



City of Boulder, Colorado

Popular Annual Financial Report



Fiscal Year

Ending December 31

2023



Mt. Sanitas

About the Popular Annual Financial Report

As a part of an ongoing commitment to transparency and helping ensure community access to information about its local government the City of Boulder provides this Popular Annual Financial Report (PAFR), which describes the city's financial activities and position in 2023. This is a summary of information reported in the city's 2023 Annual Comprehensive Financial Report (ACFR).

While the ACFR is prepared in accordance with generally accepted accounting principles, the PAFR is not. The ACFR is a more detailed, audited document of record, and it presents information in a format consistent with this standard to ensure it includes detailed information including the city's component units, presents individual funds in detail, and fully discloses all material events, both financial and non-financial. By contrast, the purpose of the PAFR is to increase public awareness about the city's financial condition by presenting information in a more user-friendly format and is unaudited and not presented in accordance with general accepted accounting principles.

Both documents are available on the City of Boulder Finance Department's webpage at www.bouldercolorado.gov/Finance.

The city's website also includes a wealth of information about the: activities of city departments; job opportunities; budgets; council members, agendas and meetings; community events; and much more.

Quick Facts about Boulder

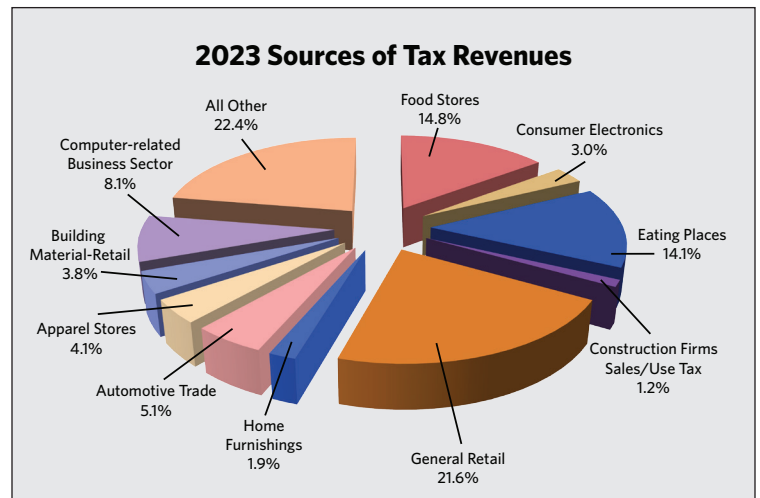
Population	108,000
Unemployment rate	3.3%
Sales and use tax rate	3.86%
City employees	1,546
City operating budget	\$355 million
City capital budget	\$161 million

Top 6 City of Boulder Employers

Over 2,000 employees: University of Colorado, Ball Corporation, Boulder Valley School District, St. Vrain Valley School District, Boulder Community Health, and Boulder County.

Other Major Employers

IBM Corporation, National Center for Atmospheric Research, University Corporation for Atmospheric Research, National Oceanic & Atmospheric Administration, and City of Boulder.



Significant 2023 City Events

The following is a summary of significant events during the year that affected the City of Boulder's financial position.

- Completed the design and continued construction of several large capital projects including Fire Station #3 and the North Boulder Library.
- Over 1,000 households received a food tax rebate to help compensate residents with lower incomes for the city sales tax they pay on food.
- The Eviction Prevention and Rental Assistance Services Program (EPRAS) assisted 809 community members in 2023 through legal services, rental assistance, mediation and resource referrals. An average of \$2,095 in rental assistance was distributed to 175 households.
- Housing and Human Services investment programs awarded roughly \$7 million in annual grants to over 100 community-based programs that provide healthy food, economic support, health services, childcare, academic support and substance use prevention.
- The city utilized millions in one-time American Rescue Plan Act funds for transformative projects in the areas of child care, behavioral health and manufactured housing ownership opportunities.
- The city finished dismantling the former Boulder Community Health Hospital to make way for redevelopment on its Alpine-Balsam property.
- The city supported cleaner, greener transportation by distributing over 400 adaptive, cargo, and standard e-bike vouchers — including 351 income-qualified e-bike vouchers with higher discounts for eligible community members.
- The city has been awarded over \$30 million in state and federal transportation funds! Funds will support specific projects the city submitted in its grant applications, including projects to help end severe crashes, support safer and more efficient travel, and improve multimodal travel — including for people walking and biking to local schools.
- Construction started this summer on the new full-service restaurant and community gathering space at Flatirons Golf Course.

Operating Indicators and Statistics

Public Works	2023	2022
Daily vehicle miles in Boulder Valley	2.85 mil	2.65 mil
Utilities		
Water accounts	28,922	29,275
Gallons of water consumed daily	14.3 mil	15.6 mil
Public Safety		
Police officers	191	190
Traffic accidents	2,759	1,783
Police calls for service	97,698	90,845
Firefighters	113	103
Fire responses	14,751	12,695
Fire responses within 6 minutes	74%	35%
Parks and Recreation		
Acres of Open Space & Mountain Parks	46,683	46,674
Acres of urban parks	1,861	1,861
Recreation center attendance	380,389	406,093
Reservoir attendance	121,624	123,803
Planning and Development Services		
Building permit applications	7,038	8,847
Zoning enforcement actions	1,011	854
Municipal Court		
Traffic violations	3,356	2,972



North Sky Trail Bridge Installation

Best of Boulder Awards

- **25 Best College Towns & Cities** – Travel & Leisure, May 2023
- **#4 Best Place to Live in the U.S.** – U.S. News & World Report, 2023
- **Top ten most vibrant arts communities (#6)** – Arts Vibrancy Index Report by SMU DataArts, December 2023
- **10 Hiking Capitals of America** – TheTravel.com, February 2024
- **Fodor's GoList 2024** – Fodor's, November 2023



Financial Statements

Within the Annual Report, the city presents two different types of financial statements.

1. **The government-wide financial statements** are designed to provide readers with a long-term overview of the city's finances. These statements include the Statement of Net Position and the Statement of Activities. The government-wide financial statements distinguish functions of the city that are principally supported by taxes and intergovernmental revenues (**governmental activities**) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (**business-type activities**). The governmental activities encompass general government, administrative, public safety, public works including streets and transportation, planning and development, culture and recreation, open space and mountain parks, housing and human services and property and facility acquisition services. The business-type activities of the city include the water and wastewater utilities, stormwater and flood management and parking facilities.
2. **The fund financial statements** provide a **short-term perspective** of individual funds.



Streetwise Art

Component Units

From a financial perspective the City of Boulder must report on the activities of two component units or areas of financial health: 1) primary government, which consists of all the funds and departments legally included within the city organization and 2) component units, which are legally separate organizations from the city, but for which the city is still financially accountable. The financial information of the city's component units is blended with the primary government and reported in the same manner as any other city operation.

City of Boulder Component Units:

1. Downtown Commercial District and University Hill

Commercial District — These districts provide parking facilities and services and are administered by the City Council.

2. Boulder Municipal Property Authority — The authority is a nonprofit organization responsible for the acquisition and construction of certain city properties and facilities and is administered by the City Council.

3. Boulder Junction Access General Improvement District

This district is tasked with implementation of the transit-oriented development goals of shared, unbundled parking and travel demand management programs.

Statement of Net Position — Government-wide

The Government-wide Balance Sheet, known as the Statement of Net Position, presents information about the city's assets and deferred outflows of resources as well as its liabilities and deferred inflows of resources, with the difference reported as net position. Deferred outflows and inflows of resources represent expenses and revenues that will be recognized in a future period. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the city is improving or deteriorating.

The accompanying table of net position presents a summary of the city's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at the end of 2023, 2022 and 2021. The city's assets exceeded its liabilities by \$1.68 billion at Dec. 31, 2023. The largest portion of the city's net position, \$1.3 billion (74 percent) reflects its investment in capital assets (i.e., land, buildings, infrastructure, machinery and equipment, utility plants, and underground drainage facilities), net of related debt. The city uses these capital assets to provide services to the public; consequently, these assets are not available to fund current operations. An additional portion of the city's net position, \$137.4 million (8 percent), denotes resources that are subject to usage restrictions. The remaining unrestricted balance of net position, \$292.7 million (18 percent), may be used to meet the city's ongoing obligations.

Net Position at December 31 over the last three years (in thousands)			
Assets	2023	2022	2021
Current and Other Assets	\$675,758	\$668,616	\$551,667
Capital Assets	1,466,241	1,373,044	1,336,980
Total Assets	2,141,999	2,041,660	1,888,647
Deferred Inflows of Resources	65,012	21,334	31,928
Liabilities			
Noncurrent Liabilities	388,576	278,876	304,915
Other Liabilities	65,125	64,541	45,332
Total Liabilities	453,701	343,417	350,247
Deferred Inflows of Resources	72,793	146,339	130,091
Net Position			
Invested in Capital Assets	1,250,595	1,190,868	1,144,165
Restricted	136,094	119,938	99,610
Unrestricted	293,828	262,432	196,462
Total Net Position	\$1,680,517	\$1,573,238	\$1,440,237



Wonderland Greenway Trail

Statement of Activities — Government-wide

The **Government-wide Income Statement**, known as the Statement of Activities, details the money received and spent by the city during the fiscal year.

Revenues — Where the money comes from . . .

The City of Boulder receives revenue from a variety of sources, described below.

Sales, Use and Other Taxes are the city's largest source of revenues and are collected on retail sales and other business activity. The \$6.9 million increase in 2023 compared to 2022 was due to increased consumer spending and tax collected related to ongoing construction projects.

Property Taxes are collected by Boulder County and remitted to the city, less county fees. The \$2.1 million decrease in 2023 compared to 2022 was due to the library mill levy going to the newly formed Library District and a slight decrease in the property tax assessment.

Other Taxes include accommodation, occupation, specific ownership, tobacco and excise taxes. Other taxes increased \$2.9 million 2023, primarily due to increased consumer spending.

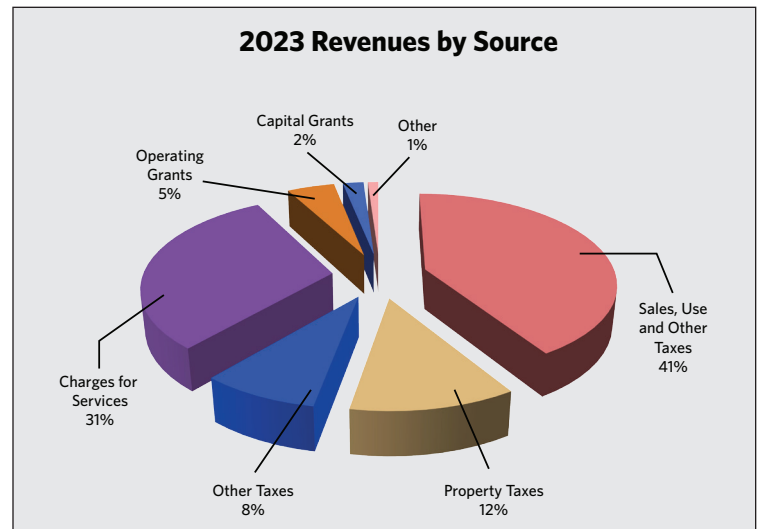
Charges for Services are payments received directly by the city for services performed. These revenues include parking charges, utility service charges and licensing fees. In 2023, charges for services decreased \$3.9 million due to a decrease in revenue collected for parking services and within the water fund.

Operating Grants are resources received from external entities and are generally restricted to finance one or more specific projects. In 2023, operating grants increased by \$3.5 million primarily due to a grant award for the Modular Factory project and increased spending related to the American Rescue Plan Act (ARPA).

Capital Grants and Contributions received by the city are used to purchase, construct or renovate specific capital assets. Capital grants decreased \$3.3 million when compared to 2022 due to the completion of capital grant-related projects in 2022.

Interest Revenues are earned on the city's fixed income investments. In 2023, interest revenues increased \$35.9 million from 2022. This was due to increased yields on portfolio investments and the accounting treatment on unrealized gains and losses.

Revenues by Source for the Year Ended December 31 over the last three years (in thousands)			
	2023	2022	2021
Sales, Use and Other Taxes	\$178,213	\$171,335	\$154,694
Property Taxes	51,273	53,398	49,803
Other Taxes	36,492	33,591	28,789
Charges for Services	133,620	137,289	124,689
Operating Grants	20,668	17,180	14,643
Capital Grants	9,096	12,443	13,108
Interest	24,748	(11,172)	(1,941)
Other	4,670	7,974	8,375
Total Revenues	\$458,780	\$422,038	\$392,160



City of Boulder FrostaSaurus Snowplow

Expenses — Where the money goes . . .

The city uses the revenue it receives to provide a variety of services to the community. A description of the city's expenses by function is provided below.

The **General Government** function increased by \$12.4 million from 2022 to 2023 mainly due to an increase in community grants funded by the American Rescue Plan Act (ARPA) and movement of expenses from Culture and Recreation Services and Administrative Services to General Government.

Public Safety includes both the police and fire departments. In 2023, Public Safety expenses decreased \$6.4 million. This increase was primarily due to an increase in salaries and wages and the construction of Fire Station #3.

Public Works comprises of costs associated with the repair, construction, acquisition and maintenance of public roads, bike paths and other city assets. Public Works expenses increased \$12.7 million in 2023 primarily due to an increase in spending related to major capital projects.

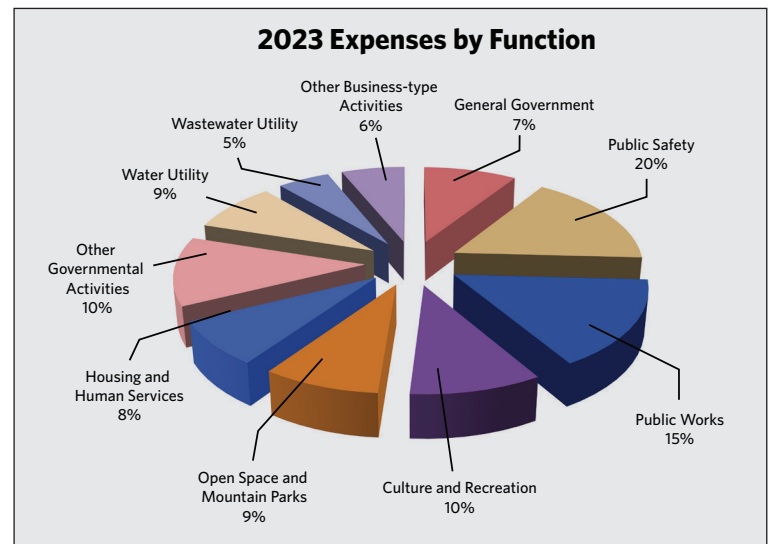
Culture and Recreation includes the operating costs of parks, libraries and senior services. Costs associated with these services increased \$2.0 million in 2023 due to the spending related to Flatirons Golf Course enhancements.

Open Space and Mountain Parks represents the cost of land acquisition, land restoration and trails management. Costs associated with these services decreased \$7.3 million in 2023, largely due to less property acquisition in 2023 compared to 2022.



Civic Area Phase 2 Project

Expenses by Function at December 31 over the last three years (in 000's)			
	2023	2022	2021
General Government	\$32,078	\$19,718	\$18,336
Public Safety	58,655	65,023	58,827
Public Works	54,807	42,098	40,121
Culture and Recreation	34,078	32,035	31,575
Open Space and Mountain Parks	30,225	22,916	24,699
Housing and Human Services	27,990	20,458	22,971
Other Governmental Activities	43,068	25,808	27,420
Water Utility	30,599	26,358	27,297
Wastewater Utility	17,980	17,299	15,976
Other Business-type Activities	21,820	17,324	17,003
Total Expenses	\$351,300	\$289,037	\$284,225



Housing and Human Services provides affordable housing and community services. Expenses increased \$7.5 million due to an increase in capital expenditures related to department projects such as property acquisition and Modular Factory construction.

Other Governmental Activities includes planning and development services, administrative services, and interest on long-term debt. In 2023, expenses increased \$17.3 million mainly due to the Workday Financials implementation and grants awarded to the community.

Water and Wastewater Utility mainly comprises the operating costs of these utilities, including annual upgrades and maintenance of water, wastewater, sewer lines and treatment plants.

Other Business-type Activities consists of flood management, parking facilities, and property and facility acquisition services. These expenses increased \$4.5 million in 2023 due to increased capital expenditures.

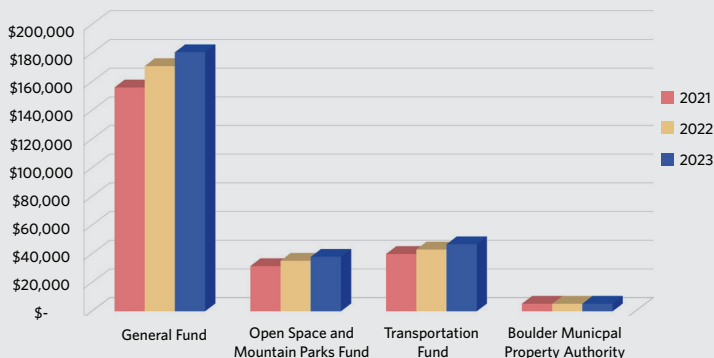
Governmental Fund Highlights

- The General Fund is the primary operating fund of the city. The fund balance of the General Fund was \$92.0 million at Dec. 31, 2023, a \$13.0 million decrease from 2022.
- The unrestricted fund balance of the General Fund was \$90.2 million. This includes the fund balance committed by City Council, the fund balance assigned by city management and any remaining unassigned fund balance. In 2023, General Fund revenues increased \$9.7 million. General Fund expenditures increased \$35.2 million due to an increase in community grants and budgeted increases to operating expenses.
- The Open Space and Mountain Parks Fund is a major special revenue fund with fund balance restricted for special purposes. The fund balance of the Open Space and Mountain Parks Fund was \$26.7 million at Dec. 31, 2023, an increase of \$2.6 million from 2022. Revenues rose \$2.7 million due to an increase in construction use tax revenue. Expenditures increased \$1.8 million due to increased spending on capital projects.
- The Transportation Fund is another major special revenue fund with fund balance restricted for special purposes. Its fund balance rose \$9.2 million to \$37.9 million at Dec. 31, 2023, while revenues increased \$3.6 million and expenditures decreased \$1.5 million. The revenue increase is attributable to the rise in sales tax revenue as well as a significant increase in interest on investments. Expenditures increased primarily due to the completion of capital construction projects in 2022.
- The Boulder Municipal Property Authority Fund is a major special revenue fund. This fund's balance is restricted to certain capital projects by bond covenants. The Boulder Municipal Property Authority's fund balance rose to \$440 thousand in 2023.

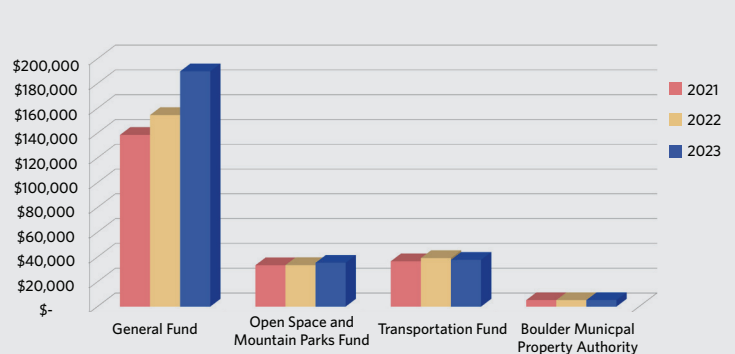


North Boulder Park Fitness Court

Revenues by Major Governmental Fund for the Year Ended December 31 over the last three years (in thousands)



Expenditures by Major Governmental Fund for the Year Ended December 31 over the last three years (in thousands)



2023 Capital Asset Highlights

Governmental Activities

- Continued construction of Flatirons Golf Course Enhancements. *\$5.6 million*
- Continued construction of North Boulder Library Branch. *\$8.0 million*
- Continued construction of City Western Campus Development. *\$13.3 million*
- Continued construction of Fire Station #3. *\$14.9 million*
- New vehicle purchases. *\$5.8 million*

Business-type Activities

- Continued construction of Albion Dam. *\$6.8 million*
- Continued construction of Barker Gravity Pipeline. *\$4.0 million*
- Main sewer improvements. *\$7.3 million*
- Continued construction of 63rd Water Treatment Facility Electrical Upgrade. *\$16.0 million*

Capital Assets as of December 31 over the last three years (net of depreciation, in thousands)

Assets	2023	2022	2021
Land and Easements	\$447,984	\$444,677	\$439,807
Buildings	106,584	111,040	110,569
Improvements Other than Buildings	59,018	63,600	66,560
Infrastructure	156,049	147,009	148,276
Utility Plant in Service and Undergrounds	463,179	453,062	423,958
Machinery, Equipment, and Vehicles	32,339	29,047	29,666
Construction in Progress	186,921	110,665	110,186
Intangibles	1,350	1,450	1,550
Software and Licensing	7,774	9,951	6,408
Total Capital Assets	\$1,461,198	\$1,370,501	\$1,336,980



Great Boulder Duck Race

Cash and Investments

The primary objective of the city's cash and investment strategy is the preservation and protection of investment principal. All investments held in 2023 met city code standards. For detailed investment requirements, see Boulder Revised Code Title 2, Chapter 10 (https://www.municode.com/library/co/boulder/codes/municipal_code).

At Dec. 31, 2023, the fair market value of the city's cash and investments was \$547.7 million with the weighted average purchase yield for the operating portfolio holdings of 2.72%. Cash and investments include bond proceeds that are invested separately because of the short-term nature of the bond project funds.

Long Term Liabilities - Debt

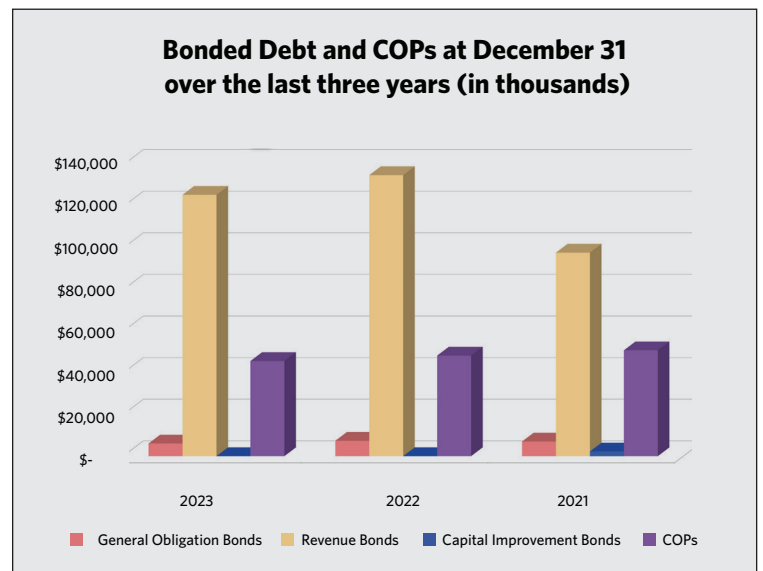
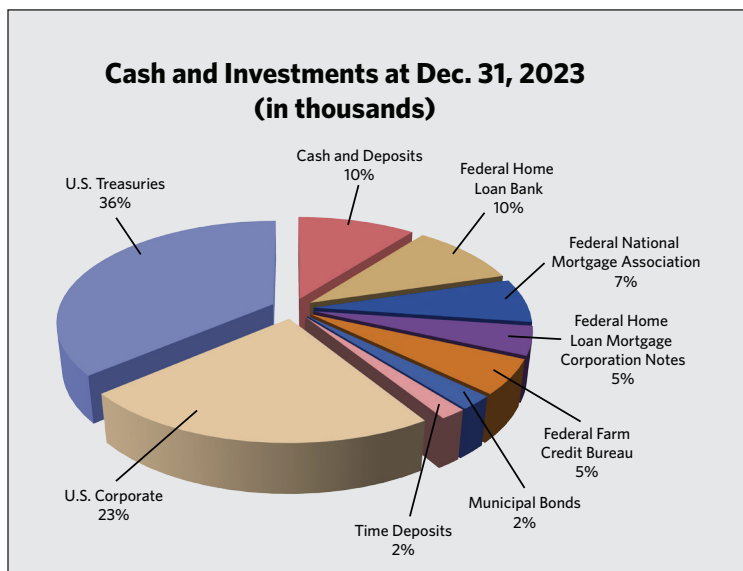
The city's general obligation bond credit rating was AAA by Standard & Poor's and Aaa by Moody's Investors Service at Dec. 31, 2023. These highly favorable investment ratings allow the city to pay less interest on its bond issuances.

According to the City Charter, the city's general obligation debt is subject to a legal limitation of three percent of total assessed real and personal property value. At Dec. 31, 2023, all of the city's bonded debt was self-supporting, meaning that the ratio of general obligation debt to assessed property value was zero.

At Dec. 31, 2023, the city had total bonded debt of \$177.5 million. Of this amount, \$6.1 million consisted of general obligation debt backed by the full faith and credit of the city. Another \$125.6 million represented bonds secured by specified revenue sources (revenue bonds). Certificates of Participation (COPs) totaled \$45.8 million at Dec. 31, 2023. Additional details can be found in Note P of the ACFR's basic financial statements.



37th and Baseline Bike Lane



Meet Your Council Members



City Council: Ryan Schuchard, Lauren Folkerts, Mark Wallach, Tina Marquis, Aaron Brockett (Mayor), Taishya Adams, Matt Benjamin, Tara Winer, and Nicole Speer (Mayor Pro Tem)

City Government

The City of Boulder is governed by nine City Council members who are elected at-large. The council appoints a full-time city manager to oversee operations (Nuria Rivera-Vandermyde), a city attorney (Teresa Tate) and a municipal judge (Jeffrey Cahn).

If you have questions about this report or need additional financial information, please contact the Finance Department of the City of Boulder by email at accounting@bouldercolorado.gov, by phone at 303-441-1812, or by mail at Finance Department, City of Boulder, P.O. Box 791, Boulder, CO 80306.

Mail to:

Office of City Council
P.O. Box 791
Boulder, CO 80306

Email:

council@bouldercolorado.gov

Mail to:

City Manager's Office
P.O. Box 791
Boulder, CO 80306

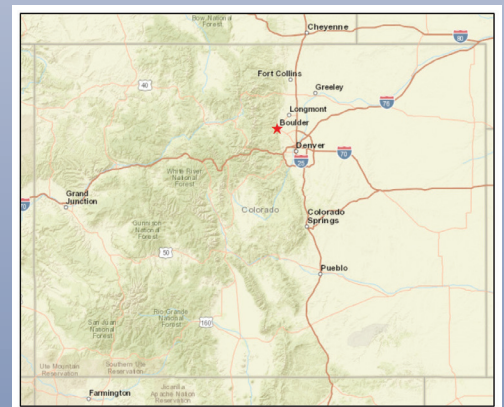
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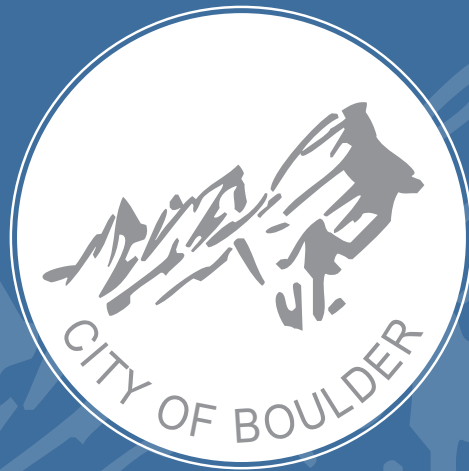
rivera-vandermyden@bouldercolorado.gov

and City Manager



Nuria Rivera-Vandermyde





Contact Information

www.BoulderColorado.gov

Animal Care & Control	303-442-4030	Non-Emergency Police	303-441-3333
Building Inspections & Permits.	303-441-1880	Office of Emergency Mgmt.	303-441-3390
City Council Office.	303-441-3002	Open Space & Mtn. Parks	303-441-3440
City Information Desk	303-441-3040	Public Works Business Services	303-441-3200
City Manager's Office.	303-441-3090	Sales Tax & License Division	303-441-4192
Finance & Budget Office	303-441-3040	Senior Services	303-441-4150
Housing	303-441-3157	Special Events Permit	303-441-3315
Human Resources	303-441-3070	Taxes & Licensing	303-441-3051
Municipal Court	303-441-1843	Connect with the City:	
Non-Emergency Fire	303-441-3350	https://bouldercolorado.gov/communications/social-media	