on the basis of budget adoption, appropriating authority, funding, and approval by the District's Board of Directors. The reporting entity and funds are described in detail in Note 1 to the financial statements. The District is not a component unit of the State of Colorado, nor is it financially accountable for any other governmental entities.

In general terms, the District's operations may be described as: constructing and maintaining drainage and flood mitigation infrastructure; managing, and restoring urban streams; master planning of stream and watershed improvements; quantifying and delineating flood risk; providing early flood warning; managing and preserving floodplains and floodways; promulgating criteria and standards; performing research to advance the practice; maintaining and refining computational hydrologic and hydraulic models, and otherwise serving the residents of the 35 municipalities and those portions of the seven counties in the District's 1,608 square mile boundary in the Denver–Aurora–Lakewood metropolitan statistical area.

Protecting People, Property and Our Environment.



Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

ECONOMIC CONDITION AND OUTLOOK

The District's principal revenue source is an ad valorem tax levied against the assessed value of real property within the District boundary. Several bills passed by the Colorado General Assembly and Colorado Voters have impacted Assessed Valuations and will do so for the next few years.

In 2020, The Gallagher Amendment was repealed by voters. This resulted in the residential and commercial assessed valuation rates being held at 7.15% and 29% respectively unless changed by the Colorado General Assembly.

Senate Bill 22-238 passed in 2022, adjusting the Assessment Rates to 6.765% for Residential and 27.9% for commercial for 2023 (payable in 2024). This bill also reduced the actual property value used for the purposes of the valuation for assessment of residential real property by \$15,000 and commercial property by \$30,000. In 2023, the voters overwhelmingly defeated Proposition HH which would have offered reductions in the increase of both residential and non-residential property tax in exchange for a gradual lifting of the Taxpayer's Bill of Rights (TABOR) revenue cap. In November of 2023 the Legislature passed Senate Bill SB23B-001 which further reduced the actual valuation of all residential properties by an additional \$55,000 and cut the assessment rate to 6.7%. Within the District about 51% of the property taxes comes from residential and about 36% from commercial. The reduction in the assessed valuation rate does have an impact on the revenue as the growth rate in the Denver metro area is slowing down. The growth rate in 2021 was 1.2% and in 2022 remained at 1.2%. With result of these factors as well as additional proposed legislation and potential ballot measures, the District's is anticipating the flatlining of revenue for the next few years.

TABOR AMENDMENT

In November of 1992, the voters of Colorado passed Article X, Section 20 of the Colorado Constitution known as TABOR which is designed to restrain the growth of government. In 2018, Ballot item 7G was passed by the voters of the District, removing the District's TABOR revenue and spending restrictions. Additional information and explanations as to how this amendment affects the District can be found in Management's Discussion and Analysis.

SIGNIFICANT ACTIVITIES

The District's activities are organized under the following Service Lines: Planning and Floodplain Management, Design, Construction and Maintenance, Development Services, Research and Development, Government Relations, and Information Technology.

The District hired an additional four new employees in 2023 bringing the total number of full-time employees to 48 to support and manage the work.

Planning and Floodplain Management

The District is the lead contracting agency for most master plans and co-manages the work with the Local Government (LG) sponsors.

Master Plans Started in 2023	Master Plans Completed in 2023	Number On-Going Master Plans
7	3	48

The District has worked with the Federal Emergency Management Agency (FEMA) as a Cooperating Technical Partner (CTP) since 2001. In this partnership, FEMA provides the District with grants and the District provides technical reviews for requests for Flood Insurance Rate Map (FIRM) changes. The project continued through 2023 and is expected to do so for the foreseeable future. The District assisted several local governments in obtaining FIRM changes brought about by the construction of the flood control projects discussed above.

The District is the lead contracting agency and provides all technical review for Flood Hazard Area Delineation Studies (FHAD).

FHADs Started in 2023	FHADs Completed in 2023	Number of On-Going FHADs
4	1	31

Approximately 42,000 flood hazard information brochures were mailed to properties in or near high hazard zones.

Design, Construction and Maintenance

The District has a 5-yr Capital Improvement Plan (CIP) to design and build master planned improvements. The 5-yr CIP identifies funding for current and new projects in 2023. Projects are done in cooperation with the local governments, who are also funding sponsors. The District is typically the contracting agency for both design and construction phases.

CIP Projects Started in 2023	CIP Projects Completed in 2023	Number of Ongoing CIP Projects
10	6	59

A critical part of the District's operations is its stream management or maintenance activity. The District assisted 38 local governments in 2023 by providing stream management assistance on major drainageways within their jurisdiction. Through ten separate contracts, stream management services were performed over 373 different drainageway sites totaling more than 216 miles of stream length and 1,867 acres of floodplain. These stream management activities included vegetation management, debris removal, tree removal, and small repairs. 229 agreements or amendments for stream management restoration services were issued during 2023 to address localized maintenance needs across the District. All stream management maintenance activities were contracted to the private sector.

In 2023, the District continued stream management and restoration activities along the South Platte River, a reach of approximately 41 miles from Chatfield Reservoir to the Adams/Weld County line. Stream management activities included trash and debris removal from the channel, mowing and tree/shrub pruning along trails, noxious weed and invasive plant control, and revegetation. Channel restorative activities included bank restoration, grade control construction and rehabilitation, revegetation, utility crossing buttress construction, and trail repairs. All design and construction activities were contracted to private sector vendors. Five new projects were started along the river, three projects were completed, and four existing projects continued.

Development Services

In 2017, the District established a Development Services Enterprise in order to contract with land developers, collect voluntary fees from same, and to then hire vendors to design and construct master-planned stream improvement projects necessitated by the land development activities. These projects are called Development Improvement Projects (DIP) because the developer's fees are in lieu of the developer completing the required stream improvement work, and the District contracting the design and construction instead of providing maintenance eligibility reviews as a referral agency to the local governments we serve.

DIP Projects Started in 2023	DIP Projects Completed in 2023	Number On-Going DIP Projects
5	0	22

The District continued to provide plan review and construction observation services for projects that impact stream corridors under the Maintenance Eligibility Program (MEP). Projects constructed with non-District funds (typically land development projects) that are approved through the MEP may receive future stream management or maintenance assistance.

Research and Development

There are several ongoing efforts under this service line in addition to specific Research and Development (R&D) projects. Ongoing efforts include Flood Warning Systems, Water Quality Monitoring and Support, Environmental Services, and Education and Outreach.

Flood Warning Systems– In 2005, the District established Flood Warning and Information Services (FW/IS) in response to growing technology-driven support needs. The automated flood detection network, known as the ALERT system, continued to improve and expand in 2023.

Flood emergency and response procedures are reviewed annually, updated, and practiced with local governments. Meteorological and hydrological forecast services include direct notifications to local jurisdictions concerning potential and imminent flood threats and as-needed support during these events. The District also continued its long-running activities with the United States Geological Survey (USGS) to collect rainfall and runoff data throughout the Denver metropolitan area. In addition to using these data to inform local government of imminent flood threats, these data were also used in 2023 to evaluate the accuracy hydrologic models used for master planning.

Water Quality Monitoring and Support – The District continues to coordinate the combined efforts by the three largest cities within the District to comply with and renew their National Pollutant Discharge Elimination System (NPDES) Phase I stormwater discharge permits and to participate and assist all Phase II municipalities as they continue to comply with the terms of their stormwater discharge permits. Much of the latter is done through active participation in the Colorado Stormwater Council and by engaging in topic-focused workgroups with the Colorado Department of Public Health and Environment (CDPHE). In support of stormwater quality efforts, the District continued to monitor several stormwater control measures (SCMs), collecting performance and maintenance data, and reporting our findings to the scientific and regulated communities. These monitoring efforts also informed design criteria updates in 2023.

Environmental Services – The District continued to achieve compliance with the Clean Water Act in 2023. This work includes securing all permits required for District projects including the Regional General Permit (RGP) which is a permit that allows certain qualifying District projects to advance without some of the time delays required for individual permits. Environmental Services also continued to develop work processes in 2023 in conjunction with the development of a vegetation management plan for the District and the Urban Stream Assessment Procedure (USAP).

Outreach – Outreach activities in 2023 included upgrading and maintaining the District's website; producing an annual report; providing public outreach and education; and improving data and records management to allow better discovery of documents.

R&D Projects – R&D projects in 2023 included those that inform and update technical standards, the Urban Storm Drainage Criteria Manual, specifications, and related support tools and software including the District’s own suite of hydrologic and hydraulic computational models as well as MHFD Confluence, a web-based platform to facilitate work requests, the annual workplan, and project management.

New R&D Projects in 2023	Completed R&D Projects in 2023	Ongoing R&D Projects in 2023
5	8	15

Government Relations

In 2023, the District contributed to the purchase of four properties totaling \$2,203,329 from the recently expanded property acquisition fund reserve and plans to expend up to 3% of the District’s annual revenue moving forward. The budget for 2023 was \$2,400,000. In 2023, the District continued to support and coordinate work with the United State Army Corps of Engineers in Arapahoe and Denver counties. In 2023, the City and County of Denver received \$359,000,000 of federal funds for improvements for two projects on Denver waterways. The District will work with Denver to guide and deliver the projects.

Information Technology

GIS

The District continues to invest in mapping data and technology to communicate with partners and the public. The GIS Team added an intern in 2023 to help accommodate staff requests, board meeting figures, and other data development needs. Another primary GIS Team duty is guiding the development of the Confluence mapping and project management platform mentioned below.

Help Desk

The IT Team supports all District staff across voice communications, laptops, laptop accessories, servers, online services, and remote work capabilities.

IT and Cyber Security

Secure access to electronic information helps staff work within the office, at home offices, and while offsite for meetings. The IT Team continues to manage the District’s network, servers, endpoint protection, Internet services, system backups, disaster recovery, equipment upgrades, programming, software maintenance, and general IT oversight. In 2023, the District migrated user administration to Microsoft Azure to improve our cyber security profile. By moving to Azure user information is secured while providing better integration with 3rd party applications. The District also evaluated our Microsoft security score and implemented several related recommendations to improve our overall score.

Content Management

The IT and GIS Teams worked together with staff and consulting teams to migrate data from our file server to Microsoft SharePoint for improved security, data sharing, and offline access. The District also continues to invest in the OnBase platform to improve content management and associated business process automation.

Confluence

The IT and GIS Teams worked together with staff and consulting teams to continue development of our online mapping and project management platform, Confluence. Confluence drove the need for a centralized database that incorporates resolution, agreement, and related project documentation to provide a robust platform for data sharing and project management tools.

PROSPECTS FOR THE FUTURE

With the repeal of the Gallagher Amendment and the additional legislation to stabilize the residential property tax rates, we anticipate that the District's revenue will remain flat or decrease a little for the next couple of years. With the current inflation rate and supply chain issues, the District is experiencing a 6-8% increase in construction costs. These two factors will result in the District being able to fund fewer projects over the next couple of years.

In 2021, the District created a fund reserve in the general fund, to increase by 3% of tax revenues annually and for the purpose of purchasing, remodeling and moving to establish a new base of operations prior to May 2026 when our current lease expires at the Diamond Hill office complex; our home for the past 47 years. In April of 2022 the District purchased and remodeled a building. The remodel was completed in April of 2023 and the District officially moved to its new home on May 1, 2023. The budget in 2023 from the fund reserve was \$2,500,000. The total was spent on the remodel and that reserve was closed in 2023. The District's lease with Diamond Hill does not expire until May of 2026. We anticipate having to continue to pay rent on the current space until that time. The District will try to sublease all or part of the space to recoup some of the rent expense.

The four major program areas of the District are all fully funded for 2023. Work programs and budgets for the service lines have been approved by the District's Board of Directors.

FINANCIAL INFORMATION

INTERNAL CONTROL

In developing and evaluating the District's accounting system, an important consideration is the overall adequacy of internal controls. Internal controls are designed to provide District management with reasonable (but not absolute) assurance regarding: a) the safeguarding of assets against loss from unauthorized use or disposition; and b) the overall reliability of the financial records for preparing financial statements and for maintaining accountability and

control over the District's assets. The concept of reasonable assurance recognizes that: a) the cost of a control should not exceed the benefits likely to be derived; and b) the evaluation of cost and benefits requires estimates and judgments by management.

We believe that the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

FISCAL CONTROL

Annually, appropriations are established to record the current year's fiscal requirements for the District. Portions of these appropriations are set aside as purchase orders and/or contracts. No commitment is authorized, nor any expenditure incurred, until it is determined that adequate appropriation balances exist for that purpose.

To facilitate this determination, the District's accounting records are delineated by category as shown in the financial statements. Budgetary control (that is, the level at which expenses cannot exceed the appropriated amount) is maintained at the category level within an individual fund. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in all funds. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Variances with the budget are reported to the District's management on a monthly basis.

DEBT ADMINISTRATION

The District is in a very enviable position of having no debt, and therefore no debt issues outstanding.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Urban Drainage and Flood Control District for its annual comprehensive financial report for the fiscal year ended December 31, 2022.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

OTHER INFORMATION

INDEPENDENT AUDIT

The District is required to have an annual audit of the books of accounts, financial records and transactions conducted by a firm of independent certified public accountants. The accounting firm of Eide Bailly, LLP was selected by the District's Audit and Finance Committee and approved by the Board of Directors. The independent auditor's report of Eide Bailly, LLP has been included in this report.

ACKNOWLEDGMENTS

In submitting this 2023 Annual Comprehensive Financial Report, we express our sincere appreciation to the District accounting staff and management team that participated in the preparation of this report.

Respectfully Submitted,



Laura A. Kroeger
Executive Director



Terri Schafer, CPA
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Urban Drainage and Flood Control
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO



Independent Auditor's Report

To the Board of Directors
Urban Drainage and Flood Control District
Denver, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Urban Drainage and Flood Control District (the District) as of and for the year ended December 31, 2023, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The budgetary comparison schedule for the Development Services fund 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 GAAS. In our opinion, the budgetary comparison schedule for the Development Services fund 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 comprises the introductory and statistical sections but 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 2, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Eide Bailly LLP

Denver, Colorado
May 2, 2024

The management of Urban Drainage and Flood Control District, Denver, Colorado offers this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2023 as a supplement to the District's basic financial statements.

Financial Highlights

The assets of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$43,763,766 (net position). Of this amount, \$9,235,510 represents the District's investment in capital assets, and \$31,754,228 is restricted for emergencies, construction, maintenance, South Platte River and floodplain preservation projects. Unrestricted net position at December 31, 2023 was \$2,774,028.

The District's total net position increased by \$3,482,563.

As of year-end, the District's Governmental Activities reported a combined ending net position of \$43,362,750, an increase of \$3,498,541 in comparison to the prior year.

Overview of the Financial Statements

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader of the District's basic financial statements a broad overview of the District's finances, in a manner similar to a private sector business. The government-wide financial statements include the statement of net position and the statement of activities. The government-wide financial statements can be found on pages 23 and 24.

The statement of net position presents information on all of the District's assets, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the net position of the District 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 period (e.g., earned but unused compensated absences).

Fund Financial Statements

A fund is a grouping of related accounts that is used by management to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

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

The District maintains five different governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Construction Special Revenue Fund, Maintenance Special Revenue Fund, South Platte River Special Revenue Fund, and Federal Grants Fund.

The District adopts an annual appropriated budget for the General Fund and Special Revenue Funds, except as described in the notes to the basic financial statements. A budgetary comparison schedule for the General Fund and each major Special Revenue Fund is included in the required supplementary information.

The basic governmental fund financial statements can be found on pages 25 through 28 of this report.

Proprietary funds are used to account for business-type activities that are similar to the private sector and in which fees are charged for goods and services. The District reports one proprietary fund, an enterprise fund. The District created the Development Services Enterprise Fund in 2017 to account for voluntary fees collected from land developers for the District's participation in design and construction of regional drainage and flood control improvements.

The District adopts an annual appropriated budget for the Development Services Enterprise Fund. A budgetary comparison schedule for this fund is included in the supplementary information. The basic proprietary fund financial statements can be found on pages 29 through 31 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District’s own programs.

The District has one fiduciary fund, the Project Custodial Fund. The basic fiduciary fund financial statements can be found on pages 32 and 33 in the basic financial statements in 2023.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes can be found on pages 34 through 48 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government’s position. In the case of the District, assets exceeded liabilities and deferred inflows of resources by \$43,763,766 at the close of the most recent fiscal year.

By far the largest portion of the District’s current assets represent cash and investments of \$38,872,893. It is important to note that the 2023 Statement of Net Position does not include property taxes receivable or the related Deferred Inflows of Resources which is the unearned revenue related to the property tax receivable. This is due to the State Legislature delaying the deadline for the certification of mill levies until January 10, 2024.

Statement of Net Position

	2023		2022	
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
ASSETS				
Current Assets	\$ 39,048,861	\$ 411,914	\$ 107,377,893	\$ 537,679
Net Capital Assets	10,321,624	-	8,265,378	-
Total Assets	49,370,485	411,914	115,643,271	537,679
LIABILITIES				
Current Liabilities	4,188,585	10,898	5,446,472	120,685
Long-Term Liabilities	1,819,150	-	1,983,549	-
Total Liabilities	6,007,735	10,898	7,430,021	120,685
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	-	-	68,349,041	-
Total Deferred Inflows of Resources	-	-	68,349,041	-
NET POSITION				
Investment in Capital Assets	9,235,510	-	6,762,177	-
Restricted	31,754,228	-	28,343,280	-
Unrestricted	2,373,012	401,016	4,758,752	416,994
Total Net Position	\$ 43,362,750	\$ 401,016	\$ 39,864,209	\$ 416,994

Governmental activities increased the District’s net position by \$3,498,541, which represents a 8.8% increase in net position. The increase in net position was due primarily to the increased assessed valuation of property within the District.

Business-type activities decreased the District’s net position by \$15,978. The decrease in net position was primarily due to the commitment of the administrative fees collected on Fee-in-Lieu projects funded by developers, to additional projects of the District. This fund was new in 2020 and will continue to grow as a result of all the development in the metro area.

Changes in Net Position

	2023		2022	
	Governmental Activities	Business- Type Activities	Governmental Activities	Business- Type Activities
REVENUE				
Program Revenue:				
Operating Grants and Contributions	\$ 620,000	\$ -	\$ 540,473	\$ -
Charges for Services	-	15,196,881	-	3,730,861
General Revenue:				
Taxes	72,475,390	-	72,045,758	-
Project participation	82,000	-	40,000	-
Investment Earnings	1,981,077	72,489	(596,993)	(29,284)
Other	108,634	221,599	408,468	119,884
Total Revenues	<u>75,267,101</u>	<u>15,490,969</u>	<u>72,437,706</u>	<u>3,821,461</u>
EXPENSES				
General Government	11,866,977	-	10,156,607	-
Maintenance	27,615,369	-	26,214,503	-
Floodplain Preservation	1,634,747	-	1,282,995	-
Project Custodial Funds	30,651,467	15,506,947	29,333,164	4,248,933
Total Expenses	<u>71,768,560</u>	<u>15,506,947</u>	<u>66,987,269</u>	<u>4,248,933</u>
CHANGE IN NET POSITION	3,498,541	(15,978)	5,450,437	(427,472)
Net Position - Beginning of Year	<u>39,864,209</u>	<u>416,994</u>	<u>34,413,772</u>	<u>844,466</u>
NET POSITION - END OF YEAR	<u>\$ 43,362,750</u>	<u>\$ 401,016</u>	<u>\$ 39,864,209</u>	<u>\$ 416,994</u>

Financial Analysis of the District's Governmental Funds

As noted earlier, the District uses fund accounting to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the District. The fund balance increased by \$220,997 from the prior year. This increase is due primarily to supplementing the revenue with a transfer from the maintenance fund.

The South Platte River Fund is used to account for the maintenance and improvements to that portion of the river that lies within the District. The fund balance increased by \$456,710. The increase is primarily due to the increase in assessed property valuations.

The Special Revenue Funds include the Construction, Maintenance and South Platte River Funds. The Construction Fund is used to account for capital costs of drainage projects. This fund balance increased by \$2,718,195. This increase is a result of transferring funds from the Maintenance Fund in anticipation of future construction requests.

The Maintenance Fund is used to conduct maintenance on District funded facilities and for the preservation of floodplains and floodways. This fund balance decreased during the year by \$2,010,240. This decrease is a result of the transfers that were made to the General and Construction Funds.

Budgetary Highlights

There were differences between the original and final budgets. There was an amended budget presented and approved by the Board in April of 2023. The General Fund amendments decreased the amount of the transfer in from the Maintenance Fund. The decrease in the transfer was possible because of the increase in fund balance carried forward from what was originally projected. During the year, expenditures were less than budgetary estimates due to management's monitoring and control of operating expenditures.

Capital Asset Administration and Long-term Debt

The District's net investment in capital assets for its governmental activities amounts to \$9,235,510. The majority of the District's capital assets represent the building and improvements purchased in 2022 and completed in 2023 in the amount of \$7,601,251. The District implemented GASB No. 87, Leases, as of January 1, 2022. This implementation added \$1,903,921 to investment in capital assets. The implementation of GASB No. 87, also increase the long-term debt of the District by the same amount. Additional information on the District's capital assets and long-term debt can be found in Notes 3 and 4 of this report.

Economic Factors and Next Year's Budget and Rates

Property values within the District have continued to rise and are expected to continue to rise, due to a boom in land development and an ongoing housing demand that continues to outstrip the available supply. However, due to some recent state legislation to stabilize residential property taxes, and because the District's principle revenue source is an ad valorem tax levied against the assessed value of real property within the District boundary, the District anticipates that revenue will start to level out for the next few years.

In November of 1992, the voters of Colorado passed Amendment One, Article X, Section 20 of the Colorado Constitution. Known as the Tax Payers Bill of Rights, or TABOR, this amendment is designed to restrain the growth of government through spending limits and property tax revenue limits. In November of 2018, the District asked the voters to exempt the District from certain TABOR provisions.

The ballot question asked the voters to allow the District to restore its mill levy to the amount authorized by the legislature, and to be able to retain all the revenue received as a result of this increase. The voters passed this ballot measure, increasing the District's statutory millage rate from 0.820 in 2019 to the full statutory millage rate of 1.000 being restored in 2021. Other provisions of TABOR still apply, including the prohibition of further tax increases without voter approval, and the requirement to maintain and appropriately administer an emergency reserve equal to 3% or more of the District's fiscal year spending.

The 2024 budgeted revenue across the four governmental funds with budgetary control is \$72,264,739, which represents an increase over the 2023 revenue of \$62,916,299. This increase is due to the substantial increase in assessed valuation across the metro area. The District anticipates the legislature passing additional property tax relief. This, along with a proposed ballot measure limiting growth to 4 percent could level future District revenue.

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. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Urban Drainage and Flood Control District, 12575 W Bayaud Avenue, Lakewood, Colorado 80228.

Urban Drainage and Flood Control District
Statement of Net Position
December 31, 2023

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 38,470,365	\$ 402,528	\$ 38,872,893
Specific ownership taxes	321,696	-	321,696
Intergovernmental	72,070	-	72,070
Other	3,711	-	3,711
Accrued interest	181,019	9,386	190,405
Total current assets	<u>39,048,861</u>	<u>411,914</u>	<u>39,460,775</u>
Noncurrent assets:			
Land , buildings and improvements	1,428,694	-	1,428,694
Other capital assets net of depreciation/amortization	8,892,930	-	8,892,930
Total noncurrent assets	<u>10,321,624</u>	<u>-</u>	<u>10,321,624</u>
Total assets	<u>49,370,485</u>	<u>411,914</u>	<u>49,782,399</u>
LIABILITIES			
Current liabilities:			
Accounts payable and other liabilities	3,281,214	10,898	3,292,112
Accrued salaries and benefits	12,724	-	12,724
Compensated absences	460,866	-	460,866
Lease liability	433,781	-	433,781
Total current liabilities	<u>4,188,585</u>	<u>10,898</u>	<u>4,199,483</u>
Noncurrent liabilities:			
Compensated absences	1,166,817	-	1,166,817
Lease liability	652,333	-	652,333
Total noncurrent liabilities	<u>1,819,150</u>	<u>-</u>	<u>1,819,150</u>
Total liabilities	<u>6,007,735</u>	<u>10,898</u>	<u>6,018,633</u>
NET POSITION			
Net investment in capital assets	9,235,510	-	9,235,510
Restricted for:			
Construction	9,378,575	-	9,378,575
Emergencies	2,360,700	-	2,360,700
Maintenance	18,688,479	-	18,688,479
South Platte River	1,326,474	-	1,326,474
Unrestricted	2,373,012	401,016	2,774,028
Total net position	<u>\$ 43,362,750</u>	<u>\$ 401,016</u>	<u>\$ 43,763,766</u>

Urban Drainage and Flood Control District
Statement of Activities
Year Ended December 31, 2023

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 11,866,977	\$ -	\$ 620,000	\$ -	\$ (11,246,977)	\$ -	\$ (11,246,977)
Maintenance	27,615,369	-	-	-	(27,615,369)	-	(27,615,369)
Floodplain preservation	1,634,747	-	-	-	(1,634,747)	-	(1,634,747)
Project custodial fund	30,651,467	-	-	-	(30,651,467)	-	(30,651,467)
Total governmental activities	<u>71,768,560</u>	<u>-</u>	<u>620,000</u>	<u>-</u>	<u>(71,148,560)</u>	<u>-</u>	<u>(71,148,560)</u>
Business-type activities:							
Development services Enterprise	15,326,947	15,016,881	-	-	-	(310,066)	(310,066)
Total business-type activities	<u>15,326,947</u>	<u>15,016,881</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(310,066)</u>	<u>(310,066)</u>
Total primary government	<u>\$ 87,095,507</u>	<u>\$ 15,016,881</u>	<u>\$ 620,000</u>	<u>\$ -</u>	<u>(71,148,560)</u>	<u>(310,066)</u>	<u>(71,458,626)</u>
General revenues:							
Property taxes					67,948,605	-	67,948,605
Specific ownership taxes					4,526,785	-	4,526,785
Project Participation					82,000	-	82,000
Investment earnings					1,981,077	72,489	2,053,566
Other					108,634	221,599	330,233
Total general revenues					<u>74,647,101</u>	<u>294,088</u>	<u>74,941,189</u>
Change in net position					3,498,541	(15,978)	3,482,563
Net position - beginning					39,864,209	416,994	40,281,203
Net position - ending					<u>\$ 43,362,750</u>	<u>\$ 401,016</u>	<u>\$ 43,763,766</u>

Urban Drainage and Flood Control District
Balance Sheet – Governmental Funds
December 31, 2023

	GENERAL	SPECIAL REV SOUTH PLATTE RIVER	SPECIAL REVENUE CONSTRUCTION	SPECIAL REVENUE MAINTENANCE	NONMAJOR FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash and investments	\$ 4,236,063	\$ 1,746,463	\$ 10,382,477	\$ 22,074,253	\$ 31,109	\$ 38,470,365
Receivables:						
Specific ownership taxes	292,331	29,365	-	-	-	321,696
Intergovernmental	-	-	-	-	72,070	72,070
Other	-	-	-	3,711	-	3,711
Accrued interest	9,950	6,308	51,293	113,468	-	181,019
Total assets	<u>\$ 4,538,344</u>	<u>\$ 1,782,136</u>	<u>\$ 10,433,770</u>	<u>\$ 22,191,432</u>	<u>\$ 103,179</u>	<u>\$ 39,048,861</u>
LIABILITIES						
Accounts payable and other liabilities	\$ 160,970	\$ 250,962	\$ 153,595	\$ 2,652,353	\$ 63,334	\$ 3,281,214
Accrued salaries and benefits payable	12,724	-	-	-	-	12,724
Total liabilities	<u>173,694</u>	<u>250,962</u>	<u>153,595</u>	<u>2,652,353</u>	<u>63,334</u>	<u>3,293,938</u>
FUND BALANCES						
Restricted:						
Operations	3,960,850	-	-	-	-	3,960,850
Construction	-	-	9,378,575	-	-	9,378,575
Emergencies (TABOR)	403,800	204,700	901,600	850,600	-	2,360,700
Maintenance	-	-	-	16,288,479	39,845	16,328,324
South Platte River Projects	-	1,326,474	-	-	-	1,326,474
Committed:						
Floodplain Preservation	-	-	-	2,400,000	-	2,400,000
Total fund balances	<u>4,364,650</u>	<u>1,531,174</u>	<u>10,280,175</u>	<u>19,539,079</u>	<u>39,845</u>	<u>35,754,923</u>
Total liabilities and fund balances	<u>\$ 4,538,344</u>	<u>\$ 1,782,136</u>	<u>\$ 10,433,770</u>	<u>\$ 22,191,432</u>	<u>\$ 103,179</u>	<u>\$ 39,048,861</u>

Urban Drainage and Flood Control District
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position
December 31, 2023

Fund balances of governmental funds	\$ 35,754,923
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund.	10,321,624
Compensated absences are not uses of financial resources in governmental activities and are therefore not reported in the fund. However, compensated absences are treated as a liability in the Statement of Net Position. This is the total of the liability as of December 31, 2023.	(1,627,683)
Some liabilities, including leases payable, are not due and payable in the current period and therefore are not reported in the fund.	
Lease liability	(1,086,114)
Net position of governmental activities	<u>\$ 43,362,750</u>

Urban Drainage and Flood Control District
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
Year Ended December 31, 2023

	GENERAL	SPECIAL REVENUE SOUTH PLATTE RIVER	SPECIAL REVENUE CONSTRUCTION	SPECIAL REVENUE MAINTENANCE	NONMAJOR FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Taxes	\$ 11,322,829	\$ 6,706,107	\$ 27,228,568	\$ 27,217,885	\$ -	\$ 72,475,389
Project participation	-	-	-	-	82,000	82,000
Investment earnings	128,675	110,586	616,144	1,125,672	-	1,981,077
Other revenue	102,776	-	2,082	3,776	-	108,634
Federal grants	-	-	-	-	620,000	620,000
Total revenues	<u>11,554,280</u>	<u>6,816,693</u>	<u>27,846,794</u>	<u>28,347,333</u>	<u>702,000</u>	<u>75,267,100</u>
EXPENDITURES						
General government	10,020,009	80,041	378,897	371,360	-	10,850,307
Maintenance	52,037	2,579,942	-	24,251,466	731,924	27,615,369
District participation						
Project custodial fund	1,765	3,700,000	26,949,702	-	-	30,651,467
Floodplain preservation	-	-	-	1,634,747	-	1,634,747
Other financing uses						
Capital outlay	2,712,321	-	-	-	-	2,712,321
Debt service						
Principal	417,087	-	-	-	-	417,087
Interest	30,064	-	-	-	-	30,064
Total expenditures	<u>13,233,283</u>	<u>6,359,983</u>	<u>27,328,599</u>	<u>26,257,573</u>	<u>731,924</u>	<u>73,911,362</u>
Excess (deficiency) of revenues over expenditures	<u>(1,679,003)</u>	<u>456,710</u>	<u>518,195</u>	<u>2,089,760</u>	<u>(29,924)</u>	<u>1,355,738</u>
OTHER FINANCING SOURCES (USES)						
Transfers in from (out to) other funds	1,900,000	-	2,200,000	(4,100,000)	-	-
Excess of revenues over expenditures and other financing sources	<u>1,900,000</u>	<u>-</u>	<u>2,200,000</u>	<u>(4,100,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	220,997	456,710	2,718,195	(2,010,240)	(29,924)	1,355,738
Fund balances - beginning	4,143,653	1,074,464	7,561,980	21,549,319	69,769	34,399,185
Fund balances - ending	<u>\$ 4,364,650</u>	<u>\$ 1,531,174</u>	<u>\$ 10,280,175</u>	<u>\$ 19,539,079</u>	<u>\$ 39,845</u>	<u>\$ 35,754,923</u>

Urban Drainage and Flood Control District
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental
Funds to the Statement of Activities
Year Ended December 31, 2023

Net change in fund balances - total governmental funds	\$ 1,355,738
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets are expensed in the governmental funds and depreciated/amortized in the Statement of Activities:	
Capital asset additions	2,712,321
Depreciation/amortization expense	(656,075)
Expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the government funds:	
Change in accrued compensated absences	(330,530)
Debt services payments for lease principal are reported as expenditures in governmental funds, but not as expenditures in the Statement of Activities	417,087
Change in net position of governmental activities	\$ 3,498,541

Urban Drainage and Flood Control District
Statement of Net Position – Proprietary Fund
December 31, 2023

	<u>Development Services Fund</u>
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 402,528
Accrued interest receivable	9,386
Total assets	<u>411,914</u>
LIABILITIES	
Current liabilities	
Accounts payable	<u>10,898</u>
Total liabilities	<u>10,898</u>
NET POSITION	
Unrestricted	401,016
Total net position	<u>\$ 401,016</u>

Urban Drainage and Flood Control District
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Fund
Year Ended December 31, 2023

	Development Services Fund
OPERATING REVENUES	
Charges for services	\$ 15,196,881
Administrative fee	221,599
Total operating revenues	15,418,480
OPERATING EXPENSES	
Development services projects	310,066
District Participation	
Project custodial fund	15,196,881
Total operating expenses	15,506,947
Operating income	(88,467)
NONOPERATING REVENUES	
Investment earnings	72,489
Total nonoperating revenue	72,489
Change in net position	(15,978)
Total net position - beginning	416,994
Total net position - ending	\$ 401,016

Urban Drainage and Flood Control District
Statement of Cash Flows – Proprietary Fund
Year Ended December 31, 2023

	Development Services Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash receipts from customers and users	\$ 15,418,480
Cash receipts from other operations	-
Payments to suppliers	(15,616,734)
Net cash provided by operating activities	(198,254)
CASH FLOWS FROM INVESTING ACTIVITIES	
Net gain on investments	65,479
Net increase (decrease) in cash and cash equivalents	(132,775)
Cash and cash equivalents - January 1	535,303
Cash and cash equivalents - December 31	\$ 402,528
Reconciliation of operating income to net cash provided by operating activities:	
Operating income (loss)	\$ (88,467)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Change in assets and liabilities:	
Decrease in accounts payable	(109,787)
Net cash provided by operating activities	\$ (198,254)

Urban Drainage and Flood Control District
Statement of Fiduciary Net Position – Project Custodial Fund
December 31, 2023

	Custodial Funds
ASSETS	
Cash and investments	\$ 232,822,715
Accrued interest receivable	888,169
Total assets	233,710,884
 LIABILITIES	
Accounts payable	\$ 10,953,668
Retainage payable	989,637
Participation deposits	214,028,901
Total liabilities	225,972,206
 NET POSITION	
Restricted for:	
Construction and participant refunds	\$ 7,738,678

Urban Drainage and Flood Control District
Statement of Changes in Fiduciary Net Position – Project Custodial Fund
Year Ended December 31, 2023

ADDITIONS

Contributions:

Project participation	\$ 55,243,849
Other contributions	86,122
Total contributions	55,329,971

Investment earnings:

Interest earnings	5,466,848
Net increase in fair value in investments	2,471,618
Net investment earnings	7,938,466
Total additions	63,268,437

DEDUCTIONS

Construction, maintenance and master plan costs	55,582,134
Refund of project participation	112,915
Other deductions	44,886
Total deductions	55,739,935

Net increase in fiduciary net position	7,528,502
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Net Position - beginning	210,176
Net Position - end	\$ 7,738,678

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Urban Drainage and Flood Control District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Financial Reporting Entity

The District was created pursuant to the authority conferred by the Colorado Revised Statutes and is a governmental subdivision of the State of Colorado, with those powers specifically granted and those reasonably implied therefrom and necessary to carry out the objectives and purpose of the District. The District's purpose is to coordinate, plan, construct, maintain or otherwise attempt to minimize risk to persons and property from flood hazards inherent in the area. The District's Board of Directors is appointed as stipulated by the Colorado Revised Statutes.

The District, pursuant to the provisions of the Colorado Revised Statutes is exempt from sales, income and property taxes.

The District follows 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 organization, nor is the District a component unit of any other primary governmental entity.

Governing Body

The board of directors is the governing body of the District. By Colorado state law, the board consists of 24 members constituted as follows: mayor or deputy mayor of the City and County of Denver as ex officio director; three Denver council members appointed by the City Council; one commissioner from each of the counties of Adams, Arapahoe, Boulder, Jefferson, and Douglas appointed by their respective board of county commissioners; one mayor from a city located in each county of Adams, Arapahoe, Boulder, Douglas, and Jefferson appointed by the governor; mayor or mayor pro-tem from the City and County of Broomfield; mayor or mayor pro-tem of any City having population in excess of 100,000 as ex officio member (currently Aurora, Arvada, Boulder, Centennial, Lakewood, Thornton and Westminster); and two licensed professional engineers appointed by the board of directors.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the government. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements with the exception of interfund services provided and used. Governmental activities are supported by taxes and intergovernmental revenues. Business-type activities are supported by charges for service for development services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customer 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 included among program revenues are reported instead as general revenues.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements, business type activities financial statements and the custodial fund 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and 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 of the end of the current fiscal period. The major source of revenue susceptible to accrual is property tax. Expenditures are generally recognized when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences are recorded only when payment is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other funds.

The South Platte River Special Revenue Fund is used to account for property tax revenue which, by statute, is to be used for the maintenance of and capital improvements on the portion of the South Platte River which lies within the District.

The Construction Special Revenue Fund is used to account for property tax revenue which, by statute, is to be used for capital costs of drainage projects. Generally, this fund accounts for the District's share of participation costs in various construction projects. The District's participation expenditures from the fund are recorded as participant deposits in the Project Custodial Fund for construction and design projects until such time when the related expenditures begins. Other participation expenditures are paid directly to other governmental entities for construction projects which are not administered by the District. Participation expenditures are recorded when the resolutions are approved by the Board of Directors and the contracts are executed by the participants.

The Maintenance Special Revenue Fund is used to account for property tax revenue which, by statute, is to be used to conduct maintenance on District-funded facilities and other major drainage ways in the District, and for the preservation of floodplains and floodways.

The District reports the following non-major governmental fund:

The Federal Grants Special Revenue Fund is used to account for financial resources received from the Federal Government.

The District reports the following proprietary fund:

Development Services Enterprise Fund is used to account for charges for services received from land developers, who require necessary projects related to regional drainage and flood control infrastructure within the District.

Additionally, the District reports the following fiduciary fund:

The Project Custodial Fund is used to account for the design and construction of drainage facilities which will be owned by other governmental entities. The District and other governmental entities share in the cost of the construction projects and, in some cases, maintenance of these projects. The District generally is responsible for receiving and disbursing moneys for construction and design.

Cash and Investments

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

Capital Assets

Capital assets, which include land and site improvements and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets are recorded in the government-wide financial statements but are not reported in the fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Useful lives vary from 3 to 40 years. Land is not depreciated.

Right to use leased assets are recognized at the lease commencement date and represent the District's right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term. Right to use leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the straight-line method of amortization.

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

Non-depreciable assets consist of land held for preservation, land and land improvements. Land and land improvements consist of the Englewood and Holly Dam sites. These dam sites include land costs and costs that readied these earthen dams for their use. These earthen dams are only used as overflow drainage facilities, and as such, are considered inexhaustible capital assets and, therefore, are not depreciated.

Compensated Absences

District employees earn sick leave at a rate of 8 hours per month. Accumulated sick leave in excess of 480 hours, may be paid at one-half of cash value, or converted to vacation leave days, at the option of the employee. Any unused sick leave may be payable at cash value upon termination. Depending on their length of service, employees are entitled to 15 to 28 vacation leave days per year, of which a maximum of 300 hours can be carried forward to subsequent years. Unused vacation leave is paid to the employees upon termination.

Vacation leave and sick leave is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

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 during October or November by certification to the County Commissioners to put the tax lien on the individual properties as of December of each year. 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 July. Delinquent taxpayers are notified in August and tax sales of delinquent properties are held in November. The County Treasurers remit the taxes collected monthly to the District.

The District is limited by statute to a maximum mill levy of one mill, except in Boulder and Broomfield Counties, where the limit is 0.9 mills. Not more than one-tenth (0.1) of a mill shall be used for engineering and operations (General Fund), not more than four-tenths (0.4) of a mill shall be used for capital costs (Construction Special Revenue Fund), and not more than four-tenths (0.4) of a mill shall be used for maintenance and preservation of floodways and floodplains (Maintenance Special Revenue Fund). Not more than one-tenth (0.1) of a mill, except in Boulder and Broomfield Counties, shall be used for the maintenance and improvements on that portion of the South Platte River, which lies within the District (South Platte River Special Revenue Fund).

Property taxes are recorded initially as a deferred inflow of resources in the year they are levied and measurable. The property taxes are recorded as revenue in the year they are available or collected.

Development Services Revenue

Development services revenue consists of charges for services and administrative fees. The charges for services are fees collected from developers for flood control projects within new developments. These fees are based on the cost to do a project’s design and construction elements. The price is estimated by developing scopes of work with vendors who will be performing the work. The administrative fees are based on startup and closeout set costs for the District’s staff to administer the work. Additionally, the fees also include a monthly set cost for management during the design phase and likewise for construction management based on the scale of the project. Development services revenue and administrative fees are recorded as revenue when they are received.

Net Position

In the government-wide financial statements, net position is categorized into three categories. The first category is net investment in capital assets, which represents net investment in property, plant, equipment and infrastructure. The second category is restricted, which represents constraints placed on the net position and are externally imposed. The third category is unrestricted net position, which consists of the remaining net position that does not meet the definition of either of the other two categories. When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

The District’s calculation of net investment in capital assets is as follows:

Governmental activities capital	
assets, net	\$ 10,321,624
Less lease liability	<u>(1,086,114)</u>
Net investment in capital assets	<u><u>\$ 9,235,510</u></u>

Fund Balances

For the governmental fund presentation, fund balances classified as "restricted" are balances with constraints placed on the use of resources by creditors, granters, contributors or laws or regulations of other governments. Fund balances classified as "committed" can only be used for specific purposes pursuant to constraints imposed by the Board of Directors through a resolution. Committed fund balance also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. "Assigned" fund balances are constrained by an intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by the District's Executive Director based on the Board of Director's direction. The "non-spendable" fund balance classification includes items that are not expected to be converted to cash such as inventory and prepaid amounts. As of 2023, the District reports both restricted and committed fund balances.

It is the District's policy to use restricted amounts first, then committed, then assigned, and then unassigned, as they are needed.

Note 2 - Cash Deposits and Investments

Cash and investments as of December 31, 2023 are classified in the accompanying financial statements as follows:

	Amount
Statement of Net Position:	
Cash and Investments	\$ 38,872,893
Statement of Fiduciary Net Position	
Cash and Investments	232,822,715
Total Cash and Investments	\$ 271,695,608

Cash and investments as of December 31, 2023 consist of the following:

	Amount
Cash deposits	\$ 54,493,618
Cash on hand	81
Investments	217,201,909
Total Cash and Investments	\$ 271,695,608

Cash Deposits

Cash deposits include funds held in depository accounts with local banks. Of the cash deposits, \$1,750,000 is covered by FDIC and the remaining \$52,743,618 is insured by PDPA. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to 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 fair value of the collateral must be at least equal to the aggregate uninsured deposits.

The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

Investments

As of December 31, 2023, the District had the following investments:

	Investment Maturities		
	Less than 1 Year	1 - 5 Years	Total
Federal Home Loan Mortgage Corporation	\$ -	\$ 14,963,838	\$ 14,963,838
Federal National Mortgage Association	-	8,621,717	8,621,717
Federal Home Loan Bank	20,748,747	66,671,624	87,420,371
Federal Farm Credit Bank	3,870,584	14,926,386	18,796,970
CSAFE	7,341,393	-	7,341,393
COLOTRUST	80,057,620	-	80,057,620
	<u>\$ 112,018,344</u>	<u>\$ 105,183,565</u>	<u>\$ 217,201,909</u>
Total investments			

As of December 31, 2023, the District had invested in local government investment pools which include the Colorado Local Government Liquid Asset Trust (COLOTRUST), and the Colorado Surplus Asset Fund Trust (CSAFE). The local government investment pools are investment vehicles which were established for local government entities in Colorado to pool surplus funds. Both pools are similar to money market funds, with each share valued at \$1.00. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal mechanisms of the pooled funds.

The custodian's internal records identify the investments owned by each pool investor. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. As of December 31, 2023, the District had \$80,057,620 invested in COLOTRUST and \$7,341,393 invested in CSAFE.

Credit Risk

The District follows state statutes regarding investments.

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

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

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements. As of December 31, 2023, all of the District's investments had maturities of five years or less.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total investments are as follows:

	Fair Value	Percent of Investment Portfolio
Federal Home Loan Mortgage Corporation	\$ 14,963,838	12%
Federal National Mortgage Association	8,621,717	7%
Federal Home Loan Bank	87,420,371	67%
Federal Farm Credit Banks	18,796,970	14%

Fair Value

The District categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value.

Level 1: Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs for an asset or liability.

The District has the following fair value measurements as of December 31, 2023:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>Investment by Fair Value Level:</u>				
Federal Home Loan Mortgage Corporation	\$ 14,963,838	\$ -	\$ 14,963,838	\$ -
Federal National Mortgage Association	8,621,717	-	8,621,717	-
Federal Home Loan Bank	87,420,371	-	87,420,371	-
Federal Farm Credit Banks	18,796,970	-	18,796,970	-
	<u>129,802,896</u>	<u>\$ -</u>	<u>\$ 129,802,896</u>	<u>\$ -</u>
Investments Measured at:				
CSAFE (Amortized Cost)	7,341,393			
Colotrust (Net Asset Value)	80,057,620			
Total investments	<u>\$ 217,201,909</u>			

Note 3 - Capital Assets

A summary of changes in capital assets follows:

	Balance at January 1, 2023	Increases	Decreases	Balance at December 31, 2023
Capital assets, not being depreciated				
Englewood Dam	\$ 544,474	\$ -	\$ -	\$ 544,474
Holly Dam	635,503	-	-	635,503
Land held for preservation	248,717	-	-	248,717
Office furniture and equip (CIP)	85,670	-	85,670	-
Building (CIP)	5,101,251	-	5,101,251	-
Total capital assets not being depreciated	6,615,615	-	5,186,921	1,428,694
Capital assets, being depreciated				
Office furniture and equipment	513,422	297,991	-	811,413
Maple Grove Dam	350,000	-	-	350,000
Leasehold improvements	122,324	-	-	122,324
Building	-	7,601,251	-	7,601,251
Right to use leased assets	1,903,921	-	-	1,903,921
Total capital assets	2,889,667	7,899,242	-	10,788,909
Less accumulated depreciation				
Office furniture and equipment	403,685	88,692	-	492,377
Maple Grove Dam	350,000	-	-	350,000
Leasehold improvements	55,143	9,619	-	64,762
Building	-	126,688	-	126,688
Right to use leased assets	431,076	431,076	-	862,152
Total accumulated depreciation	1,239,904	656,075	-	1,895,979
Governmental activities capital assets, net	\$ 8,265,378	\$ 7,243,167	\$ 5,186,921	\$ 10,321,624

Depreciation/amortization expense was charged to the general government function for \$656,075.

Note 4 - Long Term Obligations

	Balance at January 1, 2023	Additions	Reductions	Balance at December 31, 2023	Current Portion
Leases	\$ 1,503,201	\$ -	\$ 417,087	\$ 1,086,114	\$ 433,781
Compensated Absences	1,297,153	975,660	645,130	1,627,683	460,866
	<u>\$ 2,800,354</u>	<u>\$ 975,660</u>	<u>\$ 1,062,217</u>	<u>\$ 2,713,797</u>	<u>\$ 894,647</u>

All amounts are liquidated within the General Fund.

Remaining principal and interest payments on leases are as follows:

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 433,781	\$ 21,722
2025	454,795	13,047
2026	197,538	3,951
	<u>\$ 1,086,114</u>	<u>\$ 38,720</u>

Note 5 - Retirement Plans

Employees' Retirement Plan

The employees of the District participate in the Colorado Retirement Association Defined Contribution Plan (CRA). In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Employees become Plan members on the date of employment. Under this Plan, 4% of the employees' compensation is withheld and remitted to CRA, along with a payment of 6% from the District. The District's contributions, plus earnings, become vested at a rate of 20% for each year of participation in the Plan. District contributions for employees who leave employment before five years of participation are used to reduce the District's current period contribution requirement. Plan provisions and contribution requirements are established and may be amended by CRA and would have to be approved by the District's board of directors.

Both the District and participating employees made the required contribution for the year ended December 31, 2023. The District contribution amount was \$356,534 and the employees contributed \$237,690.

Employees' Money Purchase Plan

The District established a defined contribution money purchase plan as a replacement for social security. This Plan is also administered by CRA. Employees become Plan members on the date of employment.

For employees hired before or on March 31, 1986, the contribution requirements of the District and the employees are the same as those required under social security. For employees hired after March 31, 1986, the contribution requirements of the District and the employees are 6.2% of individual compensation. The District's contributions, plus earnings, become fully vested after 18 months of continuous employment. District contributions for employees who leave employment before 18 months are used to reduce the District's current period contribution requirement. There is no liability for benefits under the Plan beyond the District's matching payments.

Both the District and the participating employees made the required contribution of \$374,396 for the year ended December 31, 2023.

Deferred Compensation Plan

The District has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This Plan is also administered by CCOERA. Participation in the Plan is optional for all employees. The District no longer contributes to this plan. Effective July 1, 2021, the District moved its 2% contribution to the Employees Retirement Plan.

Note 6 - Encumbrances

Outstanding encumbrances as of December 31, 2023, by fund, were as follows:

	<i>Amount</i>
General Fund	\$ 503,227
Special Revenue Funds:	
Construction	8,867,684
Maintenance	8,427,576
South Platte River	768,052
Proprietary Fund:	
Development Services	219,525
Total	\$ 18,786,064

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 acts of God.

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 liability, property, public officials' liability and workers' compensation coverage. In the event aggregated 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 - 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.

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 of such revenue.

In November 2018, the District obtained voter approval to keep and spend all revenue it receives from current tax levies beginning in 2019 and thereafter. With this approval, the District no longer has revenue or spending limitations.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3 percent 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.

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.

Note 9 - Commitments and Contingencies

Committed Construction

As of December 31, 2023, the District does not have any unexpended construction related to commitments other than those items related to encumbrances (Note 6).

Litigation

Although the District is subject to pending and threatened litigation, the District's Management and Attorney believe that all lawsuits and claims, which have been filed against the District, are either adequately covered by insurance or the final settlement of uninsured matters will not have a materially adverse effect on the financial position of the District.

Required Supplementary Information
December 31, 2023

Urban Drainage and Flood Control District

Urban Drainage and Flood Control District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – General Fund
Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
REVENUES				
Operating				
Taxes				
Property Taxes	7,149,275	7,144,302	7,211,171	66,869
Specific ownership taxes	3,700,000	3,700,000	4,111,658	411,658
Investment earnings	50,000	50,000	128,675	78,675
Other revenue	10,000	10,000	102,776	92,776
Total revenues	<u>10,909,275</u>	<u>10,904,302</u>	<u>11,554,280</u>	<u>649,978</u>
EXPENDITURES				
General government				
Salaries and services	9,946,586	9,946,586	8,830,495	(1,116,091)
Office and operating costs	2,025,000	2,025,000	1,956,139	(68,861)
Capital outlay	2,500,000	2,500,000	2,499,968	(32)
Total expenditures	<u>14,471,586</u>	<u>14,471,586</u>	<u>13,286,602</u>	<u>(1,184,984)</u>
Excess (deficiency) of revenues over expenditures	(3,562,311)	(3,567,284)	(1,732,322)	1,834,962
OTHER FINANCING SOURCES				
Transfers in from other funds	3,590,000	1,900,000	1,900,000	-
Excess of revenues over expenditures and other financing sources	<u>\$ 27,689</u>	<u>\$ (1,667,284)</u>	167,678	<u>\$ 1,834,962</u>
Reconciliation to GAAP basis:				
Current year encumbrances			503,227	
Prior year encumbrances			(449,908)	
Net adjustment to GAAP basis			<u>53,319</u>	
Excess of revenue over expenditures (GAAP) Basis			220,997	
Fund balances - beginning			<u>4,143,653</u>	
Fund balances - ending			<u>\$ 4,364,650</u>	

Urban Drainage and Flood Control District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – South Platte River Fund
Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
REVENUES				
Operating				
Property taxes	\$ 6,274,191	\$ 6,268,928	\$ 6,290,981	\$ 22,053
Specific ownership taxes	320,000	320,000	415,126	95,126
Investment earnings	20,000	20,000	110,586	90,586
Total revenues	6,614,191	6,608,928	6,816,693	207,765
EXPENDITURES				
General government				
Office and operating costs	85,000	85,000	80,041	(4,959)
Maintenance	2,700,000	3,000,000	2,992,095	(7,905)
District Participation				
Project trust fund	3,570,000	3,720,000	3,700,000	(20,000)
Total expenditures	6,355,000	6,805,000	6,772,136	(32,864)
Excess (deficiency) of revenues over expenditures	\$ 259,191	\$ (196,072)	44,557	\$ 240,629
Reconciliation to GAAP basis:				
Current year encumbrances			768,052	
Prior year encumbrances			(355,899)	
Net adjustment to GAAP basis			412,153	
Excess of revenue over expenditures				
(GAAP) Basis			456,710	
Fund balances - beginning			1,074,464	
Fund balances - ending			\$ 1,531,174	

Urban Drainage and Flood Control District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – Construction Fund
Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
REVENUES				
Operating				
Property taxes	\$ 27,233,137	\$ 27,126,160	\$ 27,228,568	\$ 102,408
Investment earnings	100,000	100,000	616,144	516,144
Other revenue	-	-	2,082	2,082
Total revenues	27,333,137	27,226,160	27,846,794	620,634
EXPENDITURES				
General government				
Office and operating costs	370,000	370,000	371,097	1,097
District Participation				
Project trust fund	29,475,000	29,475,000	29,368,192	(106,808)
Total expenditures	29,845,000	29,845,000	29,739,289	(105,711)
Excess (deficiency) of revenues over expenditures	(2,511,863)	(2,618,840)	(1,892,495)	726,345
OTHER FINANCING SOURCES				
Transfers in from other funds	2,200,000	2,200,000	2,200,000	-
Excess of revenues over expenditures and other financing sources	\$ (311,863)	\$ (418,840)	\$ 307,505	\$ 726,345
Reconciliation to GAAP basis:				
Current year encumbrances			8,867,684	
Prior year encumbrances			(6,456,994)	
Net adjustment to GAAP basis			2,410,690	
Excess of revenue over expenditures (GAAP) Basis			2,718,195	
Fund balances - beginning			7,561,980	
Fund balances - ending			\$ 10,280,175	

Urban Drainage and Flood Control District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – Maintenance Fund
Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
REVENUES				
Operating				
Property taxes	\$ 27,233,137	\$ 27,126,160	\$ 27,217,885	\$ 91,725
Investment earnings	175,000	175,000	1,125,672	950,672
Other Revenue	-	-	3,776	3,776
Total revenues	27,408,137	27,301,160	28,347,333	1,046,173
EXPENDITURES				
General Government				
Operations and development	1,088,000	1,088,000	687,892	(400,108)
Office and operating costs	380,000	380,000	371,360	(8,640)
Special projects	1,000,000	1,000,000	862,462	(137,538)
Maintenance	17,662,000	19,989,877	19,362,409	(627,468)
Flood Monitoring	1,200,000	1,200,000	1,163,501	(36,499)
Flood Plain Preservation	2,400,000	2,400,000	2,206,523	(193,477)
Total expenditures	23,730,000	26,057,877	24,654,147	(1,403,730)
Excess (deficiency) of revenues over expenditures	3,678,137	1,243,283	3,693,186	2,449,903
OTHER FINANCING USES				
Transfers out to other funds	(4,100,000)	(4,100,000)	(4,100,000)	-
Excess of revenues over expenditures and other financing sources	\$ (421,863)	\$ (2,856,717)	\$ (406,814)	\$ 2,449,903
Reconciliation to GAAP basis:				
Current year encumbrances			8,427,576	
Prior year encumbrances			(14,131,002)	
Net adjustment to GAAP basis			(5,703,426)	
Excess of revenue over (under) expenditures (GAAP) Basis			(2,010,240)	
Fund balances - beginning			21,549,319	
Fund balances - ending			\$ 19,539,079	

Note 1 - Budgets and Budgetary Accounting

The Colorado Revised Statutes require that fixed budgets be legally adopted for all governmental fund types, and that moneys shall not be expended in excess of the amount appropriated by resolution for a particular fund. The level of control for the budgets is at the category level within an individual fund. Categories are the consolidation of the District's sub-function budget accounts and combine to total fund expenditures.

In the fall of each year, the District's board of directors holds public hearings to approve the budgets and appropriate the funds for the following year. The District's management cannot amend the budget without approval by the District's Board of Directors. The District's board of directors can modify the budget and appropriation resolutions upon completion of notifications and publication requirements. The District, by state budget law, cannot exceed the total appropriation without Board modification during the year. Appropriations for all funds lapse at year-end.

Budgets for governmental funds are adopted on a basis which differs from generally accepted accounting principles (GAAP). Encumbrances and inter-fund transfers are included for budget purposes as expenditures. Budgetary comparisons in this report are presented on the Non-GAAP budgetary basis.

Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds, except as described below. Formal budgetary integration is also employed to comply with the State of Colorado Budget Law.

The District does not adopt a formal budget for the Project Custodial Fund (formerly the Project Private Purpose Trust Fund) or the Federal Grants Special Revenue Fund because effective budgetary control is achieved through specific contract agreements. Additionally, the District and other participating governmental entities are individually responsible for budgeting and appropriating the expenditures they individually make to the Project Custodial Fund for the other participating governmental entities.

Budgeted amounts presented are as originally adopted and subsequently amended by the board.

Supplementary Information
December 31, 2023

Urban Drainage and Flood Control District

Urban Drainage and Flood Control
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – Development Services Fund
Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 20,000,000	\$ 20,000,000	\$ 15,196,881	\$ (4,803,119)
Administrative Fees	225,000	225,000	221,599	(3,401)
Total operating revenues	<u>20,225,000</u>	<u>20,225,000</u>	<u>15,418,480</u>	<u>(4,806,520)</u>
OPERATING EXPENSES				
Project trust fund	20,000,000	20,000,000	15,196,881	(4,803,119)
Development services projects	500,000	500,000	424,039	(75,961)
Total operating expenses	<u>20,500,000</u>	<u>20,500,000</u>	<u>15,620,920</u>	<u>(4,879,080)</u>
Operating income (loss)	<u>(275,000)</u>	<u>(275,000)</u>	<u>(202,440)</u>	<u>72,560</u>
NONOPERATING REVENUES				
Investment earnings	-	-	72,489	72,489
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>72,489</u>	<u>72,489</u>
Change in net position	<u>\$ (275,000)</u>	<u>\$ (275,000)</u>	<u>(129,951)</u>	<u>\$ 145,049</u>
Reconciliation to GAAP basis:				
Current year encumbrances			219,525	
Prior year encumbrances			<u>(105,552)</u>	
Net adjustment to GAAP basis			<u>113,973</u>	
Excess of revenue over (under) expenditures (GAAP) Basis				
			(15,978)	
Total net position - beginning			<u>416,994</u>	
Total net position - ending			<u>\$ 401,016</u>	

This part of the Urban Drainage and Flood Control District’s Annual Comprehensive Financial Report presents detailed information as context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District’s overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the District’s financial performance and well-being have changed over time.

Net Position by Component..... 58
Changes in Net Position..... 59
Fund Balances, Governmental Funds..... 60
Changes in Fund Balances, Governmental Funds..... 61
General Government Expenditures by Function..... 62
General Government Revenues by Source 63

Revenue Capacity

These schedules contain information to help the reader assess the District’s most significant sources of revenue.

Assesses and Estimated Actual Value of Taxable Property 64
Property Tax Levies and Collections..... 65
Property Tax Mill Levies 66

Debt Capacity

These schedules contains information to help the reader assess the affordability of the District’s current level of debt and the District’s ability to issue debt in the future.

Legal Debt Margin 67
Ratios of Outstanding Debt by Type.....68

Demographic and Economic Information

This schedule offers demographic and economic indicators to help the reader understand the environment within which the District’s financial activities take place.

Demographic Statistics 69

Operating Information

These schedules contain information regarding the number of employees in various job categories and types of assets by function/department.

Full-Time Equivalent Employees by Function/Program 70
Trust Fund – Project Activity 71
Insurance in Force 72

Urban Drainage and Flood Control District
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Governmental activities										
Net investment in capital assets	\$ 1,457,228	\$ 1,547,946	\$ 1,534,335	\$ 1,527,077	\$ 1,584,204	\$ 1,720,345	\$ 1,728,477	\$ 1,678,483	\$ 6,762,177	\$ 9,235,510
Restricted	7,333,629	6,352,378	7,088,960	9,324,833	9,976,395	15,619,923	29,868,266	25,270,111	28,343,280	31,754,228
Unrestricted	<u>307,061</u>	<u>232,997</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,465,178</u>	<u>4,758,752</u>	<u>2,373,012</u>
Total governmental activities net position	<u>9,097,918</u>	<u>8,133,321</u>	<u>8,623,295</u>	<u>10,851,910</u>	<u>11,560,599</u>	<u>17,340,268</u>	<u>31,596,743</u>	<u>34,413,772</u>	<u>39,864,209</u>	<u>43,362,750</u>
Business-type activities										
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>399,522</u>	<u>844,466</u>	<u>416,994</u>	<u>401,016</u>
Total business-type activities net position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>399,522</u>	<u>844,466</u>	<u>416,994</u>	<u>401,016</u>
Primary government										
Net investment in capital assets	1,457,228	1,547,946	1,534,335	1,527,077	1,584,204	1,720,345	1,728,477	1,678,483	6,762,177	9,235,510
Restricted	7,333,629	6,352,378	7,088,960	9,324,833	9,976,395	15,619,923	29,868,266	25,270,111	28,343,280	31,754,228
Unrestricted	<u>307,061</u>	<u>232,997</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>399,522</u>	<u>8,309,644</u>	<u>5,175,746</u>	<u>2,774,028</u>
Total primary government net position	<u>\$ 9,097,918</u>	<u>\$ 8,133,321</u>	<u>\$ 8,623,295</u>	<u>\$ 10,851,910</u>	<u>\$ 11,560,599</u>	<u>\$ 17,340,268</u>	<u>\$ 31,996,265</u>	<u>\$ 35,258,238</u>	<u>\$ 40,281,203</u>	<u>\$ 43,763,766</u>

Urban Drainage and Flood Control District
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Expenses										
Governmental activities										
General government										
Operating	\$ 6,373,779	\$ 6,776,018	\$ 7,227,326	\$ 6,830,414	\$ 10,468,512	\$ 9,314,469	\$ 11,978,409	\$ 9,290,030	\$ 10,156,607	\$ 11,866,977
Maintenance	10,064,681	12,383,260	11,321,086	10,614,568	9,139,356	14,904,339	17,425,992	25,802,797	26,214,503	27,615,369
Floodplain Preservation	-	-	-	-	-	-	-	738,015	1,282,995	1,634,747
District project participation	9,360,279	10,710,502	10,533,602	11,122,624	11,850,473	18,059,674	23,548,124	29,740,859	29,333,164	30,651,467
Total governmental activities expenses	<u>25,798,739</u>	<u>29,869,780</u>	<u>29,082,014</u>	<u>28,567,606</u>	<u>31,458,341</u>	<u>42,278,482</u>	<u>52,952,525</u>	<u>65,571,701</u>	<u>66,987,269</u>	<u>71,768,560</u>
Business-type activities										
Development Services	-	-	-	-	90,438	1,786,506	10,985,479	14,406,726	4,248,933	15,326,947
Total business-type activities expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,438</u>	<u>1,786,506</u>	<u>10,985,479</u>	<u>14,406,726</u>	<u>4,248,933</u>	<u>15,326,947</u>
Total expenses	<u>25,798,739</u>	<u>29,869,780</u>	<u>29,082,014</u>	<u>28,567,606</u>	<u>31,548,779</u>	<u>44,064,988</u>	<u>63,938,004</u>	<u>79,978,427</u>	<u>71,236,202</u>	<u>87,095,507</u>
Program revenue										
Governmental activities										
Operating grants and contributions	416,326	844,635	695,306	240,549	476,561	545,758	650,786	550,856	540,473	620,000
Charges for services	-	-	-	185,279	-	-	-	-	-	-
Total governmental activities	<u>416,326</u>	<u>844,635</u>	<u>695,306</u>	<u>425,828</u>	<u>476,561</u>	<u>545,758</u>	<u>650,786</u>	<u>550,856</u>	<u>540,473</u>	<u>620,000</u>
Business-type activities										
Charges for services	-	-	-	-	90,438	1,786,506	10,984,379	14,643,607	3,730,861	15,016,881
Total Business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,984,379</u>	<u>14,643,607</u>	<u>3,730,861</u>	<u>15,016,881</u>
Total program revenue	<u>416,326</u>	<u>844,635</u>	<u>695,306</u>	<u>425,828</u>	<u>476,561</u>	<u>545,758</u>	<u>11,635,165</u>	<u>15,194,463</u>	<u>4,271,334</u>	<u>15,636,881</u>
General revenues										
Property taxes	24,610,592	25,849,392	26,896,344	27,819,596	29,162,970	43,434,353	62,087,847	63,318,149	67,680,385	67,948,605
Specific ownership taxes	1,809,128	2,049,594	1,996,046	2,388,135	2,203,745	3,403,210	4,121,586	4,379,668	4,365,373	4,526,785
Investment earnings	40,158	51,833	(14,468)	129,215	253,562	591,390	342,280	(29,023)	(596,993)	1,981,077
Other	23,234	25,419	33,677	33,447	70,192	83,440	407,122	377,143	448,648	190,634
Total general revenues	<u>26,483,112</u>	<u>27,976,238</u>	<u>28,911,599</u>	<u>30,370,393</u>	<u>31,690,469</u>	<u>47,512,393</u>	<u>66,958,835</u>	<u>68,045,937</u>	<u>71,897,413</u>	<u>74,647,101</u>
Total revenue	<u>26,899,438</u>	<u>28,820,873</u>	<u>29,606,905</u>	<u>30,796,221</u>	<u>32,167,030</u>	<u>48,058,151</u>	<u>78,594,000</u>	<u>83,240,400</u>	<u>76,168,747</u>	<u>90,283,982</u>
Change in net position										
Governmental activities	1,100,699	(1,048,907)	524,891	2,228,615	708,689	5,779,669	14,657,096	3,025,092	5,450,437	3,498,541
Business-type Activities	-	-	-	-	(90,438)	-	(1,100)	236,881	(427,472)	(15,978)
	<u>\$ 1,100,699</u>	<u>\$ (1,048,907)</u>	<u>\$ 524,891</u>	<u>\$ 2,228,615</u>	<u>\$ 618,251</u>	<u>\$ 5,779,669</u>	<u>\$ 14,655,996</u>	<u>\$ 3,261,973</u>	<u>\$ 5,022,965</u>	<u>\$ 3,482,563</u>

Urban Drainage and Flood Control District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Fund										
Restricted	\$ 124,795	\$ 113,096	\$ 29,310	\$ 671,850	\$ 867,014	\$ 1,690,439	\$ 5,309,268	\$ 4,943,087	\$ 1,643,653	\$ 4,364,650
Assigned	236,376	545,693	-	-	-	-	-	-	-	-
Unassigned	449,391	72,448	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	2,500,000	2,500,000	-
Total general fund	<u>810,562</u>	<u>731,237</u>	<u>29,310</u>	<u>671,850</u>	<u>867,014</u>	<u>1,690,439</u>	<u>5,309,268</u>	<u>7,443,087</u>	<u>4,143,653</u>	<u>4,364,650</u>
All other governmental funds										
Restricted	7,208,834	6,239,252	7,466,070	9,107,579	9,865,890	15,121,993	24,047,463	24,951,611	28,255,532	29,390,273
Committed	-	-	-	-	-	-	2,000,000	2,000,000	2,000,000	2,000,000
Total all other governmental funds	<u>7,208,834</u>	<u>6,239,252</u>	<u>7,466,070</u>	<u>9,107,579</u>	<u>9,865,890</u>	<u>15,121,993</u>	<u>26,047,463</u>	<u>26,951,611</u>	<u>30,255,532</u>	<u>31,390,273</u>
Total general and all other governmental funds	<u>\$ 8,019,396</u>	<u>\$ 6,970,489</u>	<u>\$ 7,495,380</u>	<u>\$ 9,779,429</u>	<u>\$ 10,732,904</u>	<u>\$ 16,812,432</u>	<u>\$ 31,356,731</u>	<u>\$ 34,394,698</u>	<u>\$ 34,399,185</u>	<u>\$ 35,754,923</u>

Urban Drainage and Flood Control District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Revenues										
Taxes	\$ 26,419,720	\$ 27,898,986	\$ 28,892,390	\$ 30,207,731	\$ 31,366,715	\$ 46,837,563	\$ 66,209,433	\$ 67,697,817	\$ 72,045,758	\$ 72,475,389
Project participation										
Earned	-	-	-	-	-	-	100,000	40,000	40,000	82,000
Refunded, including related interest	141,155	429,371	341,533	33,076	6,240	25,823	42,551	23,836	-	2,082
Charges for services	-	-	-	185,279	-	-	-	-	-	-
Federal grants	275,171	415,264	353,773	207,473	470,321	519,935	508,235	487,020	540,473	620,000
Investment earnings (loss)	40,158	51,833	(14,468)	129,215	253,562	591,390	342,280	(28,483)	(596,993)	1,981,077
Other	23,234	25,419	33,677	33,447	70,192	83,440	6,500	168,540	148,901	106,552
Total revenues	<u>26,899,438</u>	<u>28,820,873</u>	<u>29,606,905</u>	<u>30,796,221</u>	<u>32,167,030</u>	<u>48,058,151</u>	<u>67,208,999</u>	<u>68,388,730</u>	<u>72,178,139</u>	<u>75,267,100</u>
Expenditures										
Current:										
General government										
Operating	6,388,096	6,776,018	7,227,326	6,775,127	10,223,577	9,014,612	12,085,200	8,826,627	9,717,272	10,850,307
Maintenance	10,064,681	12,383,260	11,321,086	10,614,568	9,139,356	14,904,339	17,024,566	24,469,717	26,214,502	27,615,369
District participation										
Project trust funds	9,271,092	10,554,664	10,481,786	11,122,624	11,850,473	18,059,674	23,554,934	31,316,404	29,333,164	30,651,467
Floodplain preservation	-	-	-	-	-	-	-	738,015	1,282,995	1,634,747
Capital outlay	-	-	-	-	-	-	-	-	5,186,921	2,712,321
Debt service	-	-	-	-	-	-	-	-	438,798	447,151
Contingency	89,187	155,838	51,816	-	-	-	-	-	-	-
Total expenditures	<u>25,813,056</u>	<u>29,869,780</u>	<u>29,082,014</u>	<u>28,512,319</u>	<u>31,213,406</u>	<u>41,978,625</u>	<u>52,664,700</u>	<u>65,350,763</u>	<u>72,173,652</u>	<u>73,911,362</u>
Excess revenues over (under) expenditures	1,086,382	(1,048,907)	524,891	2,283,902	953,624	6,079,526	14,544,299	3,037,967	4,487	1,355,738
Fund balance - Beginning	<u>6,933,014</u>	<u>8,019,396</u>	<u>6,970,489</u>	<u>7,495,380</u>	<u>9,779,282</u>	<u>10,732,906</u>	<u>16,812,432</u>	<u>31,356,731</u>	<u>34,394,698</u>	<u>34,399,185</u>
Fund balance - Ending	<u>\$ 8,019,396</u>	<u>\$ 6,970,489</u>	<u>\$ 7,495,380</u>	<u>\$ 9,779,282</u>	<u>\$ 10,732,906</u>	<u>\$ 16,812,432</u>	<u>\$ 31,356,731</u>	<u>\$ 34,394,698</u>	<u>\$ 34,399,185</u>	<u>\$ 35,754,923</u>

Urban Drainage and Flood Control District
General Government Expenditures by Function
Last Ten Fiscal Years

Year	General	South Platte	Construction	Maintenance	Non-major	Total
2023	\$ 13,233,283	\$ 6,359,983	\$ 27,328,599	\$ 26,257,573	\$ 731,924	\$ 73,911,362
2022	14,377,076	6,479,272	26,826,622	23,940,107	550,575	72,173,652
2021	8,480,455	6,499,946	25,923,686	23,919,527	527,149	65,350,763
2020	6,512,787	5,264,735	21,603,297	18,715,646	568,235	52,664,700
2019	4,048,627	4,292,756	16,897,030	16,220,277	519,935	41,978,625
2018	3,991,902	-	12,972,977	10,865,759	3,382,770	31,213,408
2017	3,795,419	-	11,857,440	10,424,318	2,434,995	28,512,172
2016	3,935,486	2,566,013	11,514,199	10,712,543	353,773	29,082,014
2015	3,709,884	2,872,608	11,402,613	11,469,411	415,264	29,869,780
2014	4,117,677	1,653,341	9,747,294	9,953,373	341,371	25,813,056

Urban Drainage and Flood Control District
General Government Revenues by Source
Last Ten Fiscal Years

Year	Taxes	Interest	Miscellaneous	Total
2023	\$ 72,475,389	\$ 1,981,077	\$ 810,634	\$ 75,267,100
2022	72,045,758	(596,993)	729,374	72,178,139
2021	67,697,817	(28,483)	719,396	68,388,730
2020	66,209,433	342,280	657,286	67,208,999
2019	46,837,563	591,390	629,198	48,058,151
2018	31,366,715	253,562	546,753	32,167,030
2017	30,207,731	129,215	459,275	30,796,221
2016	28,892,390	(14,468)	728,983	29,606,905
2015	27,898,986	51,833	870,054	28,820,873
2014	26,419,720	40,158	439,560	26,899,438

Urban Drainage and Flood Control District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Levy Year	Residential	Commercial	Industrial	Vacant Land	Agricultural	Natural Resources	State Assessed	Personal Property	Exempt Property	Assessed Valuation	Actual Value	Percentage of Assessed Total Estimated Actual Value	Total Direct Tax Rate (1)	
													Boulder and Broomfield	All Other Counties
2023	\$ 41,647,205	\$ 28,011,606	\$ 2,008,629	\$ 1,709,019	\$ 51,393	\$ 1,673,679	\$ 1,568,630	\$ 5,183,641	\$ 15,542,058	\$ 97,795,860	\$ 786,486,987	12.43%	0.900	1.000
2022	37,780,528	26,644,634	1,445,127	1,469,754	71,352	867,191	2,224,505	4,438,752	14,010,961	80,541,950	677,370,929	11.89%	0.900	1.000
2021	38,022,026	26,871,198	1,413,154	1,478,345	72,102	152,847	2,289,940	4,110,051	14,240,975	76,088,426	649,583,175	11.71%	0.900	1.000
2020	34,341,895	24,300,902	1,656,815	1,129,302	68,681	588,643	2,243,446	3,845,594	11,487,464	64,193,120	572,556,104	11.21%	0.900	1.000
2019	35,546,396	25,425,830	1,845,251	1,641,052	106,862	353,747	2,428,984	3,736,599	14,050,838	63,526,460	530,526,653	11.97%	0.900	0.997
2018	30,929,209	21,692,114	1,456,572	1,349,079	101,978	133,081	2,452,885	3,525,349	12,944,689	62,682,745	497,425,472	12.60%	0.726	0.820
2017	30,357,924	21,168,849	2,291,398	1,294,053	104,127	95,515	2,518,684	3,427,945	12,691,267	60,096,774	492,316,528	12.21%	0.500	0.557
2016	23,809,283	16,139,722	873,498	919,114	36,635	90,845	1,856,102	3,424,004	10,667,112	47,149,204	395,852,708	11.91%	0.559	0.620
2015	23,395,266	15,446,502	1,150,957	1,041,404	37,239	126,558	1,720,298	3,589,919	10,804,986	46,508,143	383,932,204	12.11%	0.553	0.611
2014	18,808,853	12,898,867	1,022,456	843,943	34,522	92,082	1,806,135	3,398,590	9,734,914	38,905,448	314,825,027	12.36%	0.632	0.700

SOURCE: Adams, Arapahoe, Broomfield, Boulder, Denver, Douglas and Jefferson County Assessor offices.

NOTE: The numbers used for Denver County are from 2022. As of the date of this report, the 2022 numbers were the last ones available

(1) Average of the rates from the seven contributing counties

Urban Drainage and Flood Control District
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Property Tax Collections	% of Current Property Tax Collections	Delinquent Tax Collections	Total Property Tax Collections	Ratio Total	Outstanding Delinquent Tax	Ratio Delinquent
2023	\$ 68,349,041	\$ 67,909,167	99.36%	\$ 39,348	\$ 67,948,515	99.41%	\$ 439,874	0.64%
2022	69,003,415	68,351,663	99.06%	168,561	68,520,224	99.30%	651,752	0.94%
2021	63,850,997	63,278,667	99.10%	563,418	63,842,085	99.99%	572,330	0.90%
2020	63,035,988	62,433,862	99.04%	(2,718)	62,431,144	99.04%	602,126	0.96%
2019	43,979,215	43,533,552	98.99%	(30,639)	43,502,913	98.92%	445,663	1.01%
2018	29,334,022	29,137,624	99.33%	14,287	29,151,911	99.38%	196,398	0.67%
2017	27,728,896	27,660,411	99.75%	3,795	27,664,206	99.77%	68,485	0.25%
2016	27,482,569	26,852,936	97.71%	20,140	26,873,076	97.78%	629,633	2.29%
2015	26,165,902	25,823,109	98.69%	6,871	25,829,980	98.72%	342,793	1.31%
2014	24,844,461	24,172,713	97.30%	38,052	24,210,765	97.45%	671,748	2.70%

Urban Drainage and Flood Control District
Property Tax Mill Levies
Last Ten Fiscal Years

Fiscal Year	Counties						
	Arapahoe	Douglas	Denver	Adams	Jefferson	Boulder	Broomfield
2023	1.000	1.000	1.000	1.000	1.000	0.900	0.900
2022	1.000	1.000	1.000	1.000	1.000	0.900	0.900
2021	1.000	1.000	1.000	1.000	1.000	0.900	0.900
2020	1.000	1.000	1.000	1.000	1.000	0.900	0.900
2019	0.997	0.997	0.997	0.997	0.997	0.900	0.900
2018	0.820	0.820	0.820	0.820	0.820	0.726	0.726
2017	0.557	0.557	0.557	0.557	0.557	0.500	0.500
2016	0.620	0.620	0.620	0.620	0.620	0.559	0.559
2015	0.611	0.611	0.611	0.611	0.611	0.553	0.553
2014	0.700	0.700	0.700	0.700	0.700	0.632	0.632

Note: Taxes levied in a given year are collected in the following year

Urban Drainage and Flood Control District
Legal Debt Margin
Last Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Assessed valuations										
Assessed value	\$ 83,479,156,091	\$ 69,204,638,634	\$ 69,864,122,786	\$ 64,537,799,806	\$ 63,661,616,285	\$ 47,856,520,521	\$ 47,275,182,348	\$ 46,677,694,552	\$ 39,052,903,688	\$ 38,724,724,522
Legal debt margin										
Debt limitation 3% of total assessed value	\$ 2,504,374,683	\$ 2,076,139,159	\$ 2,095,923,684	\$ 1,936,133,994	\$ 1,909,848,489	\$ 1,435,695,616	\$ 1,418,255,470	\$ 1,400,330,837	\$ 1,171,587,111	\$ 1,161,741,736
Debt applicable to limitation	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 2,504,374,683	\$ 2,076,139,159	\$ 2,095,923,684	\$ 1,936,133,994	\$ 1,909,848,489	\$ 1,435,695,616	\$ 1,418,255,470	\$ 1,400,330,837	\$ 1,171,587,111	\$ 1,161,741,736

Urban Drainage and Flood Control District
Schedule of Outstanding Ratios by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Business- Type Activities	Total District	Percentage of Personal Income *	Per Capita *
	Capital Leases	Capital Leases			
2023	\$ 1,086,114	\$ -	\$ 1,086,114	0.39%	\$ 0.33
2022	1,503,201	-	1,503,201	0.58%	0.46
2021	-	-	-	-	-
2020	-	-	-	-	-
2019	-	-	-	-	-
2018	-	-	-	-	-
2017	-	-	-	-	-
2016	-	-	-	-	-
2015	-	-	-	-	-
2014	-	-	-	-	-

Note: Details regarding outstanding debt can be found in the notes to the financial statements

* See the demographic statistics for personal income and population data
 These ratios are calculated using personal income and population for the
 prior calendar year

Urban Drainage and Flood Control District
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year	(3) Personal Income (thousands of \$)	(1) and (4) Population	(1) and (3) Per Capita Income	(1) and (2) Unemployment Rate
2023	N/A	N/A	N/A	
2022	\$ 281,105,300	3,252,355	\$ 86,811	2.90%
2021	257,788,304	3,241,942	78,931	4.20%
2020	231,256,836	3,240,895	70,739	8.40%
2019	312,881,542	3,236,481	62,040	2.50%
2018	209,220,052	3,197,929	65,764	3.50%
2017	191,254,910	3,151,607	61,564	3.00%
2016	180,109,544	3,117,539	60,061	2.90%
2015	174,180,268	3,077,326	58,844	3.50%
2014	164,513,002	3,012,013	57,472	4.00%

DATA SOURCES

- (1) Department of Local Affairs - State of Colorado
- (2) Bureau of Labor Statistics
- (3) Bureau of Economic Analysis
- (4) U.S. Census Bureau
- N/A Not available

Urban Drainage and Flood Control District
Full-Time Equivalent Employees by Function / Program
Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General government	16	11	11	10	4	12	14	48	49	49
Maintenance	5	6	6	9	13	11	14	-	-	
SPR operations	2	2	2	3	3	1	10	-	-	
Construction	4	9	8	7	12	11		-	-	
Student interns	9	10	10	10	10	10	10	11	10	9
Other part time	2	1	2	-	-	-	-	-	-	-
Total	<u>38</u>	<u>39</u>	<u>39</u>	<u>39</u>	<u>42</u>	<u>45</u>	<u>48</u>	<u>59</u>	<u>59</u>	<u>58</u>

DATA SOURCE:

District's payroll system

Urban Drainage and Flood Control District
Trust Fund – Project Activity
Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Trust Fund Projects started	<u>14</u>	<u>32</u>	<u>25</u>	<u>25</u>	<u>30</u>	<u>35</u>	<u>32</u>	<u>30</u>	<u>22</u>	<u>32</u>
Trust Fund Projects completed	<u>1</u>	<u>2</u>	<u>27</u>	<u>7</u>	<u>4</u>	<u>23</u>	<u>9</u>	<u>13</u>	<u>12</u>	<u>6</u>

DATA SOURCE:

District's Project accounting system

Urban Drainage and Flood Control District

Insurance in Force

December 31, 2023

Type of Coverage	Name of Company	Dates		Coverage
		From	To	
Public Officials Liability	Colorado Special Districts Property and Liability Pool	1/1/2023	12/31/2023	\$2,000,000
Property	Colorado Special Districts Property and Liability Pool	1/1/2023	12/31/2023	\$540,218 limit on business personal property; \$150,000 computer coverage limit, \$2,000,000 earthquake and flood per occurrence
Automobile	Colorado Special Districts Property and Liability Pool	1/1/2023	12/31/2023	\$2,000,000 liability limit on non-owned and hired autos; \$50,000 physical damage on hired autos; \$2,500 physical damage on non-owned autos for employee deductible reimbursement
Commercial Crime	Colorado Special Districts Property and Liability Pool	1/1/2023	12/31/2023	\$50,000 employee dishonesty; and \$50,000 forgery or altercations; and \$50,000 theft, disappearance and destruction; \$50,000 computer fraud; \$25,000 identity recovery
Business Income	Colorado Special Districts Property and Liability Pool	1/1/2023	12/31/2023	\$250,000 Business income including extra expense/rental income
Inland Marine	Colorado Special Districts Property and Liability Pool	1/1/2023	12/31/2023	\$60,000 Portable Equipment, Mobil Equipment and other Inland Marine Scheduled items
General Liability	Colorado Special Districts Property and Liability Pool	1/1/2023	12/31/2023	\$2,000,000 each occurrence, except for sublimits: \$10,000 medical expense limit per person, \$10,000 medical expense limit for any one accident.
Worker's Compensation	Colorado Special Districts Property and Liability Pool	1/1/2023	12/31/2023	Statutory



**Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

To the Board of Directors
Urban Drainage and Flood Control District
Denver, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Urban Drainage and Flood Control District (the District), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements and have issued our report thereon dated May 2, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Denver, Colorado
May 2, 2024