



**City of Yuma, Colorado
Financial Statements
December 31, 2023**

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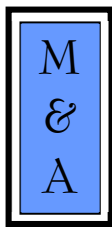
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INDEPENDENT AUDITOR'S REPORT

**To the Honorable Mayor and City Council
City of Yuma, Colorado**

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the City of Yuma, Colorado (the "City"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise City of Yuma basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the City of Yuma 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 ("U.S. GAAP").

Basis for Opinions

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

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, 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 City of Yuma's ability to continue as a going concern for one year after the date that the financial statements are issued.

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INDEPENDENT AUDITOR'S REPORT
To the Honorable Mayor and City Council
City of Yuma

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

In performing an audit in accordance with U.S. GAAS, we:

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

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

Required Supplementary Information

U.S. GAAP require the Management's Discussion and Analysis in section B, and the Schedule of City's Proportionate Share of the Net Pension Liability (Asset) and the Schedule of City Contributions in section E 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 U.S. 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.

INDEPENDENT AUDITOR'S REPORT
To the Honorable Mayor and City Council
City of Yuma

Required Supplementary Information (continued)

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by U.S. GAAP. Such 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 U.S. GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The individual fund budgetary comparison information and the Local Highway Finance Report in section F are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund budgetary comparison information and the Local Highway Finance Report are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 U.S. GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

A handwritten signature in blue ink that reads "McMahon and Associates, L.L.C.".

McMahan and Associates, L.L.C.
Avon, Colorado
July 3, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

City of Yuma, Colorado

Management's Discussion and Analysis December 31, 2023

As management of the City of Yuma, we offer readers of the City of Yuma's financial statements this narrative overview and analysis of the financial activities of the City of Yuma for the fiscal year ended December 31, 2023.

Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the City of Yuma that are principally supported by taxes and intergovernmental revenues (governmental activities) from those that charge for services (business-type activities). The governmental activities of the City of Yuma include general government, public safety, streets, and culture and recreation. The business-type activities of the City of Yuma include sanitation services, electric utility, water utility, and wastewater (sewer) utility.

The government-wide financial statements can be found on pages C1 and C2 of this report.

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

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

Overview of the Financial Statements (continued)

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 expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Yuma adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages C3 through C5 of this report.

Proprietary Funds. The City of Yuma maintains proprietary funds commonly known as enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Yuma uses enterprise funds to account for its sanitation services, electric utility, water utility, wastewater (sewer) utility, and ambulance services.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the business-type services provided by the City of Yuma, each of which is considered to be a major fund of the City of Yuma.

The basic proprietary fund financial statements can be found on pages C6 through C8 of this report.

Fiduciary Funds. 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 City of Yuma's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found in Section D of this report.

Government-wide Financial Analysis

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	11,085,637	10,351,290	6,522,691	5,992,680	17,608,328	16,343,970
Capital assets	11,886,551	12,485,750	5,912,296	6,120,439	17,798,847	18,606,189
Total assets	22,972,188	22,837,040	12,434,987	12,113,119	35,407,175	34,950,159
Deferred outflows of resources	1,584,593	537,202	-	-	1,584,593	537,202
Long-term liabilities outstanding	2,212,588	138,307	-	-	2,212,588	138,307
Other liabilities	1,352,286	1,643,448	411,377	374,230	1,763,663	2,017,678
Total liabilities	3,564,874	1,781,755	411,377	374,230	3,976,251	2,155,985
Deferred inflows of resources	1,085,836	2,764,246	-	-	1,085,836	2,764,246
Net investment in capital assets	11,886,551	12,485,750	5,912,296	6,120,439	17,798,847	18,606,189
Restricted for future pension costs	458,918	975,305	-	-	458,918	975,305
Restricted for emergencies	123,129	129,631	-	-	123,129	129,631
Restricted for bond reserve	240,975	-	-	-	240,975	-
Restricted for capital projects	4,697,163	3,749,837	-	-	4,697,163	3,749,837
Unrestricted	2,499,335	1,487,718	6,111,314	5,618,450	8,610,649	7,106,168
Total net position	19,906,071	18,828,241	12,023,610	11,738,889	31,929,681	30,567,130

Government-wide Financial Analysis (continued)

The largest portion of the City of Yuma's assets is reflected in capital assets (i.e., land, buildings, machinery, and equipment). Capital assets account for 50.3% of the total assets. The City of Yuma uses these assets to provide services to its citizens. Accordingly, these assets are not an available source for payment of future spending. Of the remaining assets, 3% of the governmental activities annual budget is restricted for use in the event of an emergency. Also restricted is \$458,918 for future fire pension cost.

At the end of the current fiscal year, the City of Yuma is able to report positive balances of net position for the government as whole. The City of Yuma's net position increased to \$1,362,551 during the current fiscal year. This increase reflects the continued investment made through infrastructural projects and savings for future projects.

City of Yuma's Statement of Activities

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
REVENUES:						
Program revenues:						
Charges for services	587,004	486,210	4,977,935	5,034,461	5,564,939	5,520,671
Operating grants and contributions	680,145	522,193	-	-	680,145	522,193
Capital grants and contributions	-	-	23,494	3,860	23,494	3,860
General revenues:						
Property Taxes	839,444	826,749	-	-	839,444	826,749
Other taxes	2,783,804	2,634,386	-	-	2,783,804	2,634,386
Interest and other revenue	481,038	859,899	105,175	16,137	586,213	876,036
Total revenues	5,371,435	5,329,437	5,106,604	5,054,458	10,478,039	10,383,895
EXPENSES:						
General government	678,071	370,917	-	-	678,071	370,917
Public safety	2,354,534	2,272,463	-	-	2,354,534	2,272,463
Highways and streets	1,039,816	829,265	-	-	1,039,816	829,265
Culture and recreation	536,228	612,014	-	-	536,228	612,014
Airport	184,956	115,975	-	-	184,956	115,975
Other	-	-	-	-	-	-
Sanitation	-	-	510,802	505,305	510,802	505,305
Electric	-	-	2,400,730	2,578,290	2,400,730	2,578,290
Water	-	-	801,982	625,496	801,982	625,496
Sewer	-	-	608,369	656,685	608,369	656,685
Total expenses	4,793,605	4,200,634	4,321,883	4,365,776	9,115,488	8,566,410
Increase in net position before transfers	577,830	1,128,803	784,721	688,682	1,362,551	1,817,485
Transfers	500,000	500,000	(500,000)	(500,000)	-	-
Increase in net position	1,077,830	1,628,803	284,721	188,682	1,362,551	1,817,485
Net position January 1	18,828,241	17,199,438	11,738,889	11,550,207	30,567,130	28,749,645
Net position December 31	19,906,071	18,828,241	12,023,610	11,738,889	31,929,681	30,567,130

Government-wide Financial Analysis (continued)

Governmental activities. The City of Yuma's net position used for governmental activities increased by \$1,077,830 from the previous year. This is primarily a result of non-spendable pension related gains. The annual transfer from the Electric Fund to the General Fund is used to defray some of the annual costs of providing general public services. The following is a synopsis of data that describes some key elements of annual revenues and expenses.

- Tax revenue from all sources increased by a net \$162,113 over the previous year. The majority of this increase is attributable to an increase in sales tax receipts. Sales tax revenue increased by \$123,829 (5.12%). Federal and state grants accounted for \$680,145 of governmental activities' revenues.
- Governmental activities' expenses increased by \$592,971 (14.12%) while Total Revenue decreased by \$216,748. Operating transfers to the General Fund remained at \$500,000.
- The City of Yuma continued its equipment and vehicle replacement program while limiting overall operating budget expenditures.

Business-type activities. The net position of the City of Yuma's business-type activities increased by \$284,721. Key elements of this increase are as follows:

- Business-type revenue increased by \$52,146 (1.03%) over the previous year, while total business-type expenses increased by \$43,893 or 1.01%.
- Net operating income for the City's business-type activities was \$784,721, and interest income increased compared to the previous year, to \$105,175. The City of Yuma continues to provide solid waste disposal services to the Town of Eckley on a contractual basis.

Financial Analysis of the City of Yuma's Funds

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

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

As of the end of the current fiscal year, the City of Yuma's governmental funds reported combined ending fund balances of \$8,583,994, an increase of \$1,570,043 from the prior year ending fund balances. Of this total, \$5,061,267 is **restricted**, meaning it is not available for new spending because it has already been committed for a variety of other restricted purposes. The remainder of the combined fund balance, totaling \$3,467,637 is **unassigned fund balance**, which is available for spending at the City of Yuma's discretion.

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

Unrestricted net position for the proprietary funds combined at the end of the current fiscal year is \$6,111,314 broken down by fund as follows: Sanitation - \$217,133; Electric - \$3,163,185; Water - \$857,808; and Sewer - \$1,873,188. These unrestricted assets are available for spending at the City of Yuma's discretion.

Financial Analysis of the City of Yuma's Funds (continued)

Budget variances in the General Fund. The City of Yuma amended the General Fund budget for the current year, as the combined General Fund expenditures were expected to exceed the budgeted amounts.

Capital assets. The City of Yuma's investment in capital assets government-wide decreased by \$807,342 (net accumulated depreciation). Additional information as well as a detailed classification of the City of Yuma's net capital assets can be found in the Notes to the Financial Statement in Section D of this report.

Long-term debts. On September 1, 2004, the City of Yuma issued Sales and Use Tax Revenue Bonds in the principal amount of \$2,200,000. On December 2, 2016, the City of Yuma refinanced the 2004 Sales and Use Tax Revenue Bonds for a lower interest rate. These bonds and their debt service requirements are detailed in Section D of this report. Proceeds from the bonds were used to help fund construction of a new wastewater treatment facility that was completed in late 2005. As of December 31, 2021, these bonds were paid in full.

Next year's budget. The City of Yuma General Fund cash and investments balance at the end of the current fiscal year was \$3,918,166. The 2024 appropriation for the General Fund of \$6,739,695 will come from taxes and other sources. Future year budgets will continue to address the need to control operating expenses in General Fund activities to limit their impact on this level of reserves.

Request for Information

This financial report is designed to provide a general overview of the City of Yuma's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Yuma, City Treasurer, 320 South Main Street, Yuma, Colorado 80759.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Yuma, Colorado
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and investments	8,856,304	5,586,648	14,442,952
Receivables, net:			
Property tax	842,754	-	842,754
Accounts	829,584	370,597	1,200,181
Leases	42,987	-	42,987
Inventories and prepaids	55,090	565,446	620,536
Net pension asset - volunteer firefighters	458,918	-	458,918
Capital assets, net	11,886,551	5,912,296	17,798,847
Total Assets	<u>22,972,188</u>	<u>12,434,987</u>	<u>35,407,175</u>
Deferred Outflows of Resources:			
Pension related deferred outflows	1,540,136	-	1,540,136
OPEB related deferred outflows	44,457	-	44,457
Total Deferred Outflows of Resources	<u>1,584,593</u>	<u>-</u>	<u>1,584,593</u>
Liabilities:			
Accounts payable	409,269	7,927	417,196
Deposits	-	334,315	334,315
Accrued compensated absences	207,850	69,135	276,985
Unearned revenue	691,856	-	691,856
Net pension liability - PERA	2,076,555	-	2,076,555
Net OPEB liability - PERA	136,033	-	136,033
Net pension liability - FPPA SWDB	43,311	-	43,311
Total Liabilities	<u>3,564,874</u>	<u>411,377</u>	<u>3,976,251</u>
Deferred Inflows of Resources:			
Unavailable property tax revenue	842,753	-	842,753
Unavailable lease revenue	98,847	-	98,847
Pension related deferred inflows	91,882	-	91,882
OPEB related deferred inflows	52,354	-	52,354
Total Deferred Inflows of Resources	<u>1,085,836</u>	<u>-</u>	<u>1,085,836</u>
Net Position:			
Net investment in capital assets	11,886,551	5,912,296	17,798,847
Restricted for pensions	458,918	-	458,918
Restricted for emergencies	123,129	-	123,129
Restricted for capital projects	4,697,163	-	4,697,163
Unrestricted	2,740,310	6,111,314	8,851,624
Total Net Position	<u>19,906,071</u>	<u>12,023,610</u>	<u>31,929,681</u>

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

City of Yuma
Statement of Activities
For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	678,071	54,217	120,491	-	(503,363)	-	(503,363)
Public safety	2,354,534	483,169	124,744	-	(1,746,621)	-	(1,746,621)
Highways and streets	1,039,816	4,823	283,381	-	(751,612)	-	(751,612)
Culture and recreation	536,228	-	53,468	-	(482,760)	-	(482,760)
Airport	184,956	44,795	98,061	-	(42,100)	-	(42,100)
Total governmental activities	4,793,605	587,004	680,145	-	(3,526,456)	-	(3,526,456)
Business-type activities:							
Electric	2,400,730	3,015,664	-	-	-	614,934	614,934
Water	801,982	705,586	-	-	-	(96,396)	(96,396)
Sewer	608,369	793,431	-	23,494	-	208,556	208,556
Sanitation	510,802	463,254	-	-	-	(47,548)	(47,548)
Total business-type activities	4,321,883	4,977,935	-	23,494	-	679,546	679,546
Total All Activities	9,115,488	5,564,939	680,145	23,494	(3,526,456)	679,546	(2,846,910)
General revenues:							
Taxes:							
Property tax, levied for general purposes					839,444	-	839,444
Specific ownership tax					83,241	-	83,241
General sales tax					2,540,977	-	2,540,977
Occupation tax					9,307	-	9,307
Franchise tax					85,562	-	85,562
Severance tax					57,366	-	57,366
Airport fuel tax					1,584	-	1,584
Cigarette tax					5,767	-	5,767
Licenses and permits					14,666	-	14,666
Investment earnings					146,888	105,175	252,063
Miscellaneous					319,484	-	319,484
Transfers					500,000	(500,000)	-
Total general revenues, special items, and transfers					4,604,286	(394,825)	4,209,461
Change in Net Position					1,077,830	284,721	1,362,551
Net Position - January 1					18,828,241	11,738,889	30,567,130
Net Position - December 31					19,906,071	12,023,610	31,929,681

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

FUND FINANCIAL STATEMENTS

City of Yuma, Colorado
Balance Sheet
Governmental Funds
December 31, 2023

	<u>General</u>	<u>Conservation Trust</u>	<u>Capital Projects - Other</u>	<u>Total Governmental Funds</u>
Assets:				
Cash and investments	3,918,166	240,975	4,697,163	8,856,304
Prepays	10,994	-	-	10,994
Inventory	44,096	-	-	44,096
Receivables, net of allowance for uncollectibles	1,715,325	-	-	1,715,325
Total Assets	<u>5,688,581</u>	<u>240,975</u>	<u>4,697,163</u>	<u>10,626,719</u>
Liabilities and Fund Equity:				
Liabilities:				
Accounts/vouchers payable	409,269	-	-	409,269
Unearned revenue	691,856	-	-	691,856
Total Liabilities	<u>1,101,125</u>	<u>-</u>	<u>-</u>	<u>1,101,125</u>
Deferred Inflows of Resources:				
Unavailable property tax revenues	842,753	-	-	842,753
Unavailable lease revenues	98,847	-	-	98,847
Total Deferred Inflows of Resources	<u>941,600</u>	<u>-</u>	<u>-</u>	<u>941,600</u>
Fund Balances:				
Nonspendable	55,090	-	-	55,090
Restricted for emergency	123,129	-	-	123,129
Restricted for capital projects	-	-	4,697,163	4,697,163
Restricted for recreation projects	-	240,975	-	240,975
Unassigned	3,467,637	-	-	3,467,637
Total Fund Balances	<u>3,645,856</u>	<u>240,975</u>	<u>4,697,163</u>	<u>8,583,994</u>
Total Liabilities and Fund Balances	<u>5,688,581</u>	<u>240,975</u>	<u>4,697,163</u>	

**Amounts reported for governmental activities in the Statement
of Net Position are different because:**

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	11,886,551
Long term assets and deferred outflows are not financial resources and, therefore, are not reported in the funds.	2,043,511
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds	<u>(2,607,985)</u>
Net Position of Governmental Activities	<u>19,906,071</u>

City of Yuma, Colorado
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2023

	General	Conservation Trust	Capital Projects - Other	Total Governmental Funds
Revenues:				
Taxes	2,723,293	-	899,956	3,623,249
Licenses and permits	14,666	-	-	14,666
Intergovernmental revenue	182,093	48,468	-	230,561
Federal government grants	288,495	-	-	288,495
State government grants	37,230	-	-	37,230
Charges for services	587,004	-	-	587,004
Fines and forfeitures	39,879	-	-	39,879
Miscellaneous	456,842	3,283	93,438	553,563
Total Revenues	4,329,502	51,751	993,394	5,374,647
Expenditures:				
General government	739,431	-	-	739,431
Public safety	2,322,100	-	-	2,322,100
Highways and streets	498,085	-	46,068	544,153
Culture and recreation	510,753	-	-	510,753
Airport	188,167	-	-	188,167
Total Expenditures	4,258,536	-	46,068	4,304,604
Excess (Deficiency) of Revenues Over Expenditures	70,966	51,751	947,326	1,070,043
Other Financing Sources (Uses):				
Operating transfers in (out)	500,000	-	-	500,000
Total Other Financing Sources (Uses)	500,000	-	-	500,000
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	570,966	51,751	947,326	1,570,043
Fund Balances - January 1	3,074,890	189,224	3,749,837	7,013,951
Fund Balances - December 31	3,645,856	240,975	4,697,163	8,583,994

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

City of Yuma, Colorado
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental
Funds to the Statement of Activities
For the Year Ended December 31, 2023

Net Change in Fund Balances of Governmental Funds	1,570,043
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Amounts reported for governmental activities
in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the difference between capital outlay and depreciation, net of disposals during the year.	(599,199)
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>106,986</u>
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Change in Net Position of Governmental Activities	<u><u>1,077,830</u></u>
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City of Yuma, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2023

	Electric Fund	Water Fund	Sewer Fund	Sanitation Fund	Total
Assets:					
Current assets:					
Cash and investments	2,938,933	735,830	1,721,862	190,023	5,586,648
Receivables, net of allowance for uncollectibles	238,975	28,770	65,131	37,721	370,597
Prepaid insurance	-	431	332	695	1,458
Inventory	363,781	105,634	94,573	-	563,988
Total current assets	<u>3,541,689</u>	<u>870,665</u>	<u>1,881,898</u>	<u>228,439</u>	<u>6,522,691</u>
Non-current assets:					
Property and equipment	4,491,218	6,161,253	6,129,278	832,417	17,614,166
Accumulated depreciation	(3,490,072)	(4,099,635)	(3,448,645)	(663,518)	(11,701,870)
Total non-current assets	<u>1,001,146</u>	<u>2,061,618</u>	<u>2,680,633</u>	<u>168,899</u>	<u>5,912,296</u>
Total Assets	<u>4,542,835</u>	<u>2,932,283</u>	<u>4,562,531</u>	<u>397,338</u>	<u>12,434,987</u>
Liabilities:					
Current liabilities:					
Accounts payable	7,927	-	-	-	7,927
Deposits	329,198	4,147	-	970	334,315
Accrued compensated absences	41,379	8,710	8,710	10,336	69,135
Total current liabilities	<u>378,504</u>	<u>12,857</u>	<u>8,710</u>	<u>11,306</u>	<u>411,377</u>
Total Liabilities	<u>378,504</u>	<u>12,857</u>	<u>8,710</u>	<u>11,306</u>	<u>411,377</u>
Net Position:					
Invested in capital assets, net of related debt	1,001,146	2,061,618	2,680,633	168,899	5,912,296
Unrestricted	3,163,185	857,808	1,873,188	217,133	6,111,314
Total Net Position	<u>4,164,331</u>	<u>2,919,426</u>	<u>4,553,821</u>	<u>386,032</u>	<u>12,023,610</u>

City of Yuma, Colorado
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2023

	Electric Fund	Water Fund	Sewer Fund	Sanitation Fund	Total
Operating Revenues:					
Commercial charges	1,692,182	-	-	-	1,692,182
Residential charges	1,205,286	-	-	-	1,205,286
Other	118,196	10,331	3,643	4,362	136,532
Tap fees	-	6,500	3,360	-	9,860
Water sales	-	688,755	-	-	688,755
Sewer charges	-	-	786,428	-	786,428
Sanitation charges	-	-	-	458,892	458,892
Total Operating Revenues	3,015,664	705,586	793,431	463,254	4,977,935
Operating Expenses:					
Electricity purchased	1,710,536	-	-	-	1,710,536
Recycling expense	-	-	-	13,671	13,671
Landfill expense	-	-	-	89,523	89,523
Repairs and maintenance	27,959	199,980	75,490	36,951	340,380
Supplies	17,112	17,947	12,247	16,896	64,202
Benefits and payroll taxes	113,950	111,828	109,523	85,659	420,960
Depreciation	145,791	217,558	176,493	61,585	601,427
Bad debt	(170)	-	-	-	(170)
Salaries	313,826	178,672	171,192	152,449	816,139
Insurance	20,078	17,446	13,655	9,525	60,704
Gas and oil	-	5,726	6,380	30,477	42,583
Utilities	16,396	25,805	3,524	1,018	46,743
Legal	14,258	-	-	-	14,258
Engineering consultant	-	-	25,349	-	25,349
Capital outlay	6,341	2,500	-	-	8,841
Other	14,653	6,900	14,516	13,048	49,117
Total Operating Expenses	2,400,730	784,362	608,369	510,802	4,304,263
Operating Income (Loss)	614,934	(78,776)	185,062	(47,548)	673,672
Non-operating Revenues (Expenses):					
Interest revenue	55,574	17,915	29,315	2,371	105,175
Contributions to other governments	-	(17,620)	-	-	(17,620)
Grants and contributions	-	-	23,494	-	23,494
Total Non-operating Revenues	55,574	295	52,809	2,371	111,049
Income Before Transfers	670,508	(78,481)	237,871	(45,177)	784,721
Transfers	(454,000)	(24,000)	(22,000)	-	(500,000)
Change in Net Position	216,508	(102,481)	215,871	(45,177)	284,721
Total Net Position - January 1	3,947,823	3,021,907	4,337,950	431,209	11,738,889
Total Net Position - December 31	4,164,331	2,919,426	4,553,821	386,032	12,023,610

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

City of Yuma, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	Electric Fund	Water Fund	Sewer Fund	Sanitation Fund	Total
Cash Flows From Operating Activities:					
Cash received from customers and others	3,036,889	708,836	794,451	462,733	5,002,909
Cash paid for goods and services	(1,859,864)	(284,997)	(152,158)	(211,804)	(2,508,823)
Cash paid to employees	(410,138)	(287,522)	(285,226)	(231,553)	(1,214,439)
Net Cash Provided by Operating Activities	<u>766,887</u>	<u>136,317</u>	<u>357,067</u>	<u>19,376</u>	<u>1,279,647</u>
Cash Flows From Non-capital Financing Activities:					
Contributions to other governments	-	(17,620)	-	-	(17,620)
Net operating transfers (out)	(454,000)	(24,000)	(22,000)	-	(500,000)
Net Cash Provided (Used) by Non-capital Financing Activities	<u>(454,000)</u>	<u>(41,620)</u>	<u>(22,000)</u>	<u>-</u>	<u>(517,620)</u>
Cash Flows From Capital Financing Activities:					
Grant received	-	-	23,494	-	23,494
Distribution system and equipment purchases	(90,393)	(222,999)	(79,892)	-	(393,284)
Net Cash Provided (Used) by Capital Financing Activities	<u>(90,393)</u>	<u>(222,999)</u>	<u>(56,398)</u>	<u>-</u>	<u>(369,790)</u>
Cash Flows From Investing Activities					
Interest received	55,574	17,915	29,315	2,371	105,175
Net Cash Provided by Investing Activities	<u>55,574</u>	<u>17,915</u>	<u>29,315</u>	<u>2,371</u>	<u>105,175</u>
Net Change in Cash and Cash Equivalents	<u>278,068</u>	<u>(110,387)</u>	<u>307,984</u>	<u>21,747</u>	<u>497,412</u>
Cash and Cash Equivalents - January 1	<u>2,660,865</u>	<u>846,217</u>	<u>1,413,878</u>	<u>168,276</u>	<u>5,089,236</u>
Cash and Cash Equivalents - December 31	<u>2,938,933</u>	<u>735,830</u>	<u>1,721,862</u>	<u>190,023</u>	<u>5,586,648</u>
Reconciliation of Operating Income (Loss) to					
Net Cash Provided by Operating Activities:					
Operating income (loss)	614,934	(78,776)	185,062	(47,548)	673,672
Adjustments to reconcile operating income (loss)					
to net cash provided by operating activities:					
Depreciation	145,791	217,558	176,493	61,585	601,427
Bad debt	(170)	-	-	-	(170)
(Increase) decrease in accounts receivable	9,107	778	1,020	(691)	10,214
(Increase) decrease in prepaids	-	(431)	(332)	(695)	(1,458)
(Increase) decrease in inventories	(32,257)	(8,262)	(665)	-	(41,184)
Increase (decrease) in deposits	12,118	2,472	-	170	14,760
Increase (decrease) in accounts payable	(274)	-	-	-	(274)
Increase (decrease) in compensated absences	17,638	2,978	(4,511)	6,555	22,660
Total Adjustments	<u>151,953</u>	<u>215,093</u>	<u>172,005</u>	<u>66,924</u>	<u>605,975</u>
Net Cash Provided by Operating Activities	<u>766,887</u>	<u>136,317</u>	<u>357,067</u>	<u>19,376</u>	<u>1,279,647</u>

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

NOTES TO THE FINANCIAL STATEMENTS

City of Yuma
Notes to the Financial Statements
December 31, 2023

I. Summary of Significant Accounting Policies

The City of Yuma, Colorado (the "City"), is a "Home Rule City" (a municipal corporation, as defined by Colorado Revised Statutes). An elected Mayor and City Council are responsible for setting policy, appointing administrative personnel, and adopting an annual budget in accordance with state statutes. The City's major operations include police and fire protection, road maintenance, utilities, and culture and recreation.

The City's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the City are discussed below.

A. Reporting Entity

The reporting entity consists of (a) the primary government; i.e., the City, and (b) organizations for which the City is financially accountable. The City is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the City. Consideration is also given to other organizations, which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the City. Organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria above, the City is not financially accountable for any other entity nor is the City a component unit of any other government.

B. Government-wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The City's police, fire protection, ambulance services, road maintenance, culture and recreation, and administration are classified as governmental activities. The City's utilities are classified as business activities.

1. Government-wide Financial Statements

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts - invested in capital assets, net of related debt; restricted net position; and unrestricted net position.

Since the fiduciary fund accounts for pension funds and therefore is not available to support City programs, the fund is not incorporated into the government-wide financial statements.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

1. Government-wide Financial Statements (continued)

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (public safety, highways and streets, utilities, etc.). The functions are also supported by general government revenues (property and sales taxes, intergovernmental revenue, fines and permits, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (police, roads, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property and sales taxes, interest income, etc.).

The government-wide focus is on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

2. Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses.

The fund focus is on current available resources and budget compliance.

The City reports the following governmental funds:

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

The *Conservation Trust Fund* accounts for lottery proceeds required to be expended solely on park and recreation improvements.

The *Capital Projects Fund - Other* accounts for taxes set aside for certain projects designated by City Council.

The City reports the following proprietary or business-type funds:

The *Electric Fund* accounts for the purchase and delivery of electric power to the citizens of the City.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements (continued)

The *Water Fund* accounts for the delivery of water to the citizens of the City.

The *Sewer Fund* accounts for sewer service to the citizens of the City.

The *Sanitation Fund* accounts for waste collection and disposal for the citizens of the City and contract services for the Town of Eckley, as well as residents or businesses within one mile of city limits who choose to use city trash services.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (within 60 days after December 31). Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

3. Financial Statement Presentation

Amounts reported as program revenues include 1) charges to customers for goods and services provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

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

D. Financial Statement Accounts

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents are defined as deposits that can be withdrawn on demand and investments with maturities of three months or less.

Investments are stated at fair value. The change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

Colorado statute permits investments in the following type of obligations:

- U.S. Treasury Obligations (maximum maturity of 60 months)
- Federal Instrumentality Securities (maximum maturity of 60 months)
- FDIC-insured Certificates of Deposit (maximum maturity of 18 months)
- Corporate Bonds (maximum maturity of 36 months)
- Prime Commercial Paper (maximum maturity of 9 months)
- Eligible Bankers Acceptances
- Repurchase Agreements
- General Obligations and Revenue Obligations
- Local Government Investment Pools
- Money Market Mutual Funds

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

3. Receivables

Receivables are reported net of an allowance for uncollectible accounts.

4. Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by the governmental units until the subsequent year. In accordance with generally accepted accounting principles, the assessed but uncollected property taxes have been recorded as a receivable and as deferred revenue.

5. Interfund Receivables and Payables

Balances at year-end between funds are reported as “due to / from other funds” in the fund financial statements. Any residual balances not eliminated between the governmental and business-type activities are reported as “internal balances” in the government-wide financial statements.

6. Prepaid Expenses

Prepaid expenses are amounts paid in the current year for expenses related to subsequent years.

7. Inventory

Inventory consists of supplies for the City’s use and is carried at cost using the first-in, first-out method.

8. Leases

The City is a lessor for the lease of land to various entities. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and proprietary fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate is used to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The City uses its estimated incremental borrowing rate as the discount rate for leases, and the lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee. The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

9. Capital Assets

Capital assets, which include land, buildings, equipment, vehicles, and infrastructure assets (only infrastructure acquired after January 1, 2000), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is expensed as incurred.

Infrastructure, buildings, and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Infrastructure	40
Buildings and improvements	20 - 40
Distribution systems	10 - 50
Equipment and vehicles	5 - 10

10. Compensated Absences

Earned but unused paid time off ("PTO") benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for the amounts is reported in governmental funds only if they are required to be paid out within 60 days of year-end.

11. Pensions

The City participates in the Statewide Defined Benefit Plan, administered by the Fire and Police Pension Association of Colorado ("FPPA"). The Statewide Defined Benefit Plan ("SWDB") is a cost-sharing multiple-employer defined benefit pension plan. The City also sponsors an agent multiple employer defined benefit plan for its volunteer firefighters. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from the fiduciary net position of the plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

11. Pensions (continued)

The City also participates in the Local Government Division Trust Fund ("LGDTF"), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position ("FNP") and additions to/deductions from the FNP of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

12. Defined Benefit Other Post Employment Benefit ("OPEB") Plan

The City participates in the Health Care Trust Fund ("HCTF"), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position ("FNP") and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

13. Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has two items that qualify for reporting in this category, which is the pension-related and OPEB-related deferred outflows reported in the government-wide statement of net position.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

14. Deferred Inflows of Resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has four items that qualify for this type of reporting, pension-related and OPEB-related deferred inflows, and unavailable revenues from leases and property taxes.

15. Fund Balance

The City classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is the City Council.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the City Council or its management designee.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City first uses committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City does not have a formal minimum fund balance policy.

E. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Position

The governmental fund Balance Sheet includes reconciliation between *fund balance – total governmental funds* and *net position of governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that “Long-term asset and deferred outflows are not financial resources and, therefore, are not reported in the funds.” The details of this \$2,043,511 difference are Net Pension Asset of \$458,918, Pension related deferred outflows of \$1,540,136, and OPEB related deferred outflows of \$44,457. Another element of that reconciliation explains that “Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.”

The details of this \$2,607,985 difference are as follows:

Accrued compensated absences	207,850
Net pension liability	2,119,866
Net OPEB liability	136,033
Pension related deferred inflows of resources	91,882
OPEB related deferred inflows of resources	52,354
Net adjustment to reduce fund balance - total governmental funds	<u>2,607,985</u>
to arrive at net position - governmental activities	<u>2,607,985</u>

B. Explanation of certain differences between the governmental fund Statement of Revenue, Expenditures and Changes in Fund Balances and the government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes reconciliation between *net change in fund balances of governmental funds* and *changes in net position of governmental activities* as reported in the government-wide Statement of Activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.” The details of this \$599,199 difference is capital outlay of \$228,852 less depreciation expense of \$828,051.

Another element of that reconciliation states that “Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures of the governmental funds.” The details of this \$106,986 difference are pension expense of \$150,378 less change in accrued compensated absences of \$43,392.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Stewardship, Compliance, and Accountability

A. Budgetary Information

Budgets are adopted on a basis consistent with generally accepted accounting principles, except for the proprietary funds. Annual appropriations are adopted for all funds. Expenditures may not legally exceed appropriations at the fund level. All appropriations lapse at year end.

As required by Colorado Statutes and the Home Rule Charter, the City followed the required timetable noted below in preparing, approving, and enacting its budget for 2023.

1. For the 2023 budget year, prior to August 25, 2022, the County Assessor sent to the City an assessed valuation of all taxable property within the City's boundaries.
2. The Mayor, or other qualified person appointed by the Council, submitted to the Council, on or before October 15, 2022, a recommended budget which detailed the necessary property taxes needed along with other available revenues to meet the City's operating requirements.
3. Prior to December 15, 2022, a public hearing was held for the budget, the Council certified to the County Commissioners a levy rate that derived the necessary property taxes as computed in the proposed budget, and the Council adopted the proposed budget and an appropriating ordinance that legally appropriated expenditures for the upcoming year.
4. After adoption of the ordinance, the City may make the following changes: a) it may transfer appropriated money between funds; b) approve supplemental appropriations to the extent of revenues in excess of estimated revenues in the budget; c) approve emergency appropriations; and d) reduce appropriations for which originally estimated revenues are insufficient.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2022 were collected in 2023 and taxes certified in 2023 will be collected in 2024. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28th and June 15th) without interest or penalty.

Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16th.

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 not employed by the City because it is at present considered not necessary to assure effective budgetary control or to facilitate effective cash planning and control.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. The reserve is calculated at 3% of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. The City has reserved \$123,129 which is the approximate required reserve at December 31, 2023.

The City's voters approved a ballot question which will allow the City to collect, retain, and expend the full proceeds of the City's sales and use tax, non-federal grants, fees and other revenues, without increasing or adding taxes of any kind, and notwithstanding any State restrictions on fiscal year spending, including without limitation the restrictions of Article X, Section 20 of the Colorado Constitution, from the date of January 1, 1996, and thereafter.

On November 4, 2003, the City's voters approved the following ballot question, "Shall the City of Yuma debt be increased \$2,200,000 with a repayment cost of \$4,900,000 and shall City taxes be increased \$360,000 annually and by whatever additional amounts as are raised annually thereafter from the levy of an additional 1% sales and use tax; such debt to be issued for the purpose of improving the City municipal sewer and storm drainage systems, including but not limited to the acquisition, construction, installation, completion, renovation and expansion of improvements to its municipal sewer and storm drainage systems and such taxes to be used for the repayment of such debt and any other municipal purposes; such debt to be evidenced by the issuance of bonds or other obligations payable from the taxes authorized by this question and other City revenues as the Council may determine; such bonds or other obligations to be sold in one or more series on terms and conditions and with such maturities as permitted by law and as the Council may determine, including provisions for redemption of the bonds prior to maturity with or without payment of a premium; and shall the proceeds of such debt and taxes and any earnings from the investment of such proceeds and revenues be collected and spent as a voter approved revenue change under Article X, Section 20 of the Colorado Constitution?"

The City's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds

A. Deposits and Investments

The City's deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the City's deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA. The carrying amount of the City's deposits was \$8,573,088 at year end.

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the City diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer and type of issuer. The City coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than five years (less in some cases) from the purchase date. As a result of the limited length of maturities the City has limited its interest rate risk.

Credit Risk. City investment policy limits investments to those authorized by State statutes as listed in Note 1C. The City's general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk. The City diversifies its investments by security type and institution. Financial institutions holding City funds must provide the City a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository.

The City had the following cash and investments with the following maturities:

Type	Carrying Amount	Maturities	
		Less Than One Year	Less Than Five Years
<i>Deposits:</i>			
Petty cash	1,200	-	-
Checking	6,071,580	-	-
Savings	2,500,308	-	-
Certificates of deposit	5,869,864	5,869,864	-
	<u>14,442,952</u>	<u>5,869,864</u>	<u>-</u>

As of December 31, 2023, the City had no investments requiring fair value measurement.

The financial statement captions are as follows:

	Governmental Activities	Business type Activities	Total
Cash and investments	8,856,304	5,586,648	14,442,952
Total	<u>8,856,304</u>	<u>5,586,648</u>	<u>14,442,952</u>

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

B. Receivables

Receivables as of December 31, 2023, for the City's funds, including applicable allowances for uncollectible accounts, are as follows:

	General	Electric	Water	Sewer	Sanitation	Total
Receivables:						
Taxes	926,100	-	-	-	-	926,100
Accounts	1,044,837	238,975	28,770	65,131	37,721	1,415,434
Intergovernmental	412,007	-	-	-	-	412,007
Leases	42,987	-	-	-	-	42,987
Gross receivables	2,425,931	238,975	28,770	65,131	37,721	2,796,528
Less: allowance for uncollectible	(710,606)	-	-	-	-	(710,606)
Net receivables	1,715,325	238,975	28,770	65,131	37,721	2,085,922

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Unavailable property tax revenue of \$842,753 is property taxes levied in 2023 but not available until 2024.

C. Lease Receivable

In June 2021, the City executed a Ground Lease and Purchase Agreement for the lease of certain city property. Under the terms of the Ground Lease, the City leases the property for a 10-year term ending December 31, 2031. The lessor has an option to exercise the option to purchase the property at any time prior to December 31, 2031, with the amount of rent paid by the Tenant to be deducted from the purchase price.

In April 2021, the City executed a Farmland Lease Agreement for the lease of city property. Under the terms of the Ground Lease, the City leases the property for a 5-year term ending December 31, 2026.

In September 2023, the City executed a Farmland Lease Agreement for the lease of city property for 50 years ending September 2073. The rent for the 50 year term was paid in one payment and is recognized as a deferred inflow amortized straight-line over the term of the lease.

The future principal and interest lease payments as of December 31, 2023 were as follows:

	Principal	Interest	Total
2024	9,358	766	10,124
2025	9,555	569	10,124
2026	9,757	367	10,124
2027	3,520	160	3,680
2028	3,558	121	3,679
2029 - 2031	7,239	121	7,360
	42,987	2,104	45,091

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	2,273,134	-	-	2,273,134
Construction in progress	21,022	88,235	-	109,257
Total capital assets, not being depreciated	2,294,156	88,235	-	2,382,391
Capital assets, being depreciated:				
Infrastructure	11,732,146	3,210	-	11,735,356
Buildings and improvements	2,224,885	29,174	-	2,254,059
Machinery and equipment	4,922,749	108,233	(34,404)	4,996,578
Total capital assets being depreciated	18,879,780	140,617	(34,404)	18,985,993
Less accumulated depreciation for:				
Infrastructure	(4,112,090)	(540,123)	-	(4,652,213)
Buildings and improvements	(971,633)	(61,159)	-	(1,032,792)
Machinery and equipment	(3,604,463)	(226,769)	34,404	(3,796,828)
Total accumulated depreciation	(8,688,186)	(828,051)	34,404	(9,481,833)
Total capital assets, being depreciated, net	10,191,594	(687,434)	-	9,504,160
Governmental activities capital assets, net	12,485,750	(599,199)	-	11,886,551
	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities:				
Capital assets, not being depreciated:				
Land	64,808	-	-	64,808
Total capital assets, not being depreciated	64,808	-	-	64,808
Capital assets, being depreciated:				
Infrastructure	14,462,082	376,785	-	14,838,867
Buildings and improvements	287,029	-	-	287,029
Machinery and equipment	2,406,963	16,499	-	2,423,462
Total capital assets being depreciated	17,156,074	393,284	-	17,549,358
Less accumulated depreciation for:				
Infrastructure	(8,939,503)	(461,594)	-	(9,401,097)
Buildings and improvements	(275,980)	(1,842)	-	(277,822)
Machinery and equipment	(1,884,960)	(137,991)	-	(2,022,951)
Total accumulated depreciation	(11,100,443)	(601,427)	-	(11,701,870)
Total capital assets, being depreciated, net	6,055,631	(208,143)	-	5,847,488
Business-type activities capital assets, net	6,120,439	(208,143)	-	5,912,296

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Capital Assets (continued)

Infrastructure assets acquired prior to January 1, 2000, are not included in the financial statements.

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

Governmental activities:

General government	37,937
Public safety	156,940
Public works, including infrastructure	230,236
Airport	377,463
Culture and recreation	25,475
Total depreciation expense - governmental activities	<u><u>828,051</u></u>

Business-type activities:

Electric	145,791
Water	217,558
Sewer	176,493
Sanitation	61,585
Total depreciation expense - business-type activities	<u><u>601,427</u></u>

E. Interfund Receivables, Payables, and Transfers

There were no interfund receivables or payables as of December 31, 2023.

Transfers were as follows:

	In	Out	
General	500,000	-	Maintain general reserves
Electric	-	(454,000)	Maintain general reserves
Water	-	(24,000)	Net payment for services provided
Sewer	-	(22,000)	Net payment for services provided
Total	<u><u>500,000</u></u>	<u><u>(500,000)</u></u>	

F. Long-term Liabilities

1. Accrued Compensated Absences

Earned but unused vacation benefits amounted to \$207,850 in governmental activities and \$69,135 in business-type activities at December 31, 2023.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

F. Long-term Liabilities (continued)

2. Schedule of Changes in Long-term Liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Accrued compensated absences	164,458	43,392	-	207,850	51,963
Net OPEB liability	138,307	-	(2,274)	136,033	-
Net pension liability	-	2,076,555	-	2,076,555	-
Total Governmental Activities Long-term Liabilities	302,765	2,119,947	(2,274)	2,420,438	51,963
Business-type Activities:					
Accrued compensated absences	46,475	22,660	-	69,135	17,284
Total Business-type Activities Long-term Liabilities	46,475	22,660	-	69,135	17,284

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

1. FPPA Statewide Defined Benefit Plan

Plan Description The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (New Hires), provided they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The plan became effective January 1, 1980. As of January 1, 2023, Statewide Defined Benefit Plan and the Statewide Hybrid Plan have merged to form the Statewide Retirement Plan (SRP) and the Statewide Defined Benefit Plan becomes the Defined Benefit Component of the Statewide Retirement Plan.

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

Contributions Contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates increased 0.5% annually through 2022 to a total of 12% of pensionable earnings. Employer contributions increase 0.5% annually beginning in 2021 through 2030 to a total of 13% of pensionable earnings. In 2022, members of the SWDB plan and their employers are contributing at a rate of 12% and 9%, respectively, of pensionable earnings for a total contribution rate of 21%.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Contributions (continued) Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reflect the actual cost of reentry by department. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

Benefits A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2% of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5% for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered under Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefit adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0% to the higher of 3% or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5% as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2% of the member's average highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5% for each year of service thereafter.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Net Pension (Asset)/Liability: At December 31, 2023, the City's reported net pension (asset) liability of \$43,311 is its proportionate share of the Plan's net pension (asset) liability. The Plan's fiduciary net position is currently exceeded by the total pension liability, resulting in a liability reported by the City. The net pension asset was measured at December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. The City's proportion of the net pension liability was based on the City's contributions to the Plan for calendar year 2022, relative to the total contributions of participating employers to the Plan.

At December 31, 2023 the City proportion was 0.04879%, as compared to 0.04785% at December 31, 2022.

For the year ended December 31, 2023, the City recognized pension expense (revenue) of \$(8,796). At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	93,752	5,318
Changes of assumptions or other inputs	55,488	-
Net difference between projected and actual earnings on pension plan investments	98,011	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	23,715	7,186
Contributions subsequent to the measurement date	45,634	-
Total	316,600	12,504

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Net Pension (Asset)/Liability (continued) Contributions subsequent to the measurement date of December 31, 2022, which are reported as deferred outflows of resources related to pensions, will be recognized as an adjustment against the net pension (asset) liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a component of pension expense as follows:

Year ending December 31:

2024	26,379
2025	44,322
2026	61,267
2027	83,782
2028	18,958
Thereafter	23,754
	<u>258,462</u>

Actuarial assumptions. The actuarial valuations for the Statewide Defined Benefit Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2022. The valuations used the following actuarial assumption and other inputs:

Actuarial Assumptions	Total Pension Liability	Actuarially Determined Contributions
Actuarial Valuation Date - January 1	2023	2022
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term investment Rate of Return *	7.0%	7.0%
Projected Salary Increases	4.25% to 11.25%	4.25% to 11.25%
Cost of Living Adjustments (COLA)	0.0%	0.0%
* Includes Inflation at	2.5%	2.5%

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Actuarial assumptions (continued) For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5%). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2022, are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	35%	8.93%
Equity Long/Short	6%	7.47%
Private Markets	34%	10.31%
Fixed Income - Rates	10%	5.45%
Fixed Income - Credit	5%	6.90%
Absolute Return	9%	6.49%
Cash	1%	3.92%
Total	<u>100%</u>	

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Actuarial assumptions (continued) The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7%; the municipal bond rate is 4.05% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7%.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. The following presents the plan's net pension liability/(asset) to changes, calculated using a discount rate of 7%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a single discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of net pension liability (asset)	298,579	43,311	(168,134)

Subsequent Event: Statewide Retirement Plan During 2022, House Bill 22-1034 was signed into law. This legislation combines the assets and liabilities of the Statewide Defined Benefit Plan and Statewide Hybrid Plan to form the Statewide Retirement Plan effective January 1, 2023. The Statewide Retirement Plan became the Defined Benefit Component of the Statewide Retirement Plan.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. Volunteer Pension Fund

Plan Description The City is trustee of an agent multiple-employer defined benefit pension plan available to provide retirement income for volunteer fire fighters in recognition of their service to the City. The plan is directed by a Board of Trustees composed of the Board of Directors and volunteer firefighters selected in accordance with Colorado State Statutes. The plan is administered by the Fire and Police Pension Association of Colorado.

The plan provides for a monthly pension for volunteers who have satisfied the normal age and service requirements and pro rata pensions for volunteers who have satisfied the normal age, but only a portion of the service requirement. It further provides death benefits and a partial pension (50% of the amount the volunteer has earned) for surviving spouses. The normal age and service requirement is the latest date a volunteer reaches 50 years of age or completes 20 years of service. As of December 31, 2022, the latest actuarial valuation date, there were 26 active members, 2 inactive, nonretired member and 23 retirees and beneficiaries.

Benefits For the pension measurement date of December 31, 2022, the normal retirement benefit is \$90 per month at age 50 with 20 years of service. After at least 10 years of service, the monthly retirement benefit is \$4.50 per year of service up to 20 service years. The monthly survivor benefits are \$45 following death after normal retirement. The monthly survivor benefit after at least 10 years of service is \$2.25 per year of service up to 20 service years. The funeral benefit is a one-time only \$100.

Funding Policy The funding of the plan by the City and members is authorized by the Board of Trustees. The contribution by the State of Colorado (the "State") toward fire pension funds has been a fixed dollar amount established by the legislature and allocated pro rata to all fire pension funds in the State who apply for State matching funds, based upon the amounts contributed by the employer up to a maximum of one half (1/2) mill on the assessed valuation or 90% of City contributions, whichever is less.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. Volunteer Pension Fund (continued)

Net Pension Asset At December 31, 2023, the volunteer pension fund reported a net pension asset of \$458,918. The net pension asset was measured as of December 31, 2022, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2023.

The City reported the following deferred outflow of resources and deferred inflows of resources of the volunteer pension fund as of December 31, 2023:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	-	6,194
Changes of assumptions or other inputs	2,417	-
Net difference between projected and actual earnings on pension plan investments	102,145	59,983
Contributions subsequent to the measurement date	10,000	-
Total	114,562	66,177

Actuarial Assumptions Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuations as of January 1, 2021 determine the contribution amount for 2022 and 2023.

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City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. Volunteer Pension Fund (continued)

The following table sets forth the methods and assumptions used to determine contribution rates for the year ending December 31, 2022:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Remaining Amortization Period	20 years*
* Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.	
Asset Valuation Method	5-year smoothed fair value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	7.00%
Retirement Age	50% per year of eligibility until 100% at age 65
Mortality	Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables, for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality. Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scales for all years. Disabled: 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	35%	8.93%
Equity Long/Short	6%	7.47%
Private Markets	34%	10.31%
Fixed Income - Rates	10%	3.92%
Fixed Income - Credit	5%	6.90%
Absolute Return	9%	6.49%
Cash	1%	3.92%
Total	<u>100%</u>	

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. Volunteer Pension Fund (continued)

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 4.05% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of net pension liability (asset)	(423,993)	(458,918)	(488,009)

Pension Plan Fiduciary Net Position: Detailed information about the Plan's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at http://www.fppaco.org/annual_report.html.

3. PERA Plan

Plan Description. Eligible employees of the City of Yuma are provided with pensions through the Local Government Division Trust Fund (LGDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

3. PERA Plan (continued)

Benefits Provided. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100% of highest average salary and cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

3. PERA Plan (continued)

Benefits Provided (continued) Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. For State Troopers whose disability is caused by an on- the-job injury, the five-year service requirement is waived and they are immediately eligible to apply for disability benefits. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions Provisions. Eligible employees and the City are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates are summarized in the table below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022	January 1, 2023 Through June 30, 2023	July 1, 2023 Through December 31, 2023
Employee contribution (all employees other than State Troopers)	8.50%	9.00%	9.00%	9.00%
State Troopers	12.50%	13.00%	13.00%	13.00%

**Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

3. PERA Plan (continued)

Contributions Provisions (continued) The employer contribution requirements for all employees other than State Troopers are summarized in the table below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022	January 1, 2023 Through June 30, 2023	July 1, 2023 Through December 31, 2023
Employer contribution rate	10.50%	11.00%	11.00%	11.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02%)	(1.02%)	(1.02%)	(1.02%)
Amount apportioned to the LGDTF	9.48%	9.98%	9.98%	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%	2.20%	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%	1.50%	1.50%	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.03%	0.03%	0.06%	0.06%
Total employer contribution rate to the LGDTF	13.21%	13.71%	13.74%	13.74%

**Contribution Rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

3. PERA Plan (continued)

The employer contribution requirement for State Troopers are summarized in the table below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022	January 1, 2023 Through June 30, 2023	July 1, 2023 Through December 31, 2023
Employer contribution rate	10.50%	11.00%	11.00%	11.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02%)	(1.02%)	(1.02%)	(1.02%)
Amount apportioned to the LGDTF	9.48%	9.98%	9.98%	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%	2.20%	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%	1.50%	1.50%	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.03%	0.03%	0.06%	0.06%
Total employer contribution rate to the LGDTF	13.21%	13.71%	13.74%	13.74%

**Contribution Rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the City is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the City were \$259,430 for the year December 31, 2023.

The net pension liability for the LGDTF was measured as of December 31, 2022, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the TPL to December 31, 2022. The City's proportion of the net pension liability was based on the City's contributions to the LGDTF for the calendar year 2022 relative to the total contributions of participating employers.

At December 31, 2023, the City reported an (asset) liability of \$2,076,555 for its proportionate share of the net pension liability.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

3. PERA Plan (continued)

At December 31, 2022, the City's proportion was 0.20712%, which was a decrease of 0.0008% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized pension expense (revenue) of \$(87,298). At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	-	10,352
Net difference between projected and actual earnings on pension plan investments	847,749	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	1,795	2,849
Contributions subsequent to the measurement date	259,430	-
Total	<u>1,108,974</u>	<u>13,201</u>

\$259,430 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:

2024	(94,769)
2025	124,070
2026	310,316
2027	496,726
	<u>836,343</u>

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

3. PERA Plan (continued)

Actuarial assumptions. The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs.

Actuarial Cost method	Entry age
Price inflation	2.30 percent
Real wage growth	0.70 percent
Wage inflation	3.00 percent
Salary increases, including wage inflation	3.20 - 11.30 percent
Long-term investment Rate of Return, net of pension plan investments	7.25 percent
Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	1.00 percent compounded annually
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

¹ Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

The TPL for the LGDTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, as allowable under C.R.S. § 24-51-313, of Tri-County Health Department (Tri-County Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

Pre-retirement mortality assumptions for members other than State Troopers were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for State Troopers were based upon the PubS-2010 Employee Table with generational projection using scale MP-2019.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

3. PERA Plan (continued)

Actuarial assumptions (continued) Post-retirement non-disabled mortality assumptions for members other than State Troopers were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

Disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared at least every five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

3. PERA Plan (continued)

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100%	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Discount rate. The discount rate used to measure the TPL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

3. PERA Plan (continued)

Discount Rate (continued)

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the LGDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of net pension liability (asset)	3,486,013	2,076,555	896,605

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

3. PERA Plan (continued)

Pension plan fiduciary net position. Detailed information about the LGDTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

4. Other Postemployment Benefits - OPEB plan

Plan Description. Eligible employees of the City are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare health benefits program is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

4. Other Postemployment Benefits - OPEB plan (continued)

PERA Benefit Structure. The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

DPS Benefit Structure. The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions. Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the City is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the City were \$19,253 for the year ended December 31, 2023.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

4. Other Postemployment Benefits - OPEB plan (continued)

Liabilities. At December 31, 2023, the City reported a liability of \$136,033 for its proportionate share of net OPEB. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability ("TOL") used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll forward the TOL to December 31, 2022. The City's proportion of the net OPEB liability was based on the City's contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF.

At December 31, 2022, the City proportion was 0.01666%, which was an increase of 0.0006% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized OPEB expense (revenue) of (\$14,528). At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 18	\$ 32,898
Changes of assumptions or other inputs	2,187	15,014
Net difference between projected and actual earnings on pension plan investments	8,309.00	1
Changes in proportion and differences between contributions recognized and proportionate share of contributions	14,690	4,441
Contributions subsequent to the measurement date	19,253	-
Total	<u>\$ 44,457</u>	<u>\$ 52,354</u>

\$19,253 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB related expense as follows:

Year Ended December 31:	
2024	(8,277)
2025	(11,926)
2026	(5,297)
2027	1,091
2028	(2,214)
Thereafter	(527)
	<u>(27,150)</u>

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

4. Other Postemployment Benefits - OPEB plan (continued)

Actuarial assumptions. The total OPEB liability in the December 31, 2021, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method			Entry age	
Price inflation			2.30%	
Real wage growth			0.70%	
Wage inflation			3.00%	
Salary increases, including wage inflation				
Members other than State Troopers	3.30%-10.90%	3.40%-11.00%	3.20%-11.30%	2.80%-5.30%
State Troopers	3.20%-12.40%	N/A	3.20%-12.40%	N/A
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation			7.25%	
Discount rate			7.25%	
Health care cost trend rates				
PERA benefit structure:				
Service-based premium subsidy			0.00%	
PERACare Medicare plans			6.50% in 2022, gradually decreasing to 4.50% in 2030	
Medicare Part A premiums			3.75% in 2022, gradually increasing to 4.50% in 2029	
DPS benefit structure:				
Service-based premium subsidy			0.00%	
PERACare Medicare plans			N/A	
Medicare Part A premiums			N/A	

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

4. Other Postemployment Benefits - OPEB plan (continued)

Actuarial assumptions (continued) The TOL for the HCTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. § 24-51-313, of Tri-County Health Department (TriCounty Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

Beginning January 1, 2022, the per capita health care costs are developed by plan option; based on 2022 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Male)	Annual Increase (Female)
65-69	3.0%	1.5%
70	2.9%	1.6%
71	1.6%	1.4%
72	1.4%	1.5%
73	1.5%	1.6%
74	1.5%	1.5%
75	1.5%	1.4%
76	1.5%	1.5%
77	1.5%	1.5%
78	1.5%	1.6%
79	1.5%	1.5%
80	1.4%	1.5%
81 and older	0.0%	0.0%

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

4. Other Postemployment Benefits - OPEB plan (continued)

Actuarial assumptions (continued)

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$1,704	\$1,450	\$583	\$496	\$1,923	\$1,634
70	\$1,976	\$1,561	\$676	\$534	\$2,229	\$1,761
75	\$2,128	\$1,681	\$728	\$575	\$2,401	\$1,896

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$6,514	\$5,542	\$4,227	\$3,596	\$6,752	\$5,739
70	\$7,553	\$5,966	\$4,901	\$3,872	\$7,826	\$6,185
75	\$8,134	\$6,425	\$5,278	\$4,169	\$8,433	\$6,657

The 2022 Medicare Part A premium is \$499 (actual dollars) per month.

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2021, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

4. Other Postemployment Benefits - OPEB plan (continued)

Actuarial assumptions (continued) The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2022	6.50%	3.75%
2023	6.25%	4.00%
2024	6.00%	4.00%
2025	5.75%	4.00%
2026	5.50%	4.25%
2027	5.25%	4.25%
2028	5.00%	4.25%
2029	4.75%	4.50%
2030+	4.50%	4.50%

Mortality assumptions used in the December 31, 2021, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed on a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for State Troopers were based upon the PubS-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for the School Division were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for the Judicial Division were based upon the PubG-2010(A) Above-Median Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

4. Other Postemployment Benefits - OPEB plan (continued)

Actuarial assumptions (continued) Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the School Division were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 112% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83% of the rates prior to age 80 and 106% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the Judicial Division were based upon the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

Disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The following health care costs assumptions were updated and used in the roll-forward calculation for the Trust Fund:

- Per capita health care costs in effect as of the December 31, 2021, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2022 plan year.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

4. Other Postemployment Benefits - OPEB plan (continued)

Actuarial Assumptions (continued)

- The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums. Medicare Part A premiums continued with the prior valuation trend pattern.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by PERA Board's actuary, as discussed above.

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the TOL, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared at least every five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

4. Other Postemployment Benefits - OPEB plan (continued)

Actuarial Assumptions (continued) As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives ¹	6.00%	4.70%
Total	100.00%	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25%.

Sensitivity of the City's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERA Care Medicare Trend Rate	5.25%	6.25%	7.25%
Ultimate PERA Care Medicare Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	3.00%	4.00%	5.00%
Ultimate Medicare Part A Trend	3.50%	4.50%	5.50%
Collective Net OPEB Liability	793,369,000	816,479,000	841,625,000
Proportionate Share of Net OPEB Liability	132,182	136,032	140,221

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

4. Other Postemployment Benefits - OPEB plan (continued)

Discount rate. The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2022, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the HCTF's FNP was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

4. Other Postemployment Benefits - OPEB plan (continued)

Sensitivity of the City's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of net pension liability (asset)	157,701	136,033	117,498

OPEB plan fiduciary net position. Detailed information about the HCTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

V. Other Information

A. Other Retirement Plans

1. Deferred Compensation Plans – Section 457

The City offers employees covered under Public Employees' Retirement Association of Colorado ("PERA"), and its police officers covered under Colorado Fire and Police Pension Association ("FPPA"), two separate deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans permit employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the plans' participants and their beneficiaries.

The accrual basis of accounting is used for the plans. Revenues are recognized when earned and expenditures are recognized when incurred. Investments are recorded at market value.

Plan investment purchases are determined by the plan participant and therefore, the plans' investment concentrations vary between participants. The City has no liability for losses under the plans but does have the duty of due care that would be required of an ordinary prudent investor. The City is neither the trustee nor the administrator for the plans.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

V. Other Information (continued)

A. Other Retirement Plans (continued)

2. Deferred Compensation Plan - Section 401(a)

In 1991, the City established a defined contribution money purchase plan in the form of the ICMA Retirement Corporation Prototype Money Purchase Plan and Trust under code section 401 of the Internal Revenue code. The normal retirement age is age 55 (not to exceed age 65). Only appointed personnel are eligible to participate in the Plan. The City contributes on behalf of each participant 10% of earnings for the Plan Year. Each participant is required to contribute 8% of earnings as a condition of participation in the Plan. Each Participant may make a voluntary (unmatched), after-tax contribution. Participants are 100% vested immediately and may direct their investment, without restriction, among various investment options available under the Trust. City payroll covered by ICMA for 2023 was \$127,787 of total payroll of \$1,980,195. Contributions were \$36,717 which consisted of \$12,743 from the City and \$23,974 from employees.

Upon separation from service for reason other than death, disability, or attainment of Normal Retirement Age, the Participant may elect to commence receiving benefits without regard to age.

The City is the trustee of the plan and has the duty of due care that would be required of an ordinary prudent investor but has no liability for losses under the plan.

3. Post Employment Health Care Benefits

All City employees covered by COBRA insurance may continue their health insurance due to a reduction in work hours or termination of employment. Employees who elect continued coverage must pay the health insurance services for premiums from the termination date of coverage and monthly thereafter. No cost to the City is recognized as employees reimburse 100% of their premium cost.

4. Cafeteria Plan

The City offers a cafeteria compensation plan organized under IRS Section 125 that includes the following benefits: medical disability, accident and/or term life insurance, health expense reimbursement and child care benefits. The plan is administered by Affiliated Benefits Consultants, which approves disbursements from the plan that employees make from a plan debit card. The City paid Affiliated Benefits Consultants \$1,710 for the administrative services. No other cost to the City is recognized as the plan is a salary reduction plan.

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

V. Other Information (continued)

B. Commitments and Contingencies

Land - Pledged as Mortgage

The City owns various tracts of land which have been acquired for future expansion. Two tracts totaling 93.19 acres have been leased to the High Plains Recreation Association, Incorporated (the "Association") for a term of 99 years ending April 7, 2070, for the purpose of providing and maintaining a public golf course. The City assigned its interest in the property as security for a mortgage loan of the Association with First Farm Bank.

C. Risk Management

Colorado Intergovernmental Risk Sharing Agency

The City is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; or injuries to employees. The City is insured for such risks as a member of the Colorado Intergovernmental Risk Sharing Agency ("CIRSA"). CIRSA is an organization created to provide property and general liability, as well as workers compensation coverage for its member municipalities. CIRSA self insures for amounts ranging from \$100,000 to \$1,000,000 million, depending of the type of coverage. CIRSA provides additional coverage for property claims up to \$500 million and liability coverage for claims up to \$5,000,000.

A summary of audited statutory basis financial information for CIRSA as of and for the year ended December 31, 2023 (the latest audited information available) is as follows:

Statement of Net Position

Assets	94,848,455
Liabilities	60,691,640
Net Position	<u>34,156,815</u>
Total	<u>94,848,455</u>

Statement of Activities

Revenues	44,242,681
Expenses	<u>54,284,668</u>
Net Income (loss)	<u>(10,041,987)</u>

City of Yuma
Notes to the Financial Statements
December 31, 2023
(Continued)

V. Other Information (continued)

D. Statewide Death and Disability Plan

Plan Description – Police of the City contribute to the Statewide Death and Disability Plan (“SWDD”). The SWDD is a cost-sharing multiple-employer defined benefit death and disability plan administered by FPPA. Contributions to the SWDD are used solely for the payment of death and disability benefits. The SWDD was established in 1980 pursuant to Colorado Revised Statutes. SWDD benefits provide 24-hour coverage, both on- and off-duty for members not eligible for normal retirement under a defined benefit plan, or under a money purchase plan. In the case of an on-duty death, benefits may be payable to the surviving spouse or dependent children of active members who were eligible to retire but were still working. Death and disability benefits are free from state and federal taxes in the event that a member’s disability is determined to be the result of an on-duty injury or an occupational disease.

Funding Policy – Prior to 1997, the SWDD was primarily funded by the State of Colorado (the “State”), whose contributions were established by Colorado statute. In 1997 the State made a one-time contribution of \$39,000,000 to fund past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further State contributions are anticipated.

The SWDD is funded by member or on-behalf of member contributions. Members hired on or after January 1, 1997, began contributing 2.4 percent of base salary to the SWDD. Contributions may be increased 0.1 percent biennially by the FPPA Board. As of January 1, 2017, the contribution rate is 2.7 percent of base salary. The contribution rate increased to 3.4 percent of base salary as of January 1, 2019. This percentage can vary depending on actuarial experience. All contributions are made by members or on behalf of members. The 3.4 percent contribution may be paid entirely by the City or member, or it may be split between the City and the member as determined at the local level. The employees and City paid \$15,735 and \$0 on-behalf of members to the SWDD at December 31, 2023.

FPPA issues a publicly available comprehensive annual financial report which includes additional information on the Statewide Death and Disability Plan. That report can be obtained at <https://www.fppaco.org/annual-reports.html>.

REQUIRED SUPPLEMENTARY INFORMATION

City of Yuma, Colorado
Schedule of Revenues and Transfers in
Budget and Actual
General Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)

	2023				2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Current property taxes	830,892	830,892	836,198	5,306	823,862
Specific ownership tax	82,000	82,000	83,241	1,241	84,516
General sales tax	1,500,000	1,500,000	1,641,021	141,021	1,582,819
Occupation tax	6,000	6,000	9,307	3,307	8,523
Franchise tax	50,000	50,000	85,562	35,562	76,698
Severance tax	25,000	25,000	57,366	32,366	41,490
Airport fuel tax	1,500	1,500	1,584	84	2,280
Cigarette tax	5,000	5,000	5,767	767	3,731
Interest on property taxes	3,000	3,000	3,247	247	2,887
Total Taxes	<u>2,503,392</u>	<u>2,503,392</u>	<u>2,723,293</u>	<u>219,901</u>	<u>2,626,806</u>
Licenses and Permits	<u>9,150</u>	<u>9,150</u>	<u>14,666</u>	<u>5,516</u>	<u>13,364</u>
Intergovernmental Revenue:					
State highway users tax	125,000	125,000	132,427	7,427	135,094
Road and bridge	30,000	30,000	35,216	5,216	34,300
Motor vehicle registration	15,000	15,000	14,450	(550)	16,030
Federal grants	37,000	37,000	288,495	251,495	317,281
State grants	216,093	216,093	37,230	(178,863)	84,031
Total Intergovernmental Revenue	<u>423,093</u>	<u>423,093</u>	<u>507,818</u>	<u>84,725</u>	<u>586,736</u>
Charges for Services:					
Ambulance fees	409,600	409,600	480,974	71,374	389,617
Grain and feed	-	-	-	-	17,174
Gas sales	4,000	4,000	4,823	823	4,434
Municipal building lease and rent	17,174	17,174	11,315	(5,859)	1
Airport lease and rent	10,000	10,000	12,202	2,202	10,727
Pool receipts	-	-	-	-	16,932
Other	95,500	95,500	77,690	(17,810)	47,326
Total Charges for Services	<u>536,274</u>	<u>536,274</u>	<u>587,004</u>	<u>50,730</u>	<u>486,211</u>
Fines and Forfeitures:					
Police fines and other revenue	12,300	12,300	28,144	15,844	27,304
Library fines and other revenue	6,000	6,000	11,735	5,735	33,539
Total Fines and Forfeitures	<u>18,300</u>	<u>18,300</u>	<u>39,879</u>	<u>21,579</u>	<u>60,843</u>
Miscellaneous Revenue:					
Interest revenue	2,000	2,000	50,168	48,168	7,456
Recreation user fees	24,000	24,000	25,540	1,540	24,589
Community Center	-	-	-	-	40
Donations	129,174	129,174	127,070	(2,104)	-
Contingency and other	15,000	15,000	254,064	239,064	58,289
Total Miscellaneous Revenue	<u>170,174</u>	<u>170,174</u>	<u>456,842</u>	<u>286,668</u>	<u>90,374</u>
Total Revenues Before Transfers	<u>3,660,383</u>	<u>3,660,383</u>	<u>4,329,502</u>	<u>669,119</u>	<u>3,864,334</u>
Transfers In:					
Electric Fund	500,000	500,000	500,000	-	500,000
Total Transfers In	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Total Revenues and Transfers In	<u>4,160,383</u>	<u>4,160,383</u>	<u>4,829,502</u>	<u>669,119</u>	<u>4,364,334</u>

City of Yuma, Colorado
Schedule of Expenditures
Budget and Actual
General Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)
(Continued)

	2023			2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative) Actual
Expenditures:				
General Government:				
Administration:				
Salaries	139,106	139,106	138,185	921
Retirement and fringe benefits	73,810	73,810	74,175	(365)
Insurance	2,143	2,143	1,577	566
Operating supplies	18,935	18,935	15,788	3,147
Audit and accounting	33,000	33,000	36,498	(3,498)
Travel and training	4,350	4,350	3,550	800
Reporting and recording	1,500	1,500	2,411	(911)
Utilities	6,300	6,300	6,546	(246)
Repairs and maintenance	15,500	15,500	12,397	3,103
HRPA Settlement	-	167,000	167,000	-
COVID-19 Expenses	-	-	-	-
Capital outlay	2,000	2,000	2,915	(915)
County Treasurer fees	17,000	17,000	18,237	(1,237)
Attorney	95,200	95,200	72,045	23,155
Total Administration	408,844	575,844	551,324	24,520
Council:				
Salaries	1,920	1,920	1,920	-
Retirement and fringe benefits	331	331	275	56
Travel and training	8,500	8,500	5,136	3,364
Insurance	17,175	17,175	17,211	(36)
Other	6,500	6,500	3,955	2,545
Contingencies	24,750	24,750	24,684	66
Supplies	4,500	4,500	5,338	(838)
Downtown revitalization	111,300	111,300	129,588	(18,288)
Total Council	174,976	174,976	188,107	(13,131)
Elections	5,000	5,000	-	5,000
Total General Government	588,820	755,820	739,431	16,389
Judicial	18,040	18,040	16,535	1,505
Public Safety:				
Police and Public Safety:				
Salaries	614,742	614,742	604,996	9,746
Retirement and fringe benefits	258,148	258,148	243,670	14,478
Operating expenses	85,150	160,150	155,705	4,445
Gas and oil	22,500	22,500	21,965	535
Insurance	73,843	73,843	64,070	9,773
Utilities	20,000	20,000	17,275	2,725
Repairs and maintenance	18,000	18,000	31,933	(13,933)
Travel and training	10,000	10,000	10,242	(242)
Capital outlay	103,000	103,000	7,735	95,265
Total Police and Public Safety	1,205,383	1,280,383	1,157,591	122,792

City of Yuma, Colorado
Schedule of Expenditures
Budget and Actual
General Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)
(Continued)

	2023			2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative) Actual
Expenditures (continued):				
Public Safety - Fire Dept.:				
Salaries	6,150	6,150	4,720	1,430
Retirement and fringe benefits	14,500	14,500	12,695	1,805
Operating supplies	19,460	19,460	15,794	3,666
Travel and training	16,500	16,500	5,613	10,887
Insurance	10,000	10,000	7,910	2,090
Utilities	4,000	4,000	4,120	(120)
Repairs and maintenance	12,000	12,000	5,449	6,551
Capital outlay	-	-	8,153	(8,153)
Total Public Safety - Fire Dept.	82,610	82,610	64,454	18,156
Ambulance:				
Salaries	574,280	574,280	600,919	(26,639)
Retirement and fringe benefits	275,015	275,015	229,759	45,256
Operating	117,825	129,247	196,348	(67,101)
Capital outlay	309,500	309,500	13,082	296,418
Total Ambulance	1,276,620	1,288,042	1,040,108	247,934
Animal Care:				
Salaries	18,564	18,564	13,666	4,898
Retirement and fringe benefits	4,560	4,560	3,092	1,468
Operating	30,195	35,195	26,654	8,541
Total Animal Care	53,319	58,319	43,412	14,907
Total Public Safety	2,635,972	2,727,394	2,322,100	405,294
Highways and Streets:				
Public Works - Street:				
Salaries	115,140	115,140	136,827	(21,687)
Retirement and fringe benefits	28,280	28,280	33,522	(5,242)
Maintenance of condition	34,440	34,440	19,049	15,391
Travel and training	20,200	20,200	16,665	3,535
Supplies	17,275	17,275	7,366	9,909
Utilities	3,200	3,200	2,705	495
Insurance	14,765	14,765	10,626	4,139
Repairs and maintenance	25,000	25,000	50,163	(25,163)
Capital outlay	-	113,675	101,288	12,387
Total Public Works - Street	258,300	371,975	378,211	(6,236)
Shop Department:				
Salaries and contract services	42,838	42,838	41,687	1,151
Retirement and fringe benefits	20,446	20,446	18,269	2,177
Operating supplies	12,450	12,450	9,706	2,744
Insurance	5,200	5,200	4,606	594
Utilities	18,000	18,000	19,303	(1,303)
Repairs and maintenance	19,000	19,000	19,540	(540)
Travel and training	6,400	6,400	6,763	(363)
Total Shop Department	124,334	124,334	119,874	4,460
Total Highways and Streets	382,634	496,309	498,085	(1,776)
Airport:				
Salaries	5,907	5,907	3,442	2,465
Retirement and fringe benefits	3,038	3,038	2,082	956
Operating supplies	47,800	47,800	40,290	7,510
Repairs and maintenance	18,000	18,000	20,002	(2,002)
Insurance	3,000	3,000	3,992	(992)
Utilities	4,000	4,000	2,392	1,608
Capital outlay	-	-	115,967	(115,967)
Total Airport	81,745	81,745	188,167	(106,422)

City of Yuma, Colorado
Schedule of Expenditures
Budget and Actual
General Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)
(Continued)

	2023				2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Expenditures (continued):					
Culture and Recreation:					
Recreation and Pool:					
Salaries	61,397	61,397	51,170	10,227	103,278
Retirement and fringe benefits	25,414	25,414	20,665	4,749	39,203
Operating supplies	8,825	8,825	7,713	1,112	17,269
Insurance	4,600	4,600	3,694	906	4,195
Utilities	2,000	2,000	1,502	498	14,022
Repairs and maintenance	28,000	28,000	13,062	14,938	43,171
Travel and training	2,550	2,550	1,736	814	5,596
Programs and concessions	14,500	14,500	19,460	(4,960)	15,428
Total Recreation and Pool	147,286	147,286	119,002	28,284	242,162
Community Center:					
Salaries	24,895	24,895	19,605	5,290	20,506
Retirement and fringe benefits	12,518	12,518	8,796	3,722	8,446
Operating supplies and expenses	7,725	7,725	20,300	(12,575)	13,438
Repairs and maintenance	6,000	6,000	4,934	1,066	8,126
Insurance	5,000	5,000	5,496	(496)	3,946
Utilities	7,000	7,000	7,627	(627)	7,757
Capital outlay	-	-	-	-	2,204
Total Community Center	63,138	63,138	66,758	(3,620)	64,423
Parks:					
Salaries	45,555	45,555	43,197	2,358	43,763
Retirement and fringe benefits	18,567	18,567	16,744	1,823	17,597
Operating supplies	4,925	4,925	1,647	3,278	2,612
Mosquito control	-	-	1,091	(1,091)	-
Tree trimming	2,000	2,000	1,000	1,000	1,931
Fertilizer and chemicals	5,500	5,500	4,813	687	5,821
Travel and training	2,000	2,000	1,999	1	2,347
Insurance	3,000	3,000	2,678	322	2,451
Utilities	2,000	2,000	1,756	244	1,814
Repairs and maintenance	5,000	5,000	5,252	(252)	7,114
Total Parks	88,547	88,547	80,177	8,370	85,450
Library:					
Salaries	120,784	120,784	120,845	(61)	112,678
Retirement and fringe benefits	60,534	60,534	60,868	(334)	61,775
Operating supplies and magazines	40,500	40,500	42,102	(1,602)	38,873
Insurance	888	888	1,066	(178)	721
Utilities	4,000	4,000	3,235	765	2,872
Repairs and maintenance	3,500	3,500	1,893	1,607	1,409
Capital outlay	4,000	4,000	3,980	20	482
Books	10,000	10,000	10,505	(505)	10,017
Travel and training	1,250	1,250	322	928	442
Total Library	245,456	245,456	244,816	640	229,269
Total Culture and Recreation	544,427	544,427	510,753	33,674	621,304
Total Expenditures	4,233,598	4,605,695	4,258,536	347,159	3,836,390

City of Yuma, Colorado
Schedule of Revenues and Expenditures
Budget and Actual
Conservation Trust Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)

	2023				2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
State lottery funds	40,000	40,000	48,468	8,468	44,214
Interest	250	250	3,283	3,033	582
Total Revenues	40,250	40,250	51,751	11,501	44,796
Expenditures:					
Repairs and maintenance	10,000	10,000	-	10,000	4,780
Capital outlay	-	-	-	-	19,999
Total Expenditures	10,000	10,000	-	10,000	24,779

City of Yuma
Schedule of Changes in Net Pension Asset / Liability
City of Yuma Volunteer Pension Fund
Last 10 Fiscal Years

Measurement period ending December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	1,771	1,771	1,762	1,762	1,436	1,436	1,628	1,628	1,114
Interest on the Total Pension Liability	21,661	21,550	21,549	21,431	18,600	18,577	18,393	18,376	18,528
Benefit Changes	-	-	-	-	51,075	-	-	-	-
Difference between Expected and Actual Experience	(8,034)	-	(1,743)	-	(4,692)	-	(6,457)	-	(1,781)
Assumption Changes	3,287	-	-	-	12,788	-	7,900	-	-
Benefit Payments	(21,870)	(21,600)	(21,510)	(21,530)	(20,875)	(18,575)	(19,238)	(20,300)	(19,975)
Net Change in Total Pension Liability	(3,185)	1,721	58	1,663	58,332	1,438	2,226	(296)	(2,114)
Total Pension Liability - Beginning	319,323	317,602	317,544	315,881	257,549	256,111	253,885	254,181	256,295
Total Pension Liability - Ending (a)	316,138	319,323	317,602	317,544	315,881	257,549	256,111	253,885	254,181
Plan Fiduciary Net Position									
Employer Contributions	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Pension Plan Net Investment Income	(68,166)	110,844	87,238	86,234	237	79,967	28,028	9,544	33,003
Benefit Payments	(21,840)	(21,600)	(21,510)	(21,530)	(20,875)	(18,575)	(19,238)	(20,300)	(19,975)
Pension Plan Administrative Expense	(10,896)	(9,711)	(7,993)	(11,286)	(10,540)	(11,421)	(1,110)	(1,978)	(1,143)
State of Colorado supplemental discretionary payment	9,000	18,000	-	9,000	9,000	9,000	9,000	8,780	8,739
Net Change in Plan Fiduciary Net Position	(81,902)	107,533	67,735	72,418	(12,178)	68,971	26,680	6,046	30,624
Plan Fiduciary Net Position - Beginning	856,988	749,455	681,720	609,302	621,480	552,509	525,829	519,783	489,159
Plan Fiduciary Net Position - Ending (b)	775,086	856,988	749,455	681,720	609,302	621,480	552,509	525,829	519,783
Net Pension Liability/(Asset) - Ending (a) - (b)	(458,948)	(537,665)	(431,853)	(364,176)	(293,421)	(363,931)	(296,398)	(271,944)	(265,602)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	245.16%	268.38%	235.97%	214.69%	192.89%	241.31%	215.73%	207.11%	204.49%
Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

City of Yuma
Schedule of City Contributions
City of Yuma Volunteer Pension Fund
Last 10 Fiscal Years *

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000
Actual contribution**	<u>19,000</u>	<u>19,000</u>	<u>19,000</u>	<u>19,000</u>	<u>19,000</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	N/A	N/A	N/A	N/A	N/A
Actual contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 19,000	\$ 19,000	\$ 19,000	\$ 18,780	\$ 18,739
Actual contribution**	<u>19,000</u>	<u>19,000</u>	<u>19,000</u>	<u>18,780</u>	<u>18,739</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	N/A	N/A	N/A	N/A	N/A
Actual contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

* Information is only available beginning in fiscal year 2014.

** Includes both plan sponsor and State of Colorado Supplemental Discretionary Payment

The accompanying notes are an integral part of these financial statements

City of Yuma
Notes to the Required Supplementary Information
Volunteer Pension Plan
December 31, 2023

I. Notes to the Schedule of City Contributions

A. Changes to assumptions or other inputs

1. Changes Since the January 1, 2017 Actuarial Valuation are as Follows:

- Effective January 1, 2019, the investment rate of return is 7.00%.
- Effective January 1, 2019, the pre-retirement 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality. The post-retirement 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

2. Changes Since the January 1, 2015 Actuarial Valuation are as Follows:

- Effective January 1, 2017, the pre-retirement mortality table used is RP-2014 Mortality tables for blue collar employees, projected with Scale BB, 55% multiplier for off-duty mortality. Increased by 0.00020 for on-duty related Fire and Police experience. The post-retirement mortality tables used for retirees ages less than 55 is the RP-2014 Mortality tables for blue collar employees. The post-retirement mortality tables used for retirees ages 65 or older is the RP-2014 Mortality tables for blue collar healthy annuitants. The post-retirement mortality tables used for retirees ages 55 through 64 is a blend of the previous tables. All tables used for post-retirement are projected with Scale BB. The Disabled mortality tables used are RP-2014 Disabled Generational Mortality Tables generationally projected with Scale BB with a minimum 3% rate for males and 2% rate for females.

B. Changes of benefit terms

- No changes during the years presented above

C. Changes of size or composition of population covered by benefit terms

- No changes during the years presented above.

City of Yuma
Schedule of City's Proportionate Share of Net Pension Asset / Liability
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years *

Measurement period ending December 31,	2022	2021	2020	2019	2018
City's portion of the net pension asset	0.048795%	0.047854%	0.051878%	0.051070%	0.052832%
City's proportionate share of the net pension (asset) liability	\$ 43,311	\$ (259,337)	\$ (112,627)	\$ (28,883)	\$ 66,794
City's covered payroll	\$ 408,256	\$ 369,690	\$ 416,740	\$ 342,683	\$ 333,750
City's proportionate share of the net pension asset as a percentage of its covered payroll	10.61%	-70.15%	-27.03%	-8.43%	20.01%
Plan fiduciary net position as a percentage of the total pension asset	97.60%	116.20%	106.70%	101.90%	95.20%
	2017	2016	2015	2014	2013
City's portion of the net pension asset	0.061362%	0.061889%	0.063715%	0.056683%	0.07144%
City's proportionate share of the net pension (asset) liability	\$ (88,279)	\$ (22,363)	\$ 1,123	\$ 63,971	\$ 63,876
City's covered payroll	\$ 358,967	\$ 316,785	\$ 300,334	\$ 266,271	\$ 310,265
City's proportionate share of the net pension asset as a percentage of its covered payroll	-24.59%	-7.06%	0.37%	24.02%	20.59%
Plan fiduciary net position as a percentage of the total pension asset	106.30%	98.21%	100.10%	106.80%	105.80%

* Information is only available beginning in fiscal year 2013.

** Includes both plan sponsor and State of Colorado Supplemental Discretionary Payment

The accompanying notes are an integral part of these financial statements

City of Yuma
Schedule of City Contributions
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years *

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Statutorily required contribution	\$ 45,634	\$ 36,743	\$ 31,440	\$ 33,335	\$ 27,614
Contributions in relation to the statutorily required contribution	<u>(45,634)</u>	<u>(36,743)</u>	<u>(31,440)</u>	<u>(33,335)</u>	<u>(27,614)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 483,571	\$ 408,256	\$ 369,690	\$ 416,740	\$ 342,683
Contributions as a percentage of covered payroll	9.44%	9.00%	8.50%	8.00%	8.06%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Statutorily required contribution	\$ 26,875	\$ 28,714	\$ 25,339	\$ 24,710	\$ 20,392
Contributions in relation to the statutorily required contribution	<u>(26,875)</u>	<u>(28,714)</u>	<u>(25,339)</u>	<u>(24,710)</u>	<u>(20,392)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 333,750	\$ 358,967	\$ 316,785	\$ 300,334	\$ 266,271
Contributions as a percentage of covered payroll	8.05%	8.00%	8.00%	8.23%	7.66%

* Information is only available beginning in fiscal year 2013.

** Includes both plan sponsor and State of Colorado Supplemental Discretionary Payment

City of Yuma
Notes to the Required Supplementary Information
Statewide Defined Benefit Plan
December 31, 2023

I. Schedule of City's Proportionate Share of the Net Pension Liability

A. Changes to assumptions or other inputs

1. Changes Since the January 1, 2021 Actuarial Valuation are as Follows:

Effective for the December 31, 2022 measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the TOL, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

2. Changes Since the January 1, 2018 Actuarial Valuation are as Follows:

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rate from the RP-2014 annuitant mortality tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

3. Changes Since the January 1, 2015 Actuarial Valuation are as Follows:

Effective January 1, 2016, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The occupationally disabled post-retirement mortality assumption uses the same table as used for healthy annuitants, except that is a three-year set-forward, meaning a disabled member age 70 will be valued as if they were a 73 year old healthy retiree. The totally disabled post-retirement mortality assumption uses the RP-2014 generational mortality tables for disabled annuitants, except an additional provision to apply a minimum 3% mortality probability to males and 2% mortality probability for females is included to reflect substantial impairment for this population. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

4. Changes Since the January 1, 2014 Actuarial Valuation are as Follows:

For determining the total pension liability, the RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants, projected with Scale BB are used.

B. Changes of benefit terms

No changes during the years presented above

C. Changes of size or composition of population covered by benefit terms

No changes during the years presented above.

City of Yuma
Notes to the Required Supplementary Information
Statewide Defined Benefit Plan
December 31, 2023

II. Notes to the Schedule of City Contributions

A. Changes to assumptions or other inputs

No changes during the years presented above.

B. Changes of benefit terms.

No changes during the years presented above.

C. Changes of size or composition of population covered by benefit terms.

No changes during the years presented above.

City of Yuma
Schedule of City's Proportionate Share of the Net Pension Liability
Colorado Public Employees' Retirement Association Local Government Trust Fund
Last 10 Fiscal Years *

Measurement period ending December 31,	2022	2021	2020	2019	2018
City's proportion of the net pension liability	0.2071%	0.2080%	0.2062%	0.2122%	0.2071%
City's proportionate share of the net pension (asset) liability	2,076,555	(178,303)	1,074,409	1,552,089	2,603,947
City's covered payroll	\$ 1,887,504	\$ 1,535,240	\$ 1,442,119	\$ 1,461,097	\$ 1,358,237
City's proportionate share of the net pension liability as a percentage of its covered payroll	110.02%	-11.61%	74.50%	106.23%	191.72%
Plan fiduciary net position as a percentage of the total pension liability	82.99%	101.49%	90.88%	86.26%	75.96%
	2017	2016	2015	2014	
City's proportion of the net pension liability	0.1792%	0.1656%	0.1740%	0.1725%	
City's proportionate share of the net pension liability	1,995,031	2,236,471	1,916,410	1,546,295	
City's covered payroll	\$ 1,129,448	\$ 1,003,461	\$ 987,575	\$ 944,828	
City's proportionate share of the net pension liability as a percentage of its covered payroll	176.64%	222.88%	194.05%	163.70%	
Plan fiduciary net position as a percentage of the total pension liability	79.37%	76.90%	76.90%	80.70%	

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. Information is only available beginning in fiscal year 2014.

City of Yuma
Schedule of City Contributions
Colorado Public Employees' Retirement Association Local Government Trust Fund
Last 10 Fiscal Years *

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 259,430	\$ 228,263	\$ 204,353	\$ 188,186	\$ 185,304
Contributions in relation to the contractually required contribution	<u>\$ 259,430</u>	<u>\$ 228,263</u>	<u>\$ 204,353</u>	<u>\$ 188,186</u>	<u>\$ 185,304</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,887,504	\$ 1,690,680	\$ 1,535,240	\$ 1,442,119	\$ 1,461,097
Contributions as a percentage of covered payroll	13.74%	13.50%	13.31%	13.05%	12.68%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 172,256	\$ 143,327	\$ 127,292	\$ 125,279	\$ 119,867
Contributions in relation to the contractually required contribution	<u>\$ 172,256</u>	<u>\$ 143,327</u>	<u>\$ 127,292</u>	<u>\$ 125,279</u>	<u>\$ 119,867</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 1,358,237	\$ 1,129,448	\$ 1,003,461	\$ 987,575	\$ 944,828
Contributions as a percentage of covered payroll	12.68%	12.69%	12.69%	12.69%	12.69%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. Information is only available beginning in fiscal year 2014.

City of Yuma
Schedule of the City's Proportionate Share of the Net Other Post-Employment Benefits Liability
Colorado Public Employees' Retirement Association Health Care Trust Fund
Last 10 Fiscal Years *

Measurement period ending December 31,	2022	2021	2020	2019	2018
City's proportion of the net OPEB liability	0.0167%	0.0160%	0.0156%	0.0162%	0.0161%
City's proportionate share of the net OPEB liability	136,032	138,307	148,071	182,646	218,492
City's covered payroll	1,887,504	1,535,240	1,442,119	1,461,097	1,358,237
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	7.21%	9.01%	10.27%	12.50%	16.09%
Plan fiduciary net position as a percentage of the total OPEB liability	38.57%	39.40%	32.78%	24.49%	17.03%
	2017	2016			
City's proportion of the net OPEB liability	0.0139%	0.0127%			
City's proportionate share of the net OPEB liability	180,880	164,770			
City's covered payroll	1,129,448	1,003,461			
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	16.01%	16.42%			
Plan fiduciary net position as a percentage of the total OPEB liability	17.53%	16.72%			

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within fiscal year. Information is only available beginning in fiscal year 2016.

City of Yuma
Schedule of City's Other Post-Employment Benefits Contributions
Colorado Public Employees' Retirement Association Health Care Trust Fund
Last 10 Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 19,253	\$ 17,245	\$ 15,659	\$ 14,709	\$ 14,903
Contributions in relation to the contractually required contribution	<u>\$ (19,253)</u>	<u>\$ (17,245)</u>	<u>\$ (15,659)</u>	<u>\$ (14,709)</u>	<u>\$ (14,903)</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
City's covered payroll	\$ 1,887,504	\$ 1,690,680	\$ 1,535,240	\$ 1,442,119	\$ 1,461,097
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%
	<u>2018</u>	<u>2017</u>	<u>2016</u>		
Contractually required contribution	\$ 13,854	\$ 11,525	\$ 10,235		
Contributions in relation to the contractually required contribution	<u>\$ (13,854)</u>	<u>\$ (11,525)</u>	<u>\$ (10,235)</u>		
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>		
City's covered payroll	\$ 1,358,237	\$ 1,129,448	\$ 1,003,461		
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%		

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within fiscal year. Information is only available beginning in fiscal year 2016.

City of Yuma
Notes to Required Supplementary Information
PERA – Local Government Trust Fund
December 31, 2023

I. Schedule of the City's Proportionate Share of the Net Pension Liability

A. Changes to assumptions or other inputs

1. Changes since the December 31, 2019 actuarial valuation:

- The price inflation assumption was lowered from 2.4 percent to 2.30 percent.
- The wage inflation assumption was lowered from 3.5 percent to 3.00 percent.
- The real rate of investment return assumption was increased to 4.95 percent per year, net of investment expenses from 4.85 percent per year, net of investment expenses.
- Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the Local Government Divisions (Members other than State Troopers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the State and Local Government Division Trust Funds was changed to the PubG-2010 Health Retiree Table, adjusted as follows:
 - Males: 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
 - Females: 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 or older, with generational projection using scale MP-2019.
- The post-retirement non-disabled beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2019 Contingent Survivor Table, adjusted as follows:
 - Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.
 - Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019.
- The disabled mortality assumption for the Division Trust Funds (Members other than State Troopers) was changed to the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a head-count weighted basis.

2. Changes since the December 31, 2018 actuarial valuation:

- The assumption used to value the AI cap benefit provision was changed from 1.50 percent to 1.25 percent.

3. Changes since the December 31, 2017 actuarial valuation:

- The single equivalent interest rate ("SEIR") was increased from 4.72 percent to 7.25 percent to reflect the changes to the projection's valuation basis, which no longer resulted in a projected year of depletion of the FNP, thereby eliminating the need to apply the municipal bond index rate.

City of Yuma
Notes to Required Supplementary Information
PERA – Local Government Trust Fund
December 31, 2023
(continued)

I. Schedule of the City's Proportionate Share of the Net Pension Liability (continued)

A. Changes to assumptions or other inputs (continued)

4. Changes since the December 31, 2016 actuarial valuation:

- The single equivalent interest rate ("SEIR") was lowered from 5.26 percent to 4.72 percent to reflect the changes to the projection's valuation basis, a projected year of depletion of the FNP, and the resulting application of the municipal bond index rate.
- The municipal bond index rate used in the determination of the SEIR changed from 3.86 percent on the prior measurement date to 3.43 percent on the measurement date.

5. Changes since the December 31, 2015 actuarial valuation:

- The investment return assumption was lowered from 7.50 percent to 7.25 percent
- The wage inflation assumption was lowered from 3.90 percent to 3.50 percent
- The post-retirement mortality assumption for healthy lives was changed to the RP-2014 White Collar Healthy Annuitant Mortality Table with adjustments for credibility and gender adjustments of a 93 percent factor applied to ages below 80 and a 113 percent factor applied to age 80 and above, projected to 2018, or males, and a 68 percent factor applied to ages below 80 and a 106 percent factor applied to age 80 and above, projected to 2020, for females.
- For disabled retirees, the mortality assumption was changed to reflect 90 percent of RP-2014 Disabled Retiree Mortality Table.
- The mortality assumption for active members was changed to RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.
- The rates of retirement, withdrawal, and disability were revised to reflect more closely actual experience.
- The estimated administrative expense as a percentage of covered payroll was increased from 0.35 percent to 0.40 percent.
- The single equivalent interest rate (the "SEIR") for the SDTF was lowered from 7.50 percent to 5.26 percent to reflect the changes to the projection's valuation basis, a projected year of depletion of the fiduciary net position (the "FNP"), and the resulting application of the municipal bond index rate
- The SEIR was lowered from 7.50 percent to 7.25 percent, reflecting the change in the long-term expected rate of return.

City of Yuma
Notes to Required Supplementary Information
PERA – Local Government Trust Fund
December 31, 2023
(continued)

I. Schedule of the City's Proportionate Share of the Net Pension Liability (continued)

A. Changes to assumptions or other inputs (continued)

6. Changes since the December 31, 2014 actuarial valuation

- Valuation of the full survivor benefit without any reduction for possible remarriage.
- Reflection of the employer match on separation benefits for all eligible years.
- Reflection of one year of service eligibility for survivor annuity benefit.
- Refinement of the 18-month annual increase timing.
- Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.
- Recognition of merit salary increases in the first projection year.
- Elimination of the assumption that 35% of future disabled members elect to receive a refund.
- Removal of the negative value adjustment for liabilities associated with refunds of future terminating members.
- Adjustments to the timing of the normal cost and unfunded actuarial accrued liability payment calculations to reflect contributions throughout the year.

B. Changes of benefit terms.

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms.

No changes during the years presented.

II. Notes to the Schedule of Contributions

A. Changes to assumptions or other inputs

No changes during the years presented.

B. Changes of benefit terms.

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms.

No changes during the years presented.

City of Yuma
Notes to the Required Supplementary Information
PERA – Local Government Trust Fund
December 31, 2023

III. Schedule of the City's Proportionate Share of the OPEB Liability

A. Changes to assumptions or other inputs

1. Changes since the December 31, 2019 actuarial valuation:

Changes since the December 31, 2019 to the HCTF actuarial valuation are the same as the changes to the LGDTF noted in Note I.A.1 above.

B. Changes of benefit term

No changes during the years presented.

C. Changes of size or composition of population covered by terms

No changes during the years presented.

IV. Notes to the Schedule of OPEB Contributions

A. Changes to assumptions or other inputs

No changes during the years presented.

B. Changes of benefit terms.

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms.

No changes during the years presented.

SUPPLEMENTARY INFORMATION

City of Yuma, Colorado
Schedule of Revenues and Expenditures
Budget and Actual
Capital Projects Fund - Other
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)

	2023			2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative) Actual
Revenues:				
Sales tax allocation	750,000	750,000	899,956	149,956
Interest	5,000	5,000	93,438	88,438
Total Revenues	755,000	755,000	993,394	238,394
Expenditures:				
Capital outlay	205,000	205,000	46,068	158,932
Total Expenditures	205,000	205,000	46,068	158,932
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	550,000	550,000	947,326	(397,326)

City of Yuma, Colorado
Schedule of Revenues and Expenditures
Budget (Non-GAAP Basis) and Actual
With Reconciliation to GAAP Basis
Electric Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)

	2023			2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative) Actual
Revenues:				
Commercial charges	1,660,000	1,660,000	1,692,182	32,182
Residential charges	1,230,000	1,230,000	1,205,286	(24,714)
Other	40,000	40,000	118,196	78,196
Interest revenue	3,000	3,000	55,574	52,574
Transfer from other funds	46,000	46,000	46,000	-
Total Revenues	2,979,000	2,979,000	3,117,238	138,238
Expenditures:				
Electricity purchased	1,900,000	1,900,000	1,710,536	189,464
Repairs and maintenance	219,500	219,500	27,959	191,541
Supplies	18,000	18,000	17,112	888
Benefits and payroll taxes	162,037	162,037	113,950	48,087
Salaries	355,130	355,130	313,826	41,304
Insurance	18,000	18,000	20,078	(2,078)
Utilities	21,000	21,000	16,396	4,604
Legal	10,000	10,000	14,258	(4,258)
Capital outlay	100,000	100,000	96,734	3,266
Other	14,800	14,800	14,653	147
Transfers to other funds	500,000	500,000	500,000	-
Total Expenditures and Transfers	3,318,467	3,318,467	2,845,502	472,965
Excess (Deficiency) of Revenues Over Expenditures and Transfers Budget (Non-GAAP Basis)	(339,467)	(339,467)	271,736	611,203
Reconciliation to GAAP Basis:				
Depreciation			(145,791)	(145,935)
Bad debt			170	(258)
Capitalized assets			90,393	50,728
Net Income - GAAP Basis			216,508	(19,520)

City of Yuma, Colorado
Schedule of Revenues and Expenditures
Budget (Non-GAAP Basis) and Actual
With Reconciliation to GAAP Basis
Water Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)

	2023			2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative) Actual
Revenues:				
Other	-	-	10,331	-
Grants	-	3,860	-	-
Interest revenue	900	900	17,915	-
Tap fees	-	-	6,500	6,500
Water sales	750,000	750,000	688,755	(61,245)
Total Revenues	<u>750,900</u>	<u>754,760</u>	<u>723,501</u>	<u>(54,745)</u>
Expenditures:				
Repairs and maintenance	307,000	307,000	199,980	107,020
Supplies	42,800	42,800	17,947	24,853
Benefits and payroll taxes	126,373	126,373	111,828	14,545
Salaries	183,525	183,525	178,672	4,853
Insurance	18,500	18,500	17,446	1,054
Gas and oil	7,000	7,000	5,726	1,274
Utilities	22,000	22,000	25,805	(3,805)
Contributions to other governments	17,620	17,620	17,620	-
Capital outlay	-	-	222,999	(222,999)
Long-term maintenance	200,000	200,000	2,500	197,500
Other	15,250	15,250	6,900	8,350
Transfers to other funds	24,000	24,000	24,000	-
Total Expenditures and Transfers	<u>964,068</u>	<u>964,068</u>	<u>831,423</u>	<u>132,645</u>
Excess (Deficiency) of Revenues Over Expenditures and Transfers Budget (Non-GAAP Basis)	<u>(213,168)</u>	<u>(209,308)</u>	<u>(107,922)</u>	<u>77,900</u>
Reconciliation to GAAP Basis:				
Depreciation			(217,558)	(208,550)
Bad debt			-	(37)
Capitalized assets			222,999	472,416
Net Income - GAAP Basis			<u>(102,481)</u>	<u>142,000</u>

City of Yuma, Colorado
Schedule of Revenues and Expenditures
Budget (Non-GAAP Basis) and Actual
With Reconciliation to GAAP Basis
Sewer Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)

	2023			2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative) Actual
Revenues:				
Other	-	-	3,643	3,643
Grants	-	-	23,494	23,494
Interest revenue	1,500	1,500	29,315	27,815
Tap fees	-	-	3,360	3,360
Sewer charges	770,000	770,000	786,428	16,428
Total Revenues	<u>771,500</u>	<u>771,500</u>	<u>846,240</u>	<u>74,740</u>
Expenditures:				
Repairs and maintenance	343,000	343,000	75,490	267,510
Supplies	12,600	12,600	12,247	353
Benefits and payroll taxes	120,863	120,863	109,523	11,340
Salaries	183,535	183,535	171,192	12,343
Insurance	15,000	15,000	13,655	1,345
Gas and oil	7,500	7,500	6,380	1,120
Utilities	4,000	4,000	3,524	476
Capital outlay	50,000	50,000	79,892	(29,892)
Engineering consultant	10,000	10,000	25,349	(15,349)
Other	23,750	23,750	14,516	9,234
Transfer to (from) other fund	22,000	22,000	22,000	-
Total Expenditures and Transfers	<u>792,248</u>	<u>792,248</u>	<u>533,768</u>	<u>258,480</u>
Excess (Deficiency) of Revenues Over Expenditures and Transfers Budget (Non-GAAP Basis)	<u>(20,748)</u>	<u>(20,748)</u>	<u>312,472</u>	<u>333,220</u>
Reconciliation to GAAP Basis:				
Depreciation			(176,493)	(197,301)
Bad debt			-	(49)
Capitalized assets			79,892	74,731
Net Income - GAAP Basis			<u>215,871</u>	<u>117,783</u>

City of Yuma, Colorado
Schedule of Revenues and Expenditures
Budget (Non-GAAP Basis) and Actual
With Reconciliation to GAAP Basis
Sanitation Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)

	2023			2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative) Actual
Revenues:				
Other	-	-	4,362	4,362
Interest revenue	200	200	2,371	2,171
Sanitation charges	440,156	440,156	458,892	18,736
Total Revenues	<u>440,356</u>	<u>440,356</u>	<u>465,625</u>	<u>25,269</u>
Expenditures:				
Recycling expenses	21,400	21,400	13,671	7,729
Landfill expense	90,000	90,000	89,523	477
Repairs and maintenance	28,000	31,000	36,951	(5,951)
Supplies	24,775	24,775	16,896	7,879
Benefits and payroll taxes	93,215	93,215	85,659	7,556
Salaries	145,706	145,706	152,449	(6,743)
Insurance	13,000	13,000	9,525	3,475
Gas and oil	33,000	33,000	30,477	2,523
Utilities	2,000	2,000	1,018	982
Capital outlay	-	-	-	-
Other	16,650	16,650	13,048	3,602
Total Expenditures and Transfers	<u>467,746</u>	<u>470,746</u>	<u>449,217</u>	<u>21,529</u>
Excess (Deficiency) of Revenues Over Expenditures and Transfers Budget (Non-GAAP Basis)	<u>(27,390)</u>	<u>(30,390)</u>	<u>16,408</u>	<u>46,798</u>
Reconciliation to GAAP Basis:				
Depreciation			(61,585)	(61,585)
Bad debt			-	(21)
Capitalized assets			-	18,993
Net Income - GAAP Basis			<u>(45,177)</u>	<u>(51,581)</u>

City of Yuma, Colorado
Schedule of Additions and Deductions
Budget and Actual
Pension Trust Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for 2022)

	<u>2023</u>			<u>2022</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative) Actual</u>
Additions:				
City contributions	10,000	10,000	10,000	-
State contributions	9,000	9,000	9,000	-
Net investment gain	-	-	60,816	(60,816)
Total Additions	<u>19,000</u>	<u>19,000</u>	<u>79,816</u>	<u>(60,816)</u>
Deductions:				
Benefits	<u>24,000</u>	<u>24,000</u>	<u>22,050</u>	<u>1,950</u>
Total Deductions	<u>24,000</u>	<u>24,000</u>	<u>22,050</u>	<u>1,950</u>

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO YEAR ENDING (mm/yy): 12/31/23
This Information From The Records Of:	Prepared By:

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES**III. EXPENDITURES FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 170,197.96
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 298,317.69
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ 21,081.93
2. General fund appropriations	\$ 692,385.08	b. Snow and ice removal	\$ 3,702.52
3. Other local imposts (from page 2)	\$ 83,240.88	c. Other	
4. Miscellaneous local receipts (from page 2)	\$ 24,564.36	d. Total (a. through c.)	\$ 24,784.45
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 45,252.97
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 578,795.56
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 1,117,348.63
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 800,190.32	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 146,960.35	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ 170,197.96	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 1,117,348.63	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 1,117,348.63

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		\$ 1,117,348.63	\$ 1,117,348.63		\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO YEAR ENDING (mm/yy): 0	
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II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	\$ 24,564.36
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	\$ 83,240.88	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 83,240.88	h. Other	
c. Total (a. + b.)	\$ 83,240.88	i. Total (a. through h.)	\$ 24,564.36
(Carry forward to page 1)		(Carry forward to page 1)	
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 132,510.45	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 14,449.90	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	\$ 170,197.96
f. Total (a. through e.)	\$ 14,449.90	g. Total (a. through f.)	\$ 170,197.96
4. Total (1. + 2. + 3.f)	\$ 146,960.35	3. Total (1. + 2.g)	\$ 170,197.96
(Carry forward to page 1)		(Carry forward to page 1)	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities	\$ -	\$ 63,562.27	\$ 63,562.27
(2). Capacity Improvements			\$ -
(3). System Preservation	\$ -	\$ 101,287.69	\$ 101,287.69
(4). System Enhancement And Operation	\$ -	\$ 5,348.00	\$ 5,348.00
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 170,197.96	\$ 170,197.96
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 170,197.96	\$ 170,197.96
(Carry forward to page 1)			
Notes and Comments:			