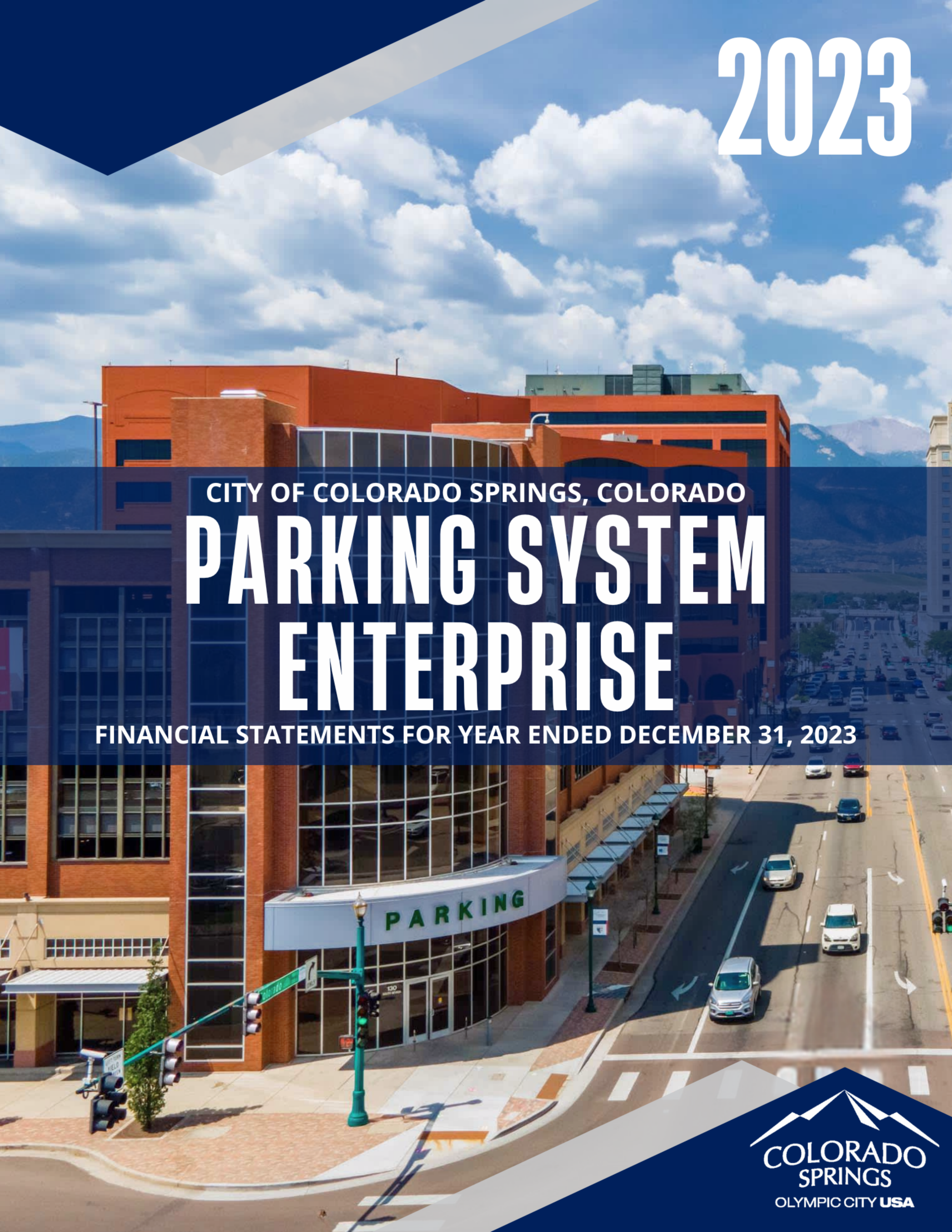
2023

CITY OF COLORADO SPRINGS, COLORADO

PARKING SYSTEM ENTERPRISE

FINANCIAL STATEMENTS FOR YEAR ENDED DECEMBER 31, 2023



COLORADO SPRINGS
OLYMPIC CITY USA

TABLE OF CONTENTS

THIS PAGE INTENTIONALLY LEFT BLANK

Forvis Mazars, LLP
111 S. Tejon Street, Suite 800
Colorado Springs, CO 80903
P 719.471.4290 | F 719.632.8087
forvismazars.us

Independent Auditor's Report

Honorable Mayor and Members
of City Council and City Auditor
City of Colorado Springs
Colorado Springs, Colorado

Opinion

We have audited the financial statements of the City of Colorado Springs Parking System, (the Parking System), an enterprise fund of the City of Colorado Springs, as of and for the year ended December 31, 2023, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Parking System, as of December 31, 2023, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matters

As discussed in Note A.1., the financial statements present only the Parking System and do not purport to, and do not, present fairly the financial position of the City of Colorado Springs, as of December 31, 2023, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As discussed in Note C.6., the Agency adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* in fiscal year 2023. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with 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 Parking System'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.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the pension and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Parking System's basic financial statements. The monthly permit rates and schedule of debt service coverage are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Our opinion on the basic financial statements does not cover the supplementary information, and we do not express an opinion or any form of assurance thereon.

Forvis Mazars, LLP

Colorado Springs, Colorado
June 7, 2024

Colorado Springs Parking System
STATEMENT OF NET POSITION
December 31, 2023

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

CURRENT ASSETS		
Cash and investments	$	19,627,300
Accounts receivable		179,217
Due from other City funds		138,059
Prepaid subscription		25,389
Total current assets		19,969,965
NONCURRENT ASSETS		
Due from other City funds		927,056
Capital assets		
Land		2,072,246
Buildings		25,059,206
Construction in progress		2,126,676
Improvements other than building		16,813,568
Machinery and equipment		1,393,255
Subscription assets		404,548
Less accumulated depreciation and amortization		(25,138,906)
Total capital assets (net of accumulated depreciation and amortization)		22,730,593
Total noncurrent assets		23,657,649
Total assets		43,627,614
DEFERRED OUTFLOWS OF RESOURCES		
Loss on refunding		38,875
Pension-related amounts		633,693
OPEB-related amounts		58,570
Total deferred outflows of resources		731,138
Total assets and deferred outflows of resources	$	44,358,752

(continued)

The accompanying notes are an integral part of this statement.

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

CURRENT LIABILITIES		
Accounts payable	$	343,615
Accrued salaries and benefits		29,247
Current portion of compensated absences		4,602
Due to other City funds		10,506
Accrued interest payable		6,217
Current portion of revenue bonds payable		790,000
Subscription liabilities		201,951
Total current liabilities		1,386,138
NONCURRENT LIABILITIES		
Compensated absences		87,430
Revenue bonds payable		2,280,000
Net pension liability		993,611
Net OPEB liability		96,129
Subscription liabilities		9,653
Total noncurrent liabilities		3,466,823
Total liabilities		4,852,961
DEFERRED INFLOWS OF RESOURCES		
Pension-related amounts		4,953
OPEB-related amounts		42,167
Total deferred inflows of resources		47,120
NET POSITION		
Net investment in capital assets		19,487,864
Unrestricted net position		19,970,807
Total net position		39,458,671
Total liabilities, deferred inflows of resources and net position	$	44,358,752

The accompanying notes are an integral part of this statement.

Colorado Springs Parking System
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Year Ended December 31, 2023

Operating revenues		
Parking garages and parking lots	$	4,154,662
Parking meters		6,304,410
Total operating revenues		10,459,072
Operating expenses		
Salaries and benefits		1,467,331
Other operating expenses		3,162,814
Depreciation and amortization		1,529,139
Total operating expenses		6,159,284
Operating income		4,299,788
Nonoperating revenues (expenses)		
Investment earnings		640,559
Interest expense		(110,375)
Gain on disposal of capital assets		44
Total nonoperating revenues (expenses)		530,228
Change in net position		4,830,016
Total net position - beginning of year		34,628,655
Total net position - end of year	$	39,458,671

The accompanying notes are an integral part of this statement.

Colorado Springs Parking System
STATEMENT OF CASH FLOWS
Year Ended December 31, 2023

Cash flows from operating activities	
Receipts from customers	$ 9,951,253
Receipts from interfund services provided	472,762
Payments to suppliers	(2,398,989)
Payments to employees	(1,378,384)
Payments to interfund services used	(647,200)
Net cash provided by operating activities	5,999,442
Cash flows from noncapital financing activities	
Principal received for interfund loan	90,374
Interest received for interfund loan	42,814
Net cash provided by noncapital financing activities	133,188
Cash flows from capital and related financing activities	
Purchases of capital assets	(1,510,222)
Principal payments on revenue bonds	(770,000)
Interest payments on revenue bonds	(93,312)
Principal payments on subscriptions	(192,899)
Interest payments on subscriptions	(8,903)
Net cash used in capital and related financing activities	(2,575,336)
Cash flows from investing activities	
Interest received	259,908
Purchases of investments	(4,259,374)
Proceeds from sales and maturities of investments	437,299
Net cash used in investing activities	$ (3,562,167)

(continued)

The accompanying notes are an integral part of this statement.

Net increase in cash and cash equivalents	$	(4,873)
Cash and cash equivalents - beginning of year		313,986
Cash and cash equivalents - end of year	$	309,113
Cash and cash equivalents	$	309,113
Investments		19,318,187
Total cash and investments	$	19,627,300

Reconciliation of operating income to net cash provided by operating activities		
Operating income	$	4,299,788
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization		1,529,139
(Increase) decrease in assets and deferred outflows of resources		
Receivables		(5,668)
Due from other City funds		(29,389)
Net pension asset		65,762
Pension related		(423,131)
OPEB related		(23,435)
Prepaid subscription		(25,389)
Increase (decrease) in liabilities and deferred inflows of resources		
Accounts payable		148,078
Accrued salaries and benefits		30,512
Due to other City funds		(5,894)
Net pension liability		993,611
Net OPEB liability		8,006
Pension related		(570,668)
OPEB related		8,120
Net cash provided by operating activities	$	5,999,442

Noncash capital and related financing and investment activities

The Parking System had a $120,587 non cash acquisition of a capital asset and an unrealized gain on investments of $337,837.

The accompanying notes are an integral part of this statement.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. *Financial reporting entity*

The City of Colorado Springs (City) owns and operates the Colorado Springs Parking System (Parking System) which is responsible for providing convenient and affordable parking to all employees, customers and visitors to downtown Colorado Springs, Colorado.

The Parking System is an enterprise fund of the City. These financial statements present only the financial position, changes in financial position and cash flows of the Parking System. These financial statements do not purport to, and do not, present fairly the financial position of the City, the changes in its financial position or, where applicable, its cash flows in accordance with accounting principles generally accepted in the United States of America (US GAAP).

The Parking Director directs and manages the Parking System. The Parking Director reports to the Deputy Chief of Staff who reports to the Chief of Staff. The Chief of Staff reports to the Mayor, who, in turn, is elected by the citizens of Colorado Springs. Major policy decisions are subject to the approval of the Mayor and the City Council.

2. *Measurement focus, basis of accounting and financial statement presentation*

The Parking System funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The Parking System distinguishes operating revenue and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Parking System’s principal ongoing operations. The principal operating revenues of the Parking System are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

3. *Assets, liabilities, deferred outflows/inflows of resources and net position*

A. Deposits and investments

For purposes of the statement of cash flows, the Parking System’s cash includes cash on hand and demand deposit amounts in the pooled cash and investments account of the City.

In accordance with City Code and Colorado state statutes, the City maintains an Investment Policy approved by City Council. Per the Investment Policy, the City is authorized to invest in obligations of the United States, certain Federal agency and US instrumentalities; general obligation or revenue bonds of any state or local government of the U.S.; bankers acceptances of certain banks; certain commercial paper; local government investment pools; written repurchase agreements properly collateralized by certain authorized securities; certain money market mutual funds; negotiable and time certificates of deposit; corporate bonds; and guaranteed investment contracts. Investments are stated at fair value based on quoted market prices. Interest income is accrued as realized.

B. Capital assets

Capital assets are carried at historical cost. The Parking System capitalizes acquired property that is of a tangible nature, has an estimated useful life of one year or more, and has a value of at least $5,000. Subscription assets are recorded at the initial measurement of the subscription liability, plus subscription payments made before the commencement term, plus capitalizable initial implementation costs, less vendor incentives received. The presentation of capital assets has changed to incorporate subscription assets as per Governmental Accounting Standards Board Statement No. 96 (GASB 96). See *Subscriptions* footnote for additional information.

Depreciation and amortization of capital assets for the Parking System is provided for using the straight-line method based on the estimated service lives of the assets which are as follows:

Buildings	10 - 40 years
Improvements other than buildings	15 - 25 years
Machinery and equipment	3 - 15 years
Subscription assets	Varies*

*The shorter of the subscription term or useful life of the underlying assets.

Maintenance, repairs and renewals, which neither materially add to the value of the property nor appreciably prolong its life, are charged to expenses as incurred.

C. Deferred outflows of resources and deferred inflows of resources

A deferred outflow of resource is a consumption of net position by the Parking System that is applicable to a future reporting period and a deferred inflow of resource is an acquisition of net position by the Parking System that is applicable to a future reporting period. Both deferred outflows and inflows are reported in the statements of net position but are not recognized in the financial statements as revenues, expenses or changes in assets or liabilities until the period(s) to which they relate.

Deferred outflows of resources for the Parking System as of December 31, 2023 consist of deferred losses on previous debt refundings, pension-related amounts, and other postemployment benefits related amounts. Deferred inflows of resources for the Parking System as of December 31, 2023 consist of pension-related amounts and other postemployment benefits related amounts.

D. Compensated absences

The Parking System's employees earn vacation and sick leave in varying amounts. The amount of accumulated, unpaid vacation and sick leave benefits at year-end is accrued and is included on the statement of net position in compensated absences.

E. Net position

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

Unrestricted: This component of net position consists of amounts that do not meet the definition of net investment in capital assets or restricted. When an expense is incurred for purposes for which both restricted and unrestricted net position are available, it is the Parking System's policy to consider restricted net position, if any, to have been depleted before unrestricted net position is applied.

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1. *Budgetary information*

In accordance with City Charter, the Parking System is required to submit a balanced budget to City Council on or before the third Monday of November of each year. The budget is reviewed and modified as appropriate and an appropriation ordinance is prepared to adopt the budget no later than December 31 of each year. Annual appropriations lapse at year-end. The budget of the Parking System is prepared on a modified accrual, non-GAAP, basis of accounting.

2. *Budget/GAAP reconciliation*

Because accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with US GAAP, a reconciliation of resultant basis, timing, and perspective for the year ended December 31, 2023, is presented below:

Operating expenses (US GAAP basis)	$	6,159,284
Nonoperating expenses (US GAAP basis)		110,375
		6,269,659
Less: Depreciation and amortization		(1,529,139)
Less: Pension expense		(65,574)
Add: OPEB expense		7,309
Add: Capital asset purchases		1,525,743
Add: Prepaid subscription		25,389
Add: Subscription principal payments		192,899
Add: Revenue bonds principal payments		770,000
Less: Other year end accrual entries		(34,634)
Expenditures (budgetary basis)	$	7,161,652
Appropriations	$	18,599,655

NOTE C - DETAILED NOTES

1. *Deposits and investments*

The City pools the cash and investments of its funds, including the Parking System. The City's pooled cash and investments as of December 31, 2023, amounted to $408,903,803.The Parking System's allocated portion of pooled cash and investments as of December 31, 2023, was $19,627,300. The Parking System's portion was approximately 4.80% of the total pooled cash and investments of the City as of December 31, 2023.

The pooled cash and investments of the City and the Parking System as of December 31, 2023 are as follows:

	City	Parking System
Cash on hand	$ 48,083	$ 2,308
Deposits		
Demand, time deposits	6,384,983	306,805
Total pooled cash	6,433,066	309,113
Investments	402,470,737	19,318,187
Total pooled cash & investments	$ 408,903,803	$ 19,627,300

A. Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that financial institutions pledge a single institution pool of collateral against all the uninsured public deposits it holds, and the market value of the securities in the pool is required to be in excess of 102% of the financial institution's total uninsured public deposits.

As of December 31, 2023, the bank balance of the City's bank deposits exclusive of cash not included in pooled cash and investments was $18,629,866. Of the total bank deposits, $327,527 was covered by Federal Depository Insurance and the remainder of $18,302,339 was uninsured but collateralized in accordance with Colorado state law. The Parking System's share of those amounts as of December 31, 2023, was $3,126 and $303,679, respectively.

B. Investments

The City's investments are subject to interest rate, credit, concentration of credit and custodial credit risk. The City has adopted an Investment Policy authorizing all investments be made in accordance with Colorado revised statutes. As a means of limiting its exposure to fair value losses arising from rising interest, the City's investment policy limits investment maturities to five years.

Interest rate risk: Interest rate risk is the risk that changes in the financial market rates of interest will adversely affect the value of an instrument. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits investment maturities to less than five years.

Credit risk: Credit risk is the risk of loss due to a debtor's non-payment of a loan or other line of credit (either principal, interest or both). The City's investment policy authorizes the City to invest in obligations of the United States or agencies thereof, commercial paper rated at least A-1 by Standard and Poor's, P-1 by Moody's or F-1 by Fitch, municipal bonds, corporate bonds, bankers acceptances, local government investment pools, specific money market mutual funds, time certificates of deposit, repurchase agreements and obligations of the City of Colorado Springs.

Custodial credit risk: Custodial risk is the risk, that in the event of the failure of a depository financial institution, the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. A designated portfolio manager places the City's investments during the fiscal year. Investments are exposed to custodial credit risk if they are uninsured, are not registered in the City's name and are held by either the counterparty to the investment purchase or held by the counter party's trust department or agent but not held in the City's name. None of the City's investments owned at December 31, 2023 and 2022 were subject to custodial risk.

Concentration of credit risk: Concentration of credit risk is the risk of loss attributable to the magnitude of the City's investments in a single issuer. Concentration risk is defined by GASB as positions of 5% or more in the securities of any one issuer. The City's pooled investments are in compliance with the City Investment Policy which limits investments with any single issuer other than the Federal Government to 5%. The securities of the Federal Government are defined as obligations of the United States and certain of its instrumentalities. None of the City's investments owned at December 31, 2023 and 2022 were subject to concentration of credit risk.

As of December 31, 2023 the detail of pooled cash and investment held for the City and for the Parking System is as follows:

Investment Type	Total City	Total Parking System	Weighted Avg. Maturity (Years)
Agency bonds	$ 10,112,336	$ 485,382	1.88
Colorado Liquid Asset Trust (COLOTRUST)	54,633,939	2,622,374	—
Corporate bonds	30,838,133	1,480,199	1.50
Municipal bonds	21,097,118	1,012,640	1.50
US instrumentality securities	94,357,259	4,529,053	1.53
US treasury securities	191,431,952	9,188,539	2.55
Total value	402,470,737	19,318,187	
Portfolio weighted average maturity			1.81
Reconciliation to total cash & investments			
Add:			
Cash on hand and in bank	6,433,066	309,113	
	$408,903,803	$ 19,627,300	

As of December 31, 2023 the credit quality distribution for securities as a percentage of total investments for the City and the Parking System is as follows:

Investment Type	S&P Rating or Equivalent	% of Total
Agency bonds	AA+	2.51 %
Colorado Local Government Liquid Asset Trust (COLOTRUST)	AAAm	13.58 %
Corporate bonds	AA+	2.47 %
Corporate bonds	AA	1.46 %
Corporate bonds	AA-	3.74 %
Municipal bonds	AAA	1.99 %
Municipal bonds	AA+	2.07 %
Municipal bonds	AA	1.04 %
Municipal bonds	AA-	0.14 %
US instrumentality securities	AA+	23.44 %
US treasury securities	AA+	47.56 %
		100.00 %

Governmental Accounting Standards Board Statement No. 72 (GASB 72) Fair Value Measurement and Application establishes a hierarchy of inputs to valuation techniques used to measure fair value and requires disclosures to be made about investment fair value measurements, the level of fair value hierarchy, and valuation techniques. According to GASB 72, an investment is defined as a security or other asset that (a) a government holds primarily for the purpose of income or profit and (b) has a present service capacity based solely on its ability to generate cash or to be sold to generate cash.

The City pooled investments are measured at fair value on a recurring basis. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value as follows.

Level 1 - Quoted prices in active markets for identical securities.

Level 2 - Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, and others. Debt securities are valued in accordance with the evaluated bid price supplied by the pricing service and generally categorized as Level 2 in the hierarchy.

Level 3 - Prices determined using significant unobservable inputs. Unobservable inputs are inputs that reflect the reporting entity’s own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

The following table reflects the fair value hierarchy of the City pooled investments proportional to the Parking System as of December 31, 2023.

		Fair Value Measurement Using		
Investments	Total	Level 1	Level 2	Level 3
Agency bonds	$ 485,382	$ —	$ 485,382	$ —
Colorado Liquid Asset Trust (COLOTRUST)	2,622,374	(A)	(A)	(A)
Corporate bonds	1,480,199	—	1,480,199	—
Municipal bonds	1,012,640	—	1,012,640	—
US instrumentality securities	4,529,053	—	4,529,053	—
US treasury securities	9,188,539	—	9,188,539	—
Total investments	$ 19,318,187	$ —	$ 16,695,813	$ —

(A) During the year, the City invested in COLOTRUST, a local government investment pool. The fair value is measured at net asset value and is designed to approximated the share value. The pool's Board of Trustees, elected by the participants, is responsible for overseeing the management of COLOTRUST, including establishing operating standards and policies. COLOTRUST is designed to provide local governments with a convenient method for investing in short-term investments carefully chosen to provide maximum safety and liquidity, while still maximizing interest earnings. There are no limitations or restrictions on withdrawals.

2. *Interfund receivables, payables and transfers*

The composition of interfund receivable balances of $1,065,115 as of December 31, 2023, is as follows:

	Current	Noncurrent
Due from General Fund	$ 94,055	$ 927,056
Due from Utilities	44,004	—
	$ 138,059	$ 927,056

The composition of interfund payable balance of $10,506 as of December 31, 2023, is as follows:

	Current	Noncurrent
Due to Utilities	$ 10,506	$ —

During 2002, the Parking System financed a portion of the construction of a parking garage for the police department, which is part of the General Fund. An agreement was made between the General Fund and the Parking System for repayment of the interfund loan over 360 months beginning in March 2003 at an interest rate of four percent.

Remainder of page intentionally blank

Maturities for the interfund loan are as follows as of December 31, 2023:

Year ending December 31,	Principal	Interest
2024	$ 94,055	$ 39,133
2025	97,887	35,301
2026	101,876	31,312
2027	106,026	27,162
2028	110,346	22,842
2029-2033	510,921	44,658
Totals	$ 1,021,111	$ 200,408

Remainder of page intentionally blank

3. *Capital assets*

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

	Beginning Balance*	Increase	Decrease	Ending Balance
Capital assets being depreciated and amortized:				
Buildings	$ 25,059,206	$ —	$ —	$ 25,059,206
Improvements other than buildings	16,813,568	—	—	16,813,568
Machinery and equipment	1,252,780	140,475	—	1,393,255
Subscription assets	378,760	32,433	(6,645)	404,548
Total capital assets being depreciated and amortized	43,504,314	172,908	(6,645)	43,670,577
Less accumulated depreciation and amortization:				
Buildings	(14,990,981)	(563,326)	—	(15,554,307)
Improvements other than buildings	(8,475,748)	(639,472)	—	(9,115,220)
Machinery and equipment	(143,037)	(130,341)	—	(273,378)
Subscription assets	—	(196,000)	—	(196,000)
Total accumulated depreciation and amortization	(23,609,766)	(1,529,139)	—	(25,138,905)
Total capital assets being depreciated and amortized, net	19,894,548	(1,356,231)	(6,645)	18,531,672
Capital assets not being depreciated or amortized:				
Land	2,072,246	—	—	2,072,246
Construction in progress	741,408	1,499,133	(113,865)	2,126,676
Total capital assets not being depreciated or amortized	2,813,654	1,499,133	(113,865)	4,198,922
Capital assets, net	$ 22,708,202	$ 142,902	$ (120,510)	$ 22,730,594

*Due to implementation of GASB 96 subscription reporting in the current fiscal year, the beginning balance is restated.

Note: Immaterial differences may occur due to rounding

Remainder of page intentionally blank

4. *Revenue bonds payable*

In 2015, the City of Colorado Springs issued $9,520,000 Parking System Revenue Refunding Bonds, Series 2015 to current refund and defease outstanding Parking System Revenue Refunding Bonds, Series 1999 and Series 2006 and to pay certain costs of issuance. These bonds were issued as a direct placement.

The reacquisition price for the Series 1999 and Series 2006 Bonds was above the net carrying amount of the old debt by $33,437 and $126,345, respectfully. These amounts are recognized as a deferred loss on refunding in the deferred outflows of resources on the Statement of Net Position. The loss is amortized over the old debt's life, which is four years for the Series 1999 Bonds and 13 years for the Series 2006 Bonds.

The Series 2015 Bonds mature from 2015 to 2027 and have a coupon interest rate of 2.43%. Maturities of the Parking System Revenue Bonds and related interest expense are as follows as of December 31, 2023:

Year ending December 31,	Principal	Interest	Total
2024	$ 790,000	$ 74,601	$ 864,601
2025	810,000	55,404	865,404
2026	830,000	35,721	865,721
2027	640,000	15,552	655,552
	$ 3,070,000	$ 181,278	$ 3,251,278

Over the years, the Parking System has issued revenue bonds with pledged revenues as collateral. The revenue bonds have been issued as Parking revenue bonds to finance construction projects.

	Amount Pledged	Term of Commitment
Parking Revenue Bonds	$ 3,251,278	1999 - 2027

The total pledged revenue is not estimable in comparison to pledged debt in that revenues are uncertain as to future amounts. However, the debt coverage requirement for each issue must be met or the bonds will be in default. This provides sufficient coverage each year for the pledged debt. The debt service coverage, or comparison of pledged revenues net of specific operating expenses, for each pledged debt is provided in Schedule of Debt Service Coverage in the Supplementary Information section of these financials.

In the event of default, a rate increase to 12% per annum would be applied to all remaining payment obligations.

5. *Changes in long-term liabilities*

Long-term liabilities activity for the year ended December 31, 2023, was as follows:

	Beginning Balance*	Additions	Reductions	Ending Balance	Amounts Due within One Year
Revenue bonds - direct placement	$ 3,840,000	$ —	$ (770,000)	$ 3,070,000	$ 790,000
Compensated absences	67,117	109,518	(84,603)	92,032	4,602
Net pension liability	—	993,611	—	993,611	—
Net OPEB liability	88,123	8,006	—	96,129	—
Subscription liabilities	378,760	32,432	(199,588)	211,604	201,951
Total long-term liabilities	$ 4,374,000	$ 1,143,567	$ (1,054,191)	$ 4,463,376	$ 996,553

*Due to implementation of GASB 96 subscription reporting in the current fiscal year, the beginning balance is restated.

6. *Subscriptions*

The Parking System has various subscription-based information technology arrangements (SBITAs), having current subscription terms expiring in 2024, some of which have multi-year renewal options through 2026 that are considered likely to be exercised and are included in the measurement of the subscription liabilities. These arrangements contain no variable payment requirements based on usage or performance.

During fiscal year 2023, the Parking System implemented GASB Statement No. 96 *Subscription-Based Information Technology Arrangements* that took effect January 1, 2023. For SBITAs having a greater than twelve month subscription term, subscription liabilities and subscription assets are recorded at the commencement of the lease. Subscription liabilities are recognized on the Statement of Net Position for the present value of all future subscription payments at the commencement of the lease. Subscription assets are recorded at the initial measurement of the subscription liability, plus subscription payments made before the commencement term, plus capitalizable initial implementation costs, less vendor incentives received. As the Parking System's subscriptions do not provide an implicit rate, the incremental borrowing rate from the City is used to calculate the present value of subscription payments as it approximates what the Parking System's borrowing rate would be in a similar economic environment.

The following are the future principal and interest payments over the remaining subscription terms:

Year ending December 31,	Principal	Interest	Total
2024	$ 201,951	$ 3,177	$ 205,128
2025	7,688	196	7,884
2026	1,965	6	1,971
	$ 211,604	$ 3,379	$ 214,983

7. *Subscription commitment*

In 2023, the Parking System entered an arrangement to add a software-as-a-service upgrade to its existing parking access and revenue control system for a total cost of $50,778. At December 31, 2023 the upgrade was in the initial implementation stage. During 2023, a $25,389 down payment was made and recorded as a prepaid subscription, with the remaining $25,389 payment due when the implementation is complete, expected in 2024.

NOTE D - OTHER INFORMATION

1. *Risk management*

The City has established a risk management division to coordinate and administer workers' compensation, property and general liability insurance programs for all its activities and operations. For workers' compensation coverage, the City has purchased commercial insurance to cover losses in excess of $750,000 per occurrence. The City pays losses less than this amount through its Workers' Compensation Self-Insurance fund. The Parking System is included in the Workers' Compensation Self-Insurance program.

For major property coverage, the City has purchased commercial insurance policies with varying deductibles. All deductibles related to these policies may be paid from the budget of the individual department so affected. The Parking System is included in the property coverage of the City.

For major liability coverage, the City has purchased a public entity liability policy with a $1,000,000 per occurrence self-retention. The City pays losses less than this amount through its Claims Reserve fund, with each enterprise contributing to the fund. The Parking System is included in the liability coverage of the City.

No claims were incurred in excess of the coverage for 2023, 2022 or 2021.

2. *Retirement plans*

A. Defined Benefit Pension Plan

Plan Description: The City 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 City allocates pension-related items to the Parking System in accordance with GASB 68. Allocations to the Parking System are based on amounts contributed for Parking System employees as a percentage of the total City contributions. 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 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. Title 24, Article 51, of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State Legislature.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to certain benefit provisions.

PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for LGDTF. That report may be obtained online at:

https://www.copera.org/files/ff845b8ac/2022_ACFR.pdf

or by writing to:

Colorado PERA
1301 Pennsylvania Street
Denver, Colorado 80203

or by calling PERA at 1-800-759-PERA (7372).

All Parking System employees, as City employees, are members of the LGDTF. The Mayor, direct reports of the Mayor, and elected officials of the City of Colorado Springs may exempt from membership. The LGDTF of 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 CRS § 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.
- 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.

In all cases the service retirement benefit is limited to 100% of highest average salary and also 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 five years of service credit has been obtained and the benefit structure under which contributions were made.

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 CRS. Subject to the automatic adjustment provision (AAP) under CRS § 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 CRS § 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. 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.

The LGDTF of Colorado PERA is currently open to new entrants.

The City and its eligible employees are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under CRS § 24-51-401, et seq and § 24-51-413. Colorado State law provisions may be amended from time to time by the Colorado General Assembly.

The employee contribution requirements are summarized in the table below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022	January 1, 2023 Through December 31, 2023
Employee Contribution Rate[1]	8.50%	9.00%	9.00%

[1]Rates are expressed as a percentage of salary as defined in CRS § 24-51-101(42).

Remainder of page intentionally blank

The employer contribution requirements are summarized in the table below:

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

[1]Rates are expressed as a percentage of salary as defined in CRS § 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 Parking System is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Parking System were $137,174 for the year ended December 31, 2023.

Collective Net Pension Liability: The components of the Parking System's proportionate share of the collective net pension liability for the LGDTF as of December 31, 2022, the plan's measurement date, are as follows:

Total pension liability	$ 5,842,522
Plan fiduciary net position	(4,848,911)
Net pension liability/(asset)	$ 993,611

Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: As of December 31, 2023 the Parking System reported a liability of $993,611 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022 and the total pension liability 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 total pension liability to December 31, 2022. Parking's proportion of the net pension liability was based on Parking's contributions to the LGDTF for the calendar year 2022 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2022, the Parking System’s proportion was 0.09911%, which was an increase of 0.02241% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Parking System’s pension expense related to the PERA LGDTF was $202,748.

At December 31, 2023, the Parking System reported deferred outflows of resources and deferred inflows of resources related to pensions for the PERA LGDTF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ —	$ 4,953
Net difference between projected and actual earnings on investments	405,639	—
Changes of assumptions or other inputs	—	—
Changes in proportion	90,880	—
Contributions subsequent to the measurement date	137,174	—
Total	$ 633,693	$ 4,953

The $137,174 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,	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Investments	Changes of Assumptions or Other Inputs	Net Changes in Proportion	Net Effect of Amortized Deferred Amounts on Pension Expense
2024	$ (4,206)	$ (40,853)	$ —	$ 78,693	$ 33,634
2025	(747)	60,331	—	12,187	71,771
2026	—	148,483	—	—	148,483
2027	—	237,678	—	—	237,678
	$ (4,953)	$ 405,639	$ —	$ 90,880	$ 491,566

The differences between expected and actual experience, changes of assumptions or other inputs, as well as the Parking System's change in proportion in the plan are amortized over a closed period equal to the average expected remaining service lives of active and inactive members in the plan. The LGDTF determined the average expected remaining service lives for active and inactive members at the beginning of the 2022 measurement period to be 2.19 years. The difference between expected and actual investment experience is amortized over a closed five year period.

Remainder of page intentionally blank

Actuarial Assumptions: The total pension liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs:

	Rate (%)
Actuarial cost method	Entry age
Price inflation	2.30
Real wage growth	0.70
Wage inflation	3.00
Salary increase, including wage inflation	3.20 - 11.30
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25
Discount rate	7.25
Post-retirement benefit increases:	
PERA benefit structure hire prior to 1/1/07	1.00% compounded annually thereafter
PERA benefit structure hired after 12/31/06[1]	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 total pension liability for the LGDTF, as of December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, as allowable under CRS § 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 fiduciary net position 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 were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for members 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 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 were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages 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 periods January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board during the November 20, 2020, Board 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.

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	100.00	

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%.

Discount Rate: The discount rate used to measure the total pension 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:

- 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.

- 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 fiduciary net position, 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 fiduciary net position 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, LGDTF’s fiduciary net position 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 total pension liability. 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 Parking System’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 or higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	6.25%	7.25%	8.25%
Parking System's proportionate share of the net pension liability	$1,668,023	$993,611	$429,017

Detailed information about the pension plan’s fiduciary net position is available in the separately issued PERA LGDTF financial reports found at:

https://www.copera.org/files/ff845b8ac/2022_ACFR.pdf

B. Defined Contribution Plan

PERAPlus 401(k) Plan Description: The LGDTF members of the Parking System may voluntarily contribute to the Voluntary Investment Program (PERAPlus 401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available Annual Comprehensive Financial Report which includes additional information on the PERAPlus 401(k) Plan. That report can be found at https://www.copera.org/files/ff845b8ac/2022_ACFR.pdf.

PERAPlus 401(k) Funding Policy: The PERAPlus 401(k) Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS ($22,500 in 2023). There is a catch-up provision that allows participants age fifty and older who are contributing the maximum to contribute an additional $7,500 annually to their account. The Parking System does not contribute to the PERA 401(k) plan.

MissionSquare Retirement 457 Plan Description: Per authority of a City Council Resolution, employees of the Parking System may also voluntarily contribute to a MissionSquare Retirement 457 Plan, an Internal Revenue Code of 1986 section 457. The plan is administered by MissionSquare Retirement Corporation and the Vantage Trust Company.

MissionSquare Retirement 457 Funding Policy: The MissionSquare Retirement 457 plan is funded by voluntary member contributions of up to a maximum limit set by the IRS ($22,500 annually for 2023 calendar year). In addition, employees are eligible to contribute an additional $7,500 annually if they are age 50 or older. There is an additional “pre-retirement” catch-up provision that allows employees to double their 457 contributions by funding an additional $22,500 if they are within three years of retirement. The Parking System does not contribute into the MissionSquare Retirement 457 plan.

PERA Defined Contribution (PERA DC) Certain Parking System employees hired on or after January 1, 2019, have the option to participate in the LGDTF, a cost-sharing multiple-employer defined benefit pension plan, or the Defined Contribution Retirement Plan (PERA DC Plan). The PERA DC Plan is an Internal Revenue Code Section 401(a) governmental profit-sharing defined contribution plan. Title 24, Article 51, Part 15 of the CRS, as amended, assigns the authority to establish Plan provisions to the PERA Board of Trustees. The PERA DC Plan is also included in the PERA's Annual Comprehensive Financial Report as referred to above.

Remainder of page intentionally blank

PERA Defined Contribution Funding Policy: All participating employees in the PERA DC Plan and the Parking System are required to contribute a percentage of the participating employees' PERA-includable salary to the PERA DC Plan. The employee and employer contribution rates are summarized in the tables below:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022	January 1, 2023 Through December 31, 2023
Employee contribution rates	8.50 %	9.00 %	9.00 %
Employer contribution rates (on behalf of participating employees)	10.00 %	10.00 %	10.00 %

Additionally, the employers are required to contribute AED and SAED to the LGDTF as follows:

	January 1, 2022 Through June 30, 2022	July 1, 2022 Through December 31, 2022	January 1, 2023 Through December 31, 2023
Amortization Equalization Disbursement (AED) as specified in CRS § 24-51-411 [1]	2.20 %	2.20 %	2.20 %
Supplemental Amortization Equalization Disbursement (SAED) as specified in CRS § 24-51-411 [1]	1.50 %	1.50 %	1.50 %
Automatic Adjustment Provision (AAP), as specified in CRS § 24-51-413 [1]	0.50 %	1.00 %	1.00 %
Defined Contribution Supplement as specified in CRS § 24-51-415	0.03 %	0.03 %	0.06 %
Total employer contribution rate to the LGDTF[1]	4.23 %	4.73 %	4.76 %

[1]Contribution rates for the DC Plan are expressed as a percentage of salary as defined in CRS § 24-51-101(42).

Contribution requirements are established under Title 24, Article 51, Section 1505 of the CRS, as amended. Participating employees of the PERA DC Plan are immediately vested in their own contributions and investment earnings and are immediately 50% vested in the amount of employer contributions made on their behalf. For each full year of participation, vesting of employer contributions increases by 10%. Forfeitures are used to pay expenses of the PERA DC Plan in accordance with PERA Rule 16.80 as adopted by the PERA Board of Trustees in accordance with Title 24, Article 51, Section 204 of the CRS. As a result, forfeitures do not reduce pension expense. The Parking System's contributions to the PERA DC Plan for the year ending December 31, 2023 was $12,590.

3. *Postemployment Benefits Other than Pensions*

The Parking System's former employees are eligible for postemployment benefits other than pensions (OPEB). The former employees are provided access to and/or subsidies for health care plans based upon the retiree's employee group, employment dates and retirement eligibility dates. Also, the level of retiree life insurance benefit coverage depends upon the retiree's final position with the Parking System. Below is a table that summarizes the total/net OPEB liabilities, deferred outflows and inflows, and OPEB expenses associated with each of the plans as of December 31, 2023. More detailed notes regarding each plan follows.

	Total/Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
PERA HCTF	$ 65,043	$ 48,303	$ 26,599	$ 5,628
City OPEB	31,086	10,267	15,568	(361)
Total	$ 96,129	$ 58,570	$ 42,167	$ 5,267

Note: Immaterial differences may occur due to rounding.

A. Colorado PERA Health Care Trust Fund

The Parking System 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 and additions to/deductions from the fiduciary net position of the HCTF have been determined on the same basis as they are reported by HCTF 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.

Plan Description: Eligible employees of the Parking System 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 (CRS), 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 from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report that can be obtained at:

https://www.copera.org/files/ff845b8ac/2022_ACFR.pdf

or by writing to
Colorado PERA, 1301 Pennsylvania Street
Denver, Colorado 80203

or by calling PERA at 1-800-759-PERA (7372)

Benefits Provided: All Parking System employees are members of the HCTF. 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.

CRS § 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.

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, CRS § 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.

Contributions: Pursuant to Title 24, Article 51, Section 208(1)(f) of the CRS, 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 Parking System is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the Parking System were $10,356 for the year ended 2023.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: As of December 31, 2023 the Parking System reported a liability of $65,043 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability 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 total OPEB liability to December 31, 2022. The Parking System’s proportion of the net OPEB liability was based on the Parking System’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 Parking System's proportion was 0.00797%, which was an increase of 0.00202% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023 the Parking System recognized OPEB expense of $5,628.

At December 31, 2023, the Parking System 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	$ 8	$ 15,730
Net difference between projected and actual earnings on investments	3,973	—
Changes of assumptions or other inputs	1,045	7,179
Changes in proportion	32,921	3,690
Contributions subsequent to the measurement date	10,356	—
Total	$ 48,303	$ 26,599

Remainder of page intentionally blank

The $10,356 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 expense as follows:

Year Ended December 31,	Difference Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Investments	Changes of Assumptions or Other Inputs	Changes in Proportion	Net Effect of Amortized Deferred Amounts on OPEB Expense
2023	$ (5,320)	$ 212	$ (1,372)	$ 5,591	$ (889)
2024	(5,297)	730	(1,517)	6,825	741
2025	(2,525)	1,247	(1,548)	5,551	2,725
2026	(1,509)	1,784	(698)	6,171	5,748
2027	(887)	—	(798)	4,195	2,510
Thereafter	(184)	—	(201)	898	513
	$ (15,722)	$ 3,973	$ (6,134)	$ 29,231	$ 11,348

The differences between expected and actual experience as well as the Parking System's changes in proportion in the plan are amortization over a closed period equal to the average expected remaining service lives of active and inactive members in the plan. The HCTF determined the average expected remaining service lives for active and inactive members at the beginning of the 2022 measurement period to be 6.24 years. The net difference between expected and actual investment experience is amortized over a closed five year period.

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:

	Rate %
Actuarial cost method	Entry Age
Price inflation	2.30
Real wage growth	0.70
Wage inflation	3.00
Salary increases, including wage inflation	3.20 - 11.30
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	—
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

The total OPEB liability for the HCTF, as of December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under CRS § 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 fiduciary net position 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

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	$ 1,740	$ 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.

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 total OPEB liability for the HCTF, but developed using 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 were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based on 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 beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- Males: 97% of the rates prior for all ages, with generational projection using MP-2019.

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

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

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

- 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 older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2022 plan year.

- 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 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 the 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 total OPEB liability, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on 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.

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	100.00	

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 rate of return assumption of 7.25%.

Sensitivity of the Parking System'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 higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate [1]	5.25%	6.25%	7.25%
Ultimate PERACare 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 rate	3.50	4.50	5.50
Proportionate share of the net OPEB liability	$ 63,202	$ 65,043	$ 67,046

[1]For the January 1, 2023, plan year

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 the 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 fiduciary net position 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. 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 Parking System'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 or higher than the current rate:

	1% Decrease	Current Discount rate	1% Increase
	6.25%	7.25%	8.25%
Proportionate share of the net OPEB liability	$ 75,404	$ 65,043	$ 56,181

OPEB Plan Fiduciary Net Position: Detailed information about the HCTF's fiduciary net position is available in PERA's annual comprehensive financial report which can be obtained at:

https://www.copera.org/files/ff845b8ac/2022_ACFR.pdf

B. City of Colorado Springs OPEB Plan

The Parking System participates in the City's postemployment benefits other than pension plan, a single-employer defined benefit OPEB plan administered by the City of Colorado Springs. The total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense have been determined on the same basis as they are reported by the plan 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. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 as the plan is pay-as-you-go.

Plan Description: Civilian employees who retire from active service with the Parking System and who begin receiving pension benefit payments are not eligible to participate in the City's medical benefits plan as they have access to PERACare. There remain a few civilian retirees who have reached the Medicare-eligible age that have access to Via Benefits medical plans as they are not eligible to participate in the PERACare plans. Both uniformed and civilian retirees have access to City's dental and vision benefits plans before and after they reach Medicare-eligible age.

Upon retirement from employment with the Parking System, the following life insurance benefits are available to the retiree:

- $9,000 for City Mayor and Council Appointees
- $6,000 for City Department Heads and other City Executives
- $3,000 for all other Parking System retirees

As of the most recent actuarial valuation of the plan, 1,940 retired members or beneficiaries and 2,888 active members were covered by the benefit terms.

Retiree Benefit Payments: Medical Plan - The Parking System's benefit payments for a retiree's medical plan premium vary as follows:

Retirees that were:	Parking System pays:
Eligible to retire prior to January 1, 1979	The retiree's medical plan premium paid in full
Hired prior to August 1, 1988 and eligible to retire on or after January 1, 1979	$91.40 per month toward the retiree medical plan premium costs, the retiree pays the balance of the premium costs
Hired on or after August 1, 1988	Nothing toward the retiree's medical plan premium costs, retiree pays the full medical plan premium

There is no direct cost to the Parking System for those uniformed retirees that participate in the medical benefits plan as the retirees are responsible for their full medical plan premium cost.

Dental and Vision Plan: All retirees are required to pay the full dental and vision plan premiums should they choose to participate in City's plans. In addition, the vision plan is not self-funded but rather fully insured.

Retiree Life Plan: The Parking System pays the following annually for retiree life insurance premiums:

- $11.88 for Mayor and Mayoral Appointees
- $7.92 for City Department Heads and other City Executives
- $3.96 for all other Parking System retirees

If the retirement is a disability retirement, the retiree applies for a waiver of premium through the City's carrier. If approved, the retiree receives a life insurance benefit in the amount of one and a half times his or her salary until the retiree attains the age of 65, at which point the life insurance is reduced to the amounts listed above. The Parking System does not pay for the carrier approved waivers.

Employer benefit payments recognized by the Parking System were $2,220 for the year ended December 31, 2023.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: As of December 31, 2023, the Parking System reported a liability of $31,086 for its proportionate share of the total OPEB liability. The total OPEB liability was measured as of December 31, 2022, and was determined by an actuarial valuation as of that date. The Parking System’s proportion of the total OPEB liability was based on the Parking System’s benefit payments for the calendar year 2022 relative to the total benefit payments.

At December 31, 2022, the Parking System's proportion was 0.1651% percent, which was an increase of 0.0026% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Parking System recognized OPEB expense of $(361).

At December 31, 2023, the Parking System 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
Differences between expected and actual experience	$ 3,364	$ 10,614
Changes of assumptions or other inputs	3,871	8,492
Changes in proportion	812	(3,538)
Benefit payments subsequent to the measurement date	2,220	—
Total	$ 10,267	$ 15,568

The $2,220 reported as deferred outflows of resources related to OPEB, resulting from benefit payments subsequent to the measurement date, will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2024.

Remainder of page intentionally blank

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

Year Ended December 31,	Differences Between Expected and Actual Experience	Changes of Assumptions or Other Inputs	Changes in Proportion	Net Effect of Amortized Deferred Amounts on Pension Expense
2024	$ (1,954)	$ (379)	$ 968	$ (1,365)
2025	(1,954)	(379)	968	(1,365)
2026	(2,144)	(53)	842	(1,355)
2027	(2,116)	(463)	780	(1,799)
2028	(62)	(866)	580	(348)
2029	390	(985)	86	(509)
Thereafter	590	(1,496)	126	(780)
	$ (7,250)	$ (4,621)	$ 4,350	$ (7,521)

The differences between expected and actual experience, changes of assumptions or other inputs, as well as the Parking System's change in proportion in the plan are amortized over a closed period equal to the average expected remaining service lives of active and inactive members in the plan. The average expected remaining service lives for active and inactive members at the beginning of the 2022 measurement period was determined to be 8.5 years.

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

	Rate %
Actuarial cost method	Entry age, level % of pay
Wage inflation	3.20
Salary increases, including wage inflation	3.50-11.25
OPEB plan investment expenses, including price inflation	N/A
Discount rate[1]	3.72

[1]Source: Bond Buyer 20-Bond GO index

The health care cost trend assumption is incorporated to project the cost of health care in future years. The following annual trends are based on the current HCA Consulting trend study and are applied on a select and ultimate basis. Select trends are reduced 0.25% each year until reaching ultimate trend rate:

Expense Type	Select (%)	Ultimate (%)
Pre-Medicare medical and prescription benefits	7.0	4.0
Medicare benefits	6.0	4.0
Stop loss fees	7.0	4.0
Administrative fees	4.0	4.0

Per capita health claim costs of expected retiree claims were developed using 24 months of historical claim experience through June 2023. The annual age 60 and 70 claim costs for retirees and their spouses are provided in the table below:

Per Capita Cost	Age 60	Age 70
Premier	$ 18,539	$ 9,773
Advantage	11,909	6,303

Mortality Assumptions: Mortality rates originated from Pub-2010 headcount weighted base mortality table, projected generationally using scale MP-2021, applied on a gender-specific and job class basis (teacher, safety, or general, as applicable).

Age Based Morbidity Assumptions: The assumed per capita health claim costs are adjusted to reflect expected increases related to age and gender. These increases are based on a 2013 Society of Actuaries study, with sample rates shown below:

Sample Age	Male (%)	Female (%)
45	4.6	1.6
50	6.2	4.2
55	5.4	2.4
60	4.7	3.6
65	1.7	2.4
70	1.8	2.0
75	1.2	1.3
80	0.8	1.1

Retirees who retire on or after January 1, 1979 and were hired before August 1, 1988 are eligible for a retiree subsidy of $91.40 and are assumed to participate in the program.

Primary changes in assumptions since the previous measurement date include the following:

- The discount rate was updated from 2.06% to 3.72%.

- The mortality assumption was updated to utilize the most recent generational scale MP-2021 to reflect Society of Actuaries' recent mortality study.

- The medical and prescription trend rate was reset to 7.00% to 7.50%, grading down at 0.25% with an ultimate rate of 4.0%.

- The most recent retirement, termination and disability assumptions were used from the CoPERA and FPPA valuations as of 2022.

Primary changes in experience since the previous measurement date include an overall decrease in the liability attributed to the following:

- A larger active and retired population since the last valuation.
- The per capita health claim costs were higher than anticipated, however contributions increased at a similar rate.

Sensitivity of the Parking System's Proportionate Share of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates: The following presents the total OPEB liability using the current health care cost trend rates applicable to the benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or higher than the current rates:

	1% Decrease in Trend Rate	Current Trend Rate	1% Increase in Trend Rate
Health care cost trend rates	6.00-3.00%	7.00-4.00%	8.00-5.00%
Proportionate share of the total OPEB liability	$ 30,349	$ 31,086	$ 32,022

Discount Rate: The plan is pay-as-you-go. Since there are no dedicated assets and retiree benefits are paid annually in an amount equal to the benefits distributed, the discount rate used was 3.72% based on a yield or index rate for 20-year, tax-exempt general obligation municipal bond rate.

Sensitivity of the Parking System's Proportionate Share of the Total OPEB Liability to Changes in the Discount Rate: The following presents the proportionate share of the total OPEB liability calculated using the discount rate of 3.72%, as well as what the proportionate share of the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or higher than the current rate:

	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
	2.72%	3.72%	4.72%
Proportionate share of the total OPEB liability	$ 34,665	$ 31,086	$ 28,073

Because the City's medical and dental plans are self-funded, the plan does not release a separate report. However, the benefits are accounted for under the Employee Benefits Self-Insurance Fund under the City's Internal Service Funds.

4. *Accounting Changes*

GASB 96 for subscriptions was implemented during 2023. This statement establishes a single model for accounting and financial reporting for subscription-based information technology arrangements for government end users (governments). Under GASB 96, a government is required to recognize a subscription liability and an intangible subscription asset, and a deferred outflow of resources. For contracts that have been entered into that did not specify an interest rate, the incremental borrowing rate for the City was used to approximate the incremental borrowing rate for the Parking System. The implementation did not have an impact on the beginning net position.

COLORADO SPRINGS
OLYMPIC CITY USA

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PARKING SYSTEM'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET)
Years ended December 31,

Colorado PERA Local Government Division Trust Fund

	2023	2022	2021
Proportionate share of total pension liability	$ 5,842,522	$ 4,416,779	$ 3,556,992
Proportionate share of fiduciary net position	(4,848,911)	(4,482,541)	(3,232,688)
Proportionate share of net pension liability/(asset)	$ 993,611	$ (65,762)	$ 324,304
Fiduciary net position as a percentage of total pension liability	82.99 %	101.49 %	90.88 %
Covered payroll	$ 667,830	$ 571,206	$ 454,721
Net pension liability/(asset) as a percentage of covered payroll	148.78 %	(11.51)%	71.32 %
Proportion of net pension liability/(asset)	0.0991 %	0.0767 %	0.0622 %

* Notes to the Required Supplementary Information regarding changes in assumptions and benefits can be found starting on page 49.

* Information determined under the provisions of GASB 68 is not available for years prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the measurement date in accordance with GASB Statement No. 68.

2020	2019	2018	2017	2016	2015
$ 3,546,075	$ 3,002,074	$ 3,527,713	$ 3,287,681	$ 3,134,937	$ 3,340,637
(3,058,961)	(2,280,228)	(2,799,862)	(2,421,244)	(2,409,754)	(2,696,406)
$ 487,114	$ 721,846	$ 727,851	$ 866,437	$ 725,183	$ 644,231
86.26 %	75.96 %	79.37 %	73.65 %	76.87 %	80.72 %
$ 417,122	$ 372,532	$ 413,868	$ 378,492	$ 379,110	$ 397,976
116.78 %	193.77 %	175.87 %	228.92 %	191.29 %	161.88 %
0.0666 %	0.0574 %	0.0654 %	0.0642 %	0.0658 %	0.0719 %

Colorado PERA Local Government Division Trust Fund

	Statutorily Determined Contributions	Actual Contributions	Contribution Deficiency (Excess)	Covered Payroll	Actual Contributions as a % of Covered Payroll
2023	$ 137,174	$ 137,174	—	$ 909,070	15.09
2022	109,859	109,859	—	667,830	16.45
2021	76,084	76,084	—	571,206	13.32
2020	56,274	56,274	—	454,721	12.38
2019	57,376	57,375	—	417,122	13.75
2018	50,730	50,730	—	372,532	13.62
2017	53,782	53,782	—	413,868	12.99
2016	49,409	49,409	—	378,492	13.05
2015	48,565	48,565	—	379,110	12.81

* Notes to the Required Supplementary Information regarding changes in assumptions and benefits can be found starting on page 49.

* Information determined under the provisions of GASB 68 is not available for years prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the City's fiscal year end December 31 in accordance with GASB Statement No. 68.

Colorado PERA Local Government Division Trust Fund

Significant Changes in Plan Provisions, Assumptions or Other Inputs Affecting Trends in Actuarial Information (Measurement Date)

2022 Changes in Plan Provisions, Assumptions or Other Inputs Since 2021

The following legislation, enacted in 2022, was reflected to the extent possible in the actuarial valuation:

- HB 22-1029, effective upon enactment in 2022, requires the State treasurer to issue, in addition to the regularly scheduled $225 million (actual dollars) direct distribution, a warrant to PERA in the amount of $380 million (actual dollars) with reductions to future direct distributions. The July 1, 2023 direct distribution will be reduced by $190 million (actual dollars) to $35 million (actual dollars) due to a negative instrument return in 2022.
- The total pension liability for the Local Government Division, as of the December 31, 2022 measurement date, was adjusted to reflect the disaffiliation, as allowable under CRS § 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 fiduciary net position as of the December 31, 2022 measurement date.

2021 Changes in Plan Provisions, Assumptions or Other Inputs Since 2020

- Member contribution rates increased by 0.50%
- Employer contribution rates increased by 0.50%
- Annual increase (AI) cap was lowered from 1.25% per year to 1.00% per year.

2020 Changes in Plan Provisions, Assumptions or Other Inputs Since 2019

- Price inflation assumption was lowered from 2.40% to 2.30%
- Wage inflation assumption was lowered from 3.50% to 3.00%
- Salary scale assumptions were altered to align with the revised economic assumptions and to better reflect actual experience.
- Pre-retirement, post-retirement and disability mortality assumptions for active and retired lives were changed from static mortality tables represented by the RP-2014 Mortality tables, with adjustments for credibility and gender, to generational mortality tables represented by various tables presented in the Pub-2010 *Public Retirement Plans Mortality Tables Report*, projected using MP-2019 projection scale and adjusted for credibility and gender. In addition, a separate beneficiary mortality table was adopted.
- Rates of termination/withdrawal, retirement and disability were revised to more closely reflect actual experience.

2019 Changes in Plan Provisions, Assumptions or Other Inputs Since 2018

- Senate Bill (SB) 18-200 was enacted on June 4, 2018, which included the adoption of the automatic adjustment provision (AAP). The following changes reflect the anticipated adjustments resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020:
  - Member contribution rates increase by 0.50%
  - Employer contribution rates increase by 0.50%
  - AI cap is lowered from 1.50% per year to 1.25% per year.
- House Bill (HB) 19-1217, enacted May 20, 2019, repealed the member contribution increases scheduled for the Local Government Division pursuant to SB 18-200.

2018 Changes in Plan Provisions, Assumptions or Other Inputs Since 2017

The following changes were made to the plan provisions as part of SB 18-200:

- Member contribution rates increased by 0.75% effective July 1, 2019, an additional 0.75% effective July 1, 2020 and an additional 0.50% effective July 14, 2021.
- AI cap is lowered from 2.00% per year to 1.5% per year.
- Initial AI waiting period is extended from one year after retirement to three years after retirement.
- AI payments are suspended for 2018 and 2019.
- The number of years used in the Highest Average Salary calculation for non-vested members as of January 1, 2020, increases from three to five years for the Local Government Division.

2017 Changes in Plan Provisions, Assumptions or Other Inputs Since 2016

- There were no changes made to plan provisions, actuarial methods or assumptions, or other inputs that had significant effect on trends in actuarial information.

(continued)

2016 Changes in Plan Provisions, Assumptions or Other Inputs Since 2015

- The investment return assumption was lowered from 7.50% to 7.25%.
- The price inflation assumption was lowered from 2.80% to 2.40%.
- The wage inflation assumption was lowered from 3.90% to 3.50%.
- The post-retirement mortality assumption for healthy lives was changed to the RP-2014 Healthy Annuitant Mortality Table with adjustments for credibility and gender adjustments of 73.0% factor applied to ages below 80 and a 108.0% factor applied to age 80 and above, projected to 2018, for males and a 78.0% factor applied to ages below 80 and a 109.0% factor applied to age 80 and above, projected to 2020, for females.
- For disabled retirees, the mortality assumption was changed to reflect 90.0% 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 appropriated margin of improved mortality prospectively, the mortality rates incorporated a 70.0% factor applied to male rated and 55.0% 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% to 0.40%.
- The single equivalent interest rate was lowered from 7.50% to 7.25%, reflecting the change in the long-term expected rate of return.

2015 Changes in Plan Provisions, Assumptions or Other Inputs Since 2014

The following programming changes were made:

- 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.

The following methodology changes were made:

- Recognition of merit salary increases in the first projection year.
- Elimination of the assumption that 35.0% of the 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 cots and unfunded actuarial accrued liability payment calculations to reflect contributions throughout the year.

2014 Changes in Plan Provisions, Assumptions or Other Inputs Since 2013

- There were no changes made to plan provisions, actuarial methods or assumptions, or other inputs that had a significant effect on trends in actuarial information.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PARKING SYSTEM'S PROPORTIONATE SHARE
OF NET OPEB LIABILITY
Years ended December 31,

Colorado PERA Health Care Trust Fund

	2023	2022	2021
Proportionate share of total OPEB liability	$ 105,886	$ 84,640	$ 66,939
Proportionate share of fiduciary net position	(40,843)	(33,352)	(21,940)
Proportionate share of net OPEB liability	$ 65,043	$ 51,288	$ 44,999
Fiduciary net position as a percentage of total OPEB liability	38.57 %	39.40 %	32.78 %
Covered employee payroll	$ 667,830	$ 571,206	$ 454,721
Net OPEB liability as a percentage of covered employee payroll	9.74 %	8.98 %	9.90 %
Proportion of net OPEB liability	0.0080 %	0.0059 %	0.0047 %

* Notes to the Required Supplementary Information regarding changes in assumptions and benefits can be found on page 55.

* Information determined under the provisions of GASB 75 is not available for fiscal years prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the City's fiscal year end December 31 in accordance with GASB Statement No. 75.

2020	2019	2018
$ 75,718	$ 72,860	$ 79,855
(18,542)	(12,405)	(13,998)
$ 57,176	$ 60,455	$ 65,857
24.49 %	17.03 %	17.53 %
$ 417,122	$ 372,532	$ 413,868
13.71 %	16.23 %	15.91 %
0.0051 %	0.0044 %	0.0051 %

Colorado PERA Health Care Trust Fund

	Statutorily Determined Contributions	Actual Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll	Actual Contributions as a % of Covered Employee Payroll
2023	$ 10,356	$ 10,356	—	$ 909,070	1.14
2022	8,471	8,471	—	667,830	1.27
2021	5,980	5,980	—	571,206	1.05
2020	4,515	4,515	—	454,721	0.99
2019	4,605	4,605	—	417,121	1.10
2018	4,072	4,072	—	372,532	1.09

* Notes to the Required Supplementary Information regarding changes in assumptions and benefits can be found on page 55.

* Information determined under the provisions of GASB 75 is not available for fiscal years prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the City's fiscal year end December 31 in accordance with GASB Statement No. 75.

Colorado PERA Health Care Trust Fund

Significant Changes in Plan Provisions, Assumptions or Other Inputs Affecting Trends in Actuarial Information (Measurement Date)

2022 Changes in Plan Provisions, Assumptions or Other Inputs Since 2021

- The total OPEB liability for the Health Care Trust Fund (HCTF) as of the December 31, 2022 measurement date, was adjusted to reflect the disaffiliation, allowable under CRS § 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 fiduciary net position as of December 31, 2022 measurement date.

2021 Changes in Plan Provisions, Assumptions or Other Inputs Since 2020

- There were no changes made to plan provisions, actuarial methods or assumptions, or other inputs that had a significant effect on trends in actuarial information.

2020 Changes in Plan Provisions, Assumptions or Other Inputs Since 2019

- Price inflation assumption was lowered from 2.4% per year to 2.3%
- Wage inflation assumption was lowered from 3.5% per year to 3.0%
- Salary scale assumptions were altered to align with revised economic assumptions to more closely reflect actual experience.
- Pre-retirement, post-retirement and disability mortality assumptions for active and retired lives were changed from static mortality tables represented by the RP-2014 mortality tables, with adjustments for credibility and gender, to a generational mortality table represented by various tables presented in *Pub-2010 Public Retirement Plans Mortality Tables Report*, projected using MP-2019 projection scale and adjusted for credibility and gender. In addition, a separate beneficiary mortality table was adopted.
- Rates of termination and withdrawal, retirement and disability were revised to more accurately reflect actual experience.
- The health care cost trend rates were updated for December 2019 funding valuation and reflected in the total OPEB liability as of the December 31, 2020 measurement date.

2019 Changes in Plan Provisions, Assumptions or Other Inputs Since 2018

- There were no changes made to plan provisions, actuarial methods or assumptions, or other inputs that had a significant effect on trends in actuarial information.

2018 Changes in Plan Provisions, Assumptions or Other Inputs Since 2017

- There were no changes made to plan provisions, actuarial methods or assumptions, or other inputs that had a significant effect on trends in actuarial information.

2017 Changes in Plan Provisions, Assumptions or Other Inputs Since 2016

- There were no changes made to plan provisions, actuarial methods or assumptions, or other inputs that had a significant effect on trends in actuarial information.

* Information determined under the provisions of GASB 75 is not available for fiscal years prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the measurement date in accordance with GASB Statement No. 75.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PARKING SYSTEM'S PROPORTIONATE SHARE OF TOTAL OPEB LIABILITY
Years ended December 31,

City of Colorado Springs OPEB Plan

	2023	2022	2021
Proportionate share of total OPEB liability	$ 31,086	$ 36,835	$ 35,175
Covered employee payroll	$ 994,897	$ 814,982	$ 580,377
Total OPEB liability as a percentage of covered employee payroll	3.12 %	4.52 %	6.06 %
Proportion of total OPEB liability	0.1651 %	0.1625 %	0.1523 %

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

Notes to the Required Supplementary Information

Significant Changes in Plan Provisions, Assumptions or Other Inputs Affecting Trends in Actuarial Information (Measurement Date)

2022 Changes in Plan Provisions, Assumptions or Other Inputs Since 2021
- The discount rate was updated from 2.06 % to 3.72%.
- The mortality assumption was updated to utilize the most recent generational scale MP-2021 to reflect the Society of Actuaries' recent mortality study.
- The medical and prescription trend rate was reset to 7.00% to 7.50% grading down at 0.25% with an ultimate rate of 4.00%.
- The most recent, retirement termination and disability assumptions were used from CoPERA and FPPA valuations as of 2022.

2021 Changes in Plan Provisions, Assumptions or Other Inputs Since 2020
- The discount rate decreased from 2.12% to 2.06% based on the changes in the 20-year municipal bond rate.
- The retirement, termination and salary scale rates were updated to the rates from PERA as of December 31, 2021.

2020 Changes in Plan Provisions, Assumptions or Other Inputs Since 2019
- The discount rate decreased from 2.74% to 2.12% based on the changes in the 20-year municipal bond rate.
- The trend rates were reset to 6.25% grading down by 0.25% to 4.0%. The Medicare Part B premium ultimate rate used was changed to 4.0%.
- The retirement, termination and salary scale rates were updated to the rates from PERA as of December 31, 2020.
- The mortality assumption was updated from RP-2014 mortality table with generational scale MP-2018 to Pub-2010 mortality table with generational scale MP-2020 to reflect the Society of Actuaries' recent mortality study.

2019 Changes in Plan Provisions, Assumptions or Other Inputs Since 2018
- The discount rate decreased from 4.10% to 2.74% based on changes in the 20-year municipal bond rate.
- The future trend rates on the PERA premiums were lowered.

2018 Changes in Plan Provisions, Assumptions or Other Inputs Since 2017
- The discount rate increased from 3.44% to 4.10% based on changes in the 20-year municipal bond rate.

2017 Changes in Plan Provisions, Assumptions or Other Inputs Since 2016
- The discount rate decreased from 3.78% to 3.44% based on changes in the 20-year municipal bond rate.
- Updated mortality, disability, turnover, retirement and salary scale assumptions were updated to reflect those from the FPPA 2018 Actuarial Experience study and the December 31, 2017 Colorado PERA pension valuation.

* Information determined under the provisions of GASB 75 is not available for fiscal years prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the measurement date in accordance with GASB Statement No. 75.

2020	2019	2018
$ 46,480	$ 41,541	$ 42,393
$ 454,369	$ 422,647	$ 413,909
10.23 %	9.83 %	10.24 %
0.1467 %	0.1430 %	0.1408 %

OTHER SUPPLEMENTARY INFORMATION

Colorado Springs Parking System
MONTHLY PERMIT RATES
December 31, 2023
(unaudited)

Facility	Monthly Permit Rates
Parking Structure #1, 2, 3 and 5	$90 *
Parking Lot #4	$50

* For 75 or more permits from one account, monthly rate is discounted to $80.

Colorado Springs Parking System
SCHEDULE OF DEBT SERVICE COVERAGE
December 31, 2023
(unaudited)

Fiscal Year	Applicable Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2019	$ 5,079,867	$ 2,515,354	$ 2,564,513	$ 700,000	$ 163,782	2.97
2020	5,191,202	2,420,221	2,770,981	715,000	146,772	3.22
2021	8,038,754	2,651,537	5,387,217	735,000	129,398	6.23
2022	10,050,101	3,555,689	6,494,412	750,000	111,537	7.54
2023	10,719,023	4,039,196	6,679,827	770,000	93,312	7.74