

TOWN OF FOWLER, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2021

TOWN OF FOWLER, COLORADO

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 8
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	9
STATEMENT OF ACTIVITIES	10
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	11
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	12
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS	13
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	14
STATEMENT OF NET POSITION – PROPRIETARY FUNDS	15
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – PROPRIETARY FUNDS	16
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS	17
STATEMENT OF FIDUCIARY NET POSITION	18
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	19
NOTES TO FINANCIAL STATEMENTS	20 - 37
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) – STATEWIDE DEFINED BENEFIT PLAN	38
SCHEDULE OF TOWN'S CONTRIBUTIONS – STATEWIDE DEFINED BENEFIT PLAN	39
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND	40
OTHER INFORMATION	
INDIVIDUAL FINANCIAL STATEMENTS - MAJOR GOVERNMENTAL FUNDS	41 - 42
COMBINING FINANCIAL STATEMENTS - NONMAJOR FUNDS	43 - 52
INDIVIDUAL FINANCIAL STATEMENTS AND BUDGET SCHEDULES – PROPRIETARY FUNDS	53 - 72
INDIVIDUAL FINANCIAL STATEMENTS - INTERNAL SERVICE FUND	73 - 75
LOCAL HIGHWAY FINANCE REPORT	76 - 77

# HANCOCK FROESE & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS  
601 SOUTH EIGHTH STREET  
ROCKY FORD, COLORADO 81067

Patrick A. Hancock CPA 719-688-0812  
Andrew H. Froese CPA 719-980-1962

## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees  
Town of Fowler, Colorado

### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Fowler, Colorado, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Town of Fowler, Colorado basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Fowler, Colorado, as of December 31, 2021, and the respective changes in financial position and, where applicable, cashflows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Town of Fowler, Colorado, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Fowler, Colorado's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Fowler, Colorado's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Fowler, Colorado's ability to continue as a going concern for a reasonable period of time.

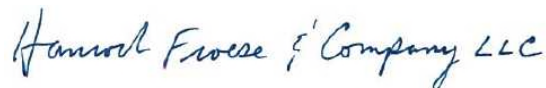
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Fowler, Colorado's basic financial statements. The combining and individual fund financial statements, budget schedules and local highway finance report 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, budget schedules and the local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



HANCOCK FROESE & COMPANY LLC

Rocky Ford, Colorado  
June 15, 2022

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

---

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Town of Fowler's (the "Town") Annual Financial Report provides readers with a narrative overview and analysis of the Town's financial performance during the fiscal year that ended on December 31, 2021. We encourage readers to consider the information presented here in conjunction with the Town of Fowler's basic financial statements and notes to the financial statements to enhance their understanding of the activities and financial health of the Town of Fowler.

### FINANCIAL HIGHLIGHTS

The Town's total net position increased from \$7,211,306 to \$7,638,765 over the course of the Town's operations in 2021.

During the year, the Town's governmental revenues generated in taxes and other revenues for governmental programs (including other financing sources) were \$30,710 more than the \$860,352 of expenditures for general government and governmental services.

The Town's business-type funds, the water, sewer, sanitation, storm drainage and natural resources funds, had an increase in total net position of \$396,749, up from \$4,147,492 in 2020 to \$4,544,241 in 2021.

### Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the Town's *Basic Financial Statements*. The Basic Financial Statements contain three components: (1), government-wide financial statements; (2), fund financial statements (including component unit statements, if applicable); and (3), notes to the financial statements. In addition, this report contains other *Required Supplementary Information*, and a *Supplemental Information* section that presents *combining statements* for non-major governmental funds and internal service funds (along with actual and budget comparison schedules).

The basic financial statements include two kinds of statements that present different views of the Town: *government-wide financial statements* and *fund financial statements*.

The first two statements are government-wide financial statements that provide both *long-term* and *short-term* information about the Town's *overall* financial status.

The remaining statements are *fund financial statements* that focus on *individual parts* of the Town government, reporting the Town's operations in more detail than the government-wide statements.

*Governmental Fund* statements tell how *general government* services like public safety, highways and streets, welfare, and cultural and recreation, were financed in the short-term as well as what remains for future spending.

*Proprietary Fund* statements offer *short-term* and *long-term* financial information about the activities the Town government operates in, similar to a private business, such as the Fowler Water Department, and the internal service funds which provide services to other departments or governmental units within the Town.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explain and support the information in the financial statements. In addition to these required components, a section is included with combining statements that provide further detail about the Town's non-major governmental funds and internal service fund, each of which are added together and presented in single columns in each of the basic financial statements.

### Government-wide Statements

The government-wide statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Town's net position and how they have changed. Net position, the difference between the Town's assets and liabilities, is one way to measure the Town's financial health or current position.

Over time, increases or decreases in the Town's net position is an indicator of whether its financial health is improving or deteriorating, respectively.

To assess the overall health of the Town, consideration should be given to additional non-financial factors such as changes in the Town's property tax base and the condition of the Town's streets, sewer mains, and water treatment and distribution systems.

The government-wide financial statements of the Town are divided into three categories.

1. *Governmental Activities.* Most of the Town's basic services are included in governmental activities such as public safety, streets, recreation and general administration. Property and sales taxes and state and federal grants finance most of these activities.
2. *Business-type Activities.* The Town charges fees to customers to help cover the costs of certain services it provides. The Town's water, sewer, sanitation, storm drainage, and natural resources enterprise funds are included here.
3. *Component Units.* Component units are legally separate organizations for which the Town's Board is financially accountable. Currently, the Town has no component units.

### Fund Financial Statements

The fund financial statements provide more detailed information about the Town's most significant funds, the Town as a whole. Funds are accounting devices that the Town uses to keep track of specific sources of funding and spending for particular purposes.

Some funds are required by state law and by bond covenants.

The Town Council establishes other funds to show that certain taxes and grants are used appropriately (i.e. Special Revenue Funds).

The Town reports the following kinds of funds:

1. *Governmental Funds.* Most of the Town's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. Because this information does not encompass the additional long-term focus of the government-wide funds statement that explains the relationship (or differences) between the two types of statements.
2. *Proprietary Funds.* Services for which the Town charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.

The Town's Enterprise Funds are classified as business-type activities on the government-wide statements, but more detailed information is provided in the Proprietary Fund Statements, such as its cash flows.

3. *Internal Service Fund.* Internal service fund is used to accumulate and allocate costs internally among the Town's functions. The Town uses the internal service fund to account for data processing and fleet management services provided to other departments or agencies of the Town, or to other governments, on a cost reimbursement basis. Because the internal service fund predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the Government-wide financial statements.

The internal service fund is combined into a single aggregated column presentation. Individual fund data for the internal service fund is provided in the form of combining statements presented in the supplemental information portion of the report

4. *Fiduciary Fund* - The Town is the agent, or fiduciary, for assets that belong to others. The Town is responsible for ensuring that the assets reported in this fund are used only for their intended purposes and by those to whom the assets belong. The Town excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations. The Town uses fiduciary funds to account for resources that can be used to purchase health and safety items.

### Financial Analysis of the Town as a Whole

**Net Position:** As discussed earlier, net position may serve as a useful indicator of a government's financial position. As of December 31, 2021, total Town's net position was \$7,638,765, the governmental activity net position was \$3,094,524 and business-type activities net position was \$4,544,241. The table below provides a comparative summary of the Town's Governmental and Business-type net position for 2021 and 2020:

The 2021 MD&A presentation includes comparative changes in net position for the past two years below:

Statement of Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets						
Current and other	\$ 1,356,159	\$ 968,003	\$ 3,460,156	\$ 3,202,019	\$ 4,816,315	\$ 4,170,022
Capital Assets	\$ 2,033,913	\$ 2,139,998	\$ 3,618,399	\$ 3,668,295	\$ 5,652,312	\$ 5,808,293
Total Assets	\$ 3,390,072	\$ 3,108,001	\$ 7,078,555	\$ 6,870,314	\$ 10,468,627	\$ 9,978,315
Deferred Outflows of Resources	\$ 28,782	\$ 33,368	\$ -	\$ -	\$ 28,782	\$ 33,368
Total Assets and Deferred Outflows	\$ 3,418,854	\$ 3,141,369	\$ 7,078,555	\$ 6,870,314	\$ 10,497,409	\$ 10,011,683
Liabilities						
Current Liab.	\$ 163,680	\$ (65,710)	\$ 234,317	\$ 275,610	\$ 397,997	\$ 209,900
Long-term Liab.	\$ 57,462	\$ 63,657	\$ 2,299,997	\$ 2,447,212	\$ 2,357,459	\$ 2,510,869
Total Liabilities	\$ 221,142	\$ (2,053)	\$ 2,534,314	\$ 2,722,822	\$ 2,755,456	\$ 2,720,769
Deferred Inflows of Resources	\$ 103,188	\$ 79,608	\$ -	\$ -	\$ 103,188	\$ 79,608
Net Position						
Net Investment in Capital Assets	\$ 1,970,257	\$ 2,070,666	\$ 2,408,896	\$ 2,320,580	\$ 4,379,153	\$ 4,391,246
Restricted	\$ 65,101	\$ 48,507	\$ 951,295	\$ 782,725	\$ 1,016,396	\$ 831,232
Unrestricted	\$ 1,059,166	\$ 944,641	\$ 1,184,050	\$ 1,044,187	\$ 2,243,216	\$ 1,988,828
Total Net Position	\$ 3,094,524	\$ 3,063,814	\$ 4,544,241	\$ 4,147,492	\$ 7,638,765	\$ 7,211,306
Total Liabilities, Deferred Inflows & Net Position	\$ 3,418,854	\$ 3,141,369	\$ 7,078,555	\$ 6,870,314	\$ 10,497,409	\$ 10,011,683

A significant portion 57% of the net position represents the *net investment in capital asset*. This includes land, buildings, machinery and equipment, and infrastructure assets, offset with associated long-term and short-term debt liabilities. Capital assets are restricted for the purpose of providing services to the citizens of Fowler; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Other *restricted net position* represents resources that are subject to external restrictions on how they may be used. Included in this category are restricted amounts for conservation trust, TABOR emergency fund, facility fees and debt service. This portion makes up 14% of the total.

The remaining 29% of net position represent the *unrestricted* portion available for the Town's ongoing obligations to its citizens.

At the end of 2021, the Town of Fowler had positive balances in all three categories of net position.

### Changes in Revenues and Expenditures

The table below presents the Town's 2021 revenues and expenditures for Governmental and Business-type activities as they are reported in the Statement of Activities compared to 2020. The revenues and expenditures include the Governmental Funds (General Fund, and Special Revenue Funds) and the Enterprise Funds (Water Utility Fund, Sewer Utility Fund, Sanitation Utility Fund, Storm Drainage Fund, and Natural Resource Fund).

The 2021 MD&A presentation includes changes in revenues and expenditures for the past two years below:

	Changes in Revenues and Expenditures					
	Governmental Activities		Business-Type Activities		Total	
REVENUES	2021	2020	2021	2020	2021	2020
<b>Governmental Revenues:</b>						
Charges for Services	\$ 39,880	\$ 22,475			\$ 39,880	\$ 32,475
Operating Grants & Contributions	\$ 74,882	\$ 72,486			\$ 74,882	\$ 72,486
Taxes	\$ 620,815	\$ 579,173			\$ 620,815	\$ 579,173
Fees & Fines	\$ 57,581	\$ 34,640			\$ 57,581	\$ 34,640
Other	\$ 97,904	\$ 27,358			\$ 97,904	\$ 27,358
<b>Total Government Revenues</b>	<b>\$ 891,062</b>	<b>\$ 736,132</b>			<b>\$ 891,062</b>	<b>\$ 736,132</b>
<b>Business-type Revenues</b>						
Charges for Services			\$ 1,077,956	\$ 1,039,850	\$ 1,077,956	\$ 1,039,850
Other			\$ 12,993	\$ 8,686	\$ 12,993	\$ 8,686
Grants & Contributions			\$ -	\$ -	\$ -	\$ -
<b>Total Business-type Revenues</b>			<b>\$ 1,090,949</b>	<b>\$ 1,048,536</b>	<b>\$ 1,090,949</b>	<b>\$ 1,048,536</b>
<b>TOTAL REVENUES</b>	<b>\$ 891,062</b>	<b>\$ 736,132</b>	<b>\$ 1,090,949</b>	<b>\$ 1,048,536</b>	<b>\$ 1,982,011</b>	<b>\$ 1,784,668</b>
<b>Government Expenditures</b>						
General Government	\$ 293,782	\$ 244,151			\$ 293,782	\$ 244,151
Public Safety	\$ 219,201	\$ 92,456			\$ 219,201	\$ 92,456
Public Works	\$ 105,266	\$ 157,515			\$ 105,266	\$ 157,515
Culture and Recreation	\$ 170,158	\$ 149,260			\$ 170,158	\$ 149,260
Interest	\$ 2,543	\$ 2,987			\$ 2,543	\$ 2,987
<b>Total Government Expenditures</b>	<b>\$ 790,950</b>	<b>\$ 646,369</b>			<b>\$ 790,950</b>	<b>\$ 646,369</b>
<b>Business-type Expenditures</b>						
Personal Services,						
Materials, Supplies			\$ 620,274	\$ 632,041	\$ 620,274	\$ 632,041
Net Depreciation			\$ 143,328	\$ 134,106	\$ 143,328	\$ 134,106
<b>Total Business-type Expenditures</b>			<b>\$ 763,602</b>	<b>\$ 766,147</b>	<b>\$ 763,602</b>	<b>\$ 766,147</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 790,950</b>	<b>\$ 646,369</b>	<b>\$ 763,602</b>	<b>\$ 766,147</b>	<b>\$ 1,554,552</b>	<b>\$ 1,412,516</b>
<b>EXCESS (DEFICIENCY) BEFORE TRANSFERS &amp; SPECIAL ITEM</b>	<b>\$ 100,112</b>	<b>\$ 89,763</b>	<b>\$ 327,347</b>	<b>\$ 282,389</b>	<b>\$ 427,459</b>	<b>\$ 372,152</b>
Transfers In (Out)	\$ (69,402)	\$ 81,180	\$ 69,402	\$ (81,180)	\$ -	\$ -
Special Item	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>CHANGE IN NET POSITION</b>	<b>\$ 30,710</b>	<b>\$ 70,943</b>	<b>\$ 396,749</b>	<b>\$ 201,209</b>	<b>\$ 427,459</b>	<b>\$ 372,152</b>
<b>NET POSITION – BEGINNING</b>	<b>\$ 3,063,814</b>	<b>\$ 2,892,871</b>	<b>\$ 4,147,492</b>	<b>\$ 3,946,283</b>	<b>\$ 7,211,306</b>	<b>\$ 6,839,154</b>
<b>NET POSITION - ENDING</b>	<b>\$ 3,094,524</b>	<b>\$ 3,063,814</b>	<b>\$ 4,544,241</b>	<b>\$ 4,147,492</b>	<b>\$ 7,638,765</b>	<b>\$ 7,211,306</b>

*Governmental Activities:* Governmental activities accounted for \$30,710 of revenues over expenses for 2021. Total revenues from governmental activities including the general fund and other governmental funds amounted to \$891,062. Total expenses for governmental activities in 2021 including the general fund and other governmental funds amounted to \$860,352.

*Business-type Activities:* The business activities had revenues in excess of expenses of \$396,749 in 2021 due to current year operations.

The Water Utility Fund had revenues in excess of expenses of 7,426 due to an increase in operating revenues in 2021 compared to 2020.

The Sewer Utility Fund had revenues in excess of expenses of \$259,803 due to an increase in operating revenue in 2021 compared to 2020.

The Sanitation Utility Fund had revenues in excess of expenses of 989.

The Storm Drainage Fund had revenues in excess of expenses of 7,187 due to a transfer in of \$5,573 in 2021.

The Natural Resource Fund had revenues in excess of expenses of \$121,344 due to a slight increase in operating revenue in 2021 compared to 2020.

### Financial Analysis of the Town's Funds

**Governmental Funds Overview:** The Town of Fowler uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As described earlier, the Town's governmental funds provide information on short-term inflows and outflows, as well as what remains for future spending. Such information is useful in assessing the Town's financial requirements. For example, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The following information is supplemental to the information presented in the previous section.

At the end of 2021, the Town of Fowler reported a fund balance for total governmental funds of \$1,091,277 compared to \$971,090 in 2020. Of the total fund balance, \$636,418 is unassigned which is the portion of fund balance that serves as a measure of current available financial resources. The fund balance is further divided into restricted and assigned. The assigned portion of \$389,758 are resources the government intends to use for a specific purpose.

The restricted fund balance represents resources not available for spending or those on which legal restrictions have been placed. The Town's restricted fund balance includes the following: restricted for emergencies- Tabor \$18,000; and restricted for conservation trust \$47,101.

**General Fund:** The General Fund of the Town accounts for all transactions not accounted for in other funds. As the Town's major operating fund, the General Fund accounts for ordinary operating expenditures financed primarily by property and sales taxes and charges for services. The General Fund completed the year with a fund balance of \$654,418. This was an increase of \$52,814 from the previous year's fund balance of \$601,604. The General Fund had total budgeted revenues (excluding transfers) of \$684,944 and actual revenues of \$719,733 (excluding transfers) and total budgeted expenditures (excluding transfers) of \$695,245 and actual expenditures of \$574,428 (excluding transfers).

**Proprietary Funds Overview:** The proprietary funds are used to account for activities similar to those found in the private sector where determination of net income is necessary or useful to sound financial administration. The Town has one type of proprietary fund, consisting of Enterprise Funds. The Town's proprietary fund statements provide the same type of information found in the government-wide statements, but in more detail.

**Enterprise Funds:** The Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing goods or services to the general public are being financed or recovered primarily through users' charges on a continuing basis. The Town of Fowler has five enterprise funds: In 2021 the Water Utility Fund had an unrestricted net position of \$213,234, the Sewer Utility Fund with an unrestricted net position of \$518,990, the Sanitation Utility Fund with an unrestricted net position of \$81,335, the Storm Drainage Fund with an unrestricted net position of \$34,092 and the Natural Resources Fund with an unrestricted net position of \$336,399.

### **Capital Asset and Debt Administration**

#### **Capital Assets**

At the end of 2021, the Town had acquired \$5,652,312 (net of accumulated depreciation) in a broad range of capital assets for its governmental and business-type activities, including land, buildings, park facilities, roads, heavy machinery, vehicle and equipment.

1. The total change in net capital assets for 2021 was a decrease of \$155,981.
2. Additional information on the Town's net position can be found in Notes 1 and 3 of the Notes to Financial Statements.

#### **Long-Term Debt**

At December 31, 2021, the Town of Fowler had outstanding long-term debt in the governmental-type and business-type activities of \$63,656 and \$2,458,244, respectively. More detailed information is presented in Note 4.

### **Economic Factors and Next Year's Budgets and Rates**

The 2022 budget reflects General Fund revenues and expenditures that are comparable to prior years. The Town continues to focus on savings in fuel, repairs and maintenance and other operating expenses in order to create savings that will be utilized to move the general fund, as well as other funds, into a stronger cash position.

### **Contacting the Town's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Clerk/Administrator, 114 E. Cranston Ave, Fowler, CO 81039.

## **BASIC FINANCIAL STATEMENTS**

## TOWN OF FOWLER, COLORADO

## STATEMENT OF NET POSITION

DECEMBER 31, 2021

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<b>ASSETS</b>			
CASH OR EQUIVALENTS	\$ 1,171,337	\$ 1,161,951	\$ 2,333,288
CASH WITH TRUSTEE	-	1,201,241	1,201,241
RECEIVABLES - NET:			
ACCOUNTS / OTHER	82,649	122,361	205,010
PROPERTY TAXES	69,600	-	69,600
PREPAID EXPENSES	-	7,993	7,993
INVENTORY	-	56,615	56,615
RESTRICTED ASSETS	-	909,995	909,995
NET PENSION ASSET	32,573	-	32,573
CAPITAL ASSETS	4,763,778	6,961,088	11,724,866
ACCUMULATED DEPRECIATION	(2,729,865)	(3,342,689)	(6,072,554)
<b>TOTAL ASSETS</b>	<b>3,390,072</b>	<b>7,078,555</b>	<b>10,468,627</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
PENSION RELATED	28,782	-	28,782
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$ 3,418,854</b>	<b>\$ 7,078,555</b>	<b>\$ 10,497,409</b>
<b>LIABILITIES</b>			
ACCOUNTS PAYABLE	\$ 23,240	\$ 11,169	\$ 34,409
INTERNAL PAYABLES (RECEIVABLES)	(31,817)	31,817	-
ACCRUED EXPENSES	10,249	24,817	35,066
UNEARNED REVENUES	143,395	-	143,395
COMPENSATED ABSENCES	12,419	8,267	20,686
NON CURRENT LIABILITIES:			
DUE WITHIN ONE YEAR	6,194	158,247	164,441
DUE IN MORE THAN ONE YEAR	57,462	2,299,997	2,357,459
<b>TOTAL LIABILITIES</b>	<b>221,142</b>	<b>2,534,314</b>	<b>2,755,456</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
PENSION RELATED	33,588	-	33,588
DEFERRED REVENUES - PROPERTY TAXES	69,600	-	69,600
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>103,188</b>	<b>-</b>	<b>103,188</b>
<b>NET POSITION</b>			
NET INVESTMENT IN CAPITAL ASSETS	1,970,257	2,408,896	4,379,153
RESTRICTED FOR:			
DEBT SERVICE	-	96,073	96,073
EMERGENCIES - TABOR	18,000	-	18,000
CULTURE AND RECREATION	47,101	-	47,101
FACILITY FEES AND WATER SURCHARGE	-	855,222	855,222
UNRESTRICTED	1,059,166	1,184,050	2,243,216
<b>TOTAL NET POSITION</b>	<b>3,094,524</b>	<b>4,544,241</b>	<b>7,638,765</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>	<b>\$ 3,418,854</b>	<b>\$ 7,078,555</b>	<b>\$ 10,497,409</b>

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF FOWLER, COLORADO  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2021

FUNCTIONS/PROGRAMS	PROGRAM REVENUE			NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	PRIMARY GOVERNMENT BUSINESS-TYPE ACTIVITIES	TOTAL
<b>GOVERNMENTAL ACTIVITIES:</b>							
GENERAL GOVERNMENT	\$ 293,782	\$ 2,523	\$ -	\$ -	\$ (291,259)	\$ -	\$ (291,259)
PUBLIC WORKS	105,266	-	53,307	-	(51,959)	-	(51,959)
PUBLIC SAFETY	219,201	-	-	-	(219,201)	-	(219,201)
CULTURE AND RECREATION	170,158	37,357	21,575	-	(111,226)	-	(111,226)
INTEREST ON LONG TERM DEBT	2,543	-	-	-	(2,543)	-	(2,543)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>790,950</b>	<b>39,880</b>	<b>74,882</b>	<b>-</b>	<b>(676,188)</b>	<b>-</b>	<b>(676,188)</b>
<b>BUSINESS-TYPE ACTIVITIES:</b>							
WATER FUND	382,246	329,488	-	-	-	(52,758)	(52,758)
SEWER FUND	239,446	454,636	-	-	-	215,190	215,190
SANITATION FUND	42,583	44,709	-	-	-	2,126	2,126
STORM DRAINAGE FUND	9,271	10,864	-	-	-	1,593	1,593
NATURAL RESOURCES FUND	90,056	238,259	-	-	-	148,203	148,203
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>763,602</b>	<b>1,077,956</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>314,354</b>	<b>314,354</b>
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 1,554,552</b>	<b>\$ 1,117,836</b>	<b>\$ 74,882</b>	<b>\$ -</b>	<b>(676,188)</b>	<b>314,354</b>	<b>(361,834)</b>
<b>GENERAL REVENUES</b>							
PROPERTY TAXES					70,948	-	70,948
SALES AND USE TAXES					471,029	-	471,029
FRANCHISE TAXES					56,196	-	56,196
OTHER TAXES					22,642	-	22,642
FINES AND FORFEITS					57,581	-	57,581
EARNINGS ON INVESTMENTS					5,589	3,374	8,963
OTHER REVENUES					92,315	9,619	101,934
TRANSFERS IN (OUT)					(69,402)	69,402	-
<b>TOTAL GENERAL REVENUES, TRANSFERS AND SPECIAL ITEM</b>					<b>706,898</b>	<b>82,395</b>	<b>789,293</b>
<b>CHANGE IN NET POSITION</b>					<b>30,710</b>	<b>396,749</b>	<b>427,459</b>
<b>NET POSITION JANUARY 1</b>					<b>3,063,814</b>	<b>4,147,492</b>	<b>7,211,306</b>
<b>NET POSITION DECEMBER 31</b>					<b>\$ 3,094,524</b>	<b>\$ 4,544,241</b>	<b>\$ 7,638,765</b>

TOWN OF FOWLER, COLORADO

GOVERNMENTAL FUNDS

BALANCE SHEET

DECEMBER 31, 2021

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>			
CASH OR EQUIVALENTS	\$ 734,707	\$ 416,532	\$ 1,151,239
RECEIVABLES:			
ACCOUNTS	82,514	-	82,514
PROPERTY TAXES	69,600	-	69,600
ACCRUED INTEREST	135	-	135
DUE FROM OTHER FUNDS	34,000	30,985	64,985
<b>TOTAL ASSETS</b>	<b>\$ 920,956</b>	<b>\$ 447,517</b>	<b>\$ 1,368,473</b>
<b>LIABILITIES</b>			
ACCOUNTS PAYABLE	\$ 22,532	\$ 708	\$ 23,240
ACCRUED EXPENSES	7,793	-	7,793
UNEARNED REVENUE	143,395	-	143,395
DUE TO OTHER FUNDS	23,218	9,950	33,168
<b>TOTAL LIABILITIES</b>	<b>196,938</b>	<b>10,658</b>	<b>207,596</b>
DEFERRED INFLOWS OF RESOURCES			
DEFERRED PROPERTY TAXES	69,600	-	69,600
<b>FUND BALANCE</b>			
RESTRICTED FOR:			
EMERGENCIES	18,000	-	18,000
CONSERVATION TRUST	-	47,101	47,101
ASSIGNED			
LIBRARY	-	129,715	129,715
CEMETERY	-	89,275	89,275
POOL & RECREATION	-	170,768	170,768
UNASSIGNED	636,418	-	636,418
<b>TOTAL FUND BALANCE</b>	<b>654,418</b>	<b>436,859</b>	<b>1,091,277</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>	<b>\$ 920,956</b>	<b>\$ 447,517</b>	<b>\$ 1,368,473</b>

TOWN OF FOWLER, COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION

DECEMBER 31, 2021

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION  
ARE DIFFERENT BECAUSE:

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS \$ 1,091,277

CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES ARE NOT FINANCIAL  
RESOURCES AND THEREFORE ARE NOT REPORTED IN FUNDS.

THE COST OF CAPITAL ASSETS IS	\$ 4,763,778	
ACCUMULATED DEPRECIATION IS	<u>(2,729,865)</u>	2,033,913

INTERNAL SERVICE FUNDS ARE USED BY MANAGEMENT TO CHARGE THE COSTS  
OF CERTAIN DATA PROCESSING AND FLEET MANAGEMENT SERVICES PROVIDED  
TO OTHER DEPARTMENTS. THE ASSETS AND LIABILITIES OF THE INTERNAL  
SERVICES FUND ARE INCLUDED IN GOVERNMENTAL ACTIVITIES IN THE STATEMENT  
OF NET POSITION 20,098

LONG-TERM LIABILITIES ARE NOT DUE AND PAYABLE IN THE CURRENT PERIOD  
AND THEREFORE ARE NOT REPORTED IN THE FUNDS.

LONG TERM DEBT	(63,656)	
COMPENSATED ABSENCES	(12,419)	
ACCRUED INTEREST ON THE LEASES	(2,456)	
DEFERRED INFLOWS - PENSION RELATED AMOUNTS	(33,588)	
DEFERRED OUTFLOWS - PENSION RELATED AMOUNTS	28,782	
NET PENSION ASSET	<u>32,573</u>	<u>(50,764)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 3,094,524

TOWN OF FOWLER, COLORADO

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED DECEMBER 31, 2021

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES			
TAXES	\$ 465,697	\$ 155,118	\$ 620,815
LICENSES AND PERMITS	15,681	-	15,681
INTERGOVERNMENTAL	53,307	13,846	67,153
CHARGES FOR SERVICES	39,053	827	39,880
FINES	57,581	-	57,581
GRANTS	-	7,729	7,729
OTHER	88,414	4,309	92,723
TOTAL REVENUES	<u>719,733</u>	<u>181,829</u>	<u>901,562</u>
EXPENDITURES			
GENERAL GOVERNMENT	231,286	-	231,286
PUBLIC SAFETY	219,201	-	219,201
PUBLIC WORKS	33,211	-	33,211
CULTURE AND RECREATION	63,648	78,750	142,398
DEBT SERVICE:			
PRINCIPAL	5,675	-	5,675
INTEREST	2,863	-	2,863
CAPITAL OUTLAY	18,544	43,795	62,339
TOTAL EXPENDITURES	<u>574,428</u>	<u>122,545</u>	<u>696,973</u>
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	<u>145,305</u>	<u>59,284</u>	<u>204,589</u>
OTHER FINANCING SOURCES (USES)			
TRANSFERS IN	20,000	31,543	51,543
TRANSFERS OUT	(112,491)	(23,454)	(135,945)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(92,491)</u>	<u>8,089</u>	<u>(84,402)</u>
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	52,814	67,373	120,187
FUND BALANCE JANUARY 1	<u>601,604</u>	<u>369,486</u>	<u>971,090</u>
FUND BALANCE DECEMBER 31	<u>\$ 654,418</u>	<u>\$ 436,859</u>	<u>\$ 1,091,277</u>

TOWN OF FOWLER, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO  
THE STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2021

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES  
ARE DIFFERENT BECAUSE:

NET CHANGE IN FUND BALANCE	\$	120,187
----------------------------	----	---------

GOVERNMENTAL FUNDS REPORT CAPITAL OUTLAYS AS EXPENDITURES. HOWEVER, IN  
THE STATEMENT OF ACTIVITIES THE COST OF THOSE ASSETS IS ALLOCATED OVER THEIR  
ESTIMATED USEFUL LIVES AND REPORTED AS DEPRECIATION EXPENSE. THIS IS THE  
AMOUNT BY WHICH CAPITAL OUTLAY EXCEEDED DEPRECIATION IN THE CURRENT PERIOD.

CAPITAL OUTLAY	\$ 53,119	
DEPRECIATION EXPENSE AND DISPOSALS	<u>(147,831)</u>	(94,712)

SOME EXPENSES REPORTED IN THE STATEMENT OF ACTIVITIES DO NOT REQUIRE THE  
USE OF CURRENT FINANCIAL RESOURCES AND THEREFORE, ARE NOT REPORTED AS  
EXPENDITURES IN THE GOVERNMENTAL FUNDS

DEBT PAYMENTS	5,675	
COMPENSATED ABSENCES	(2,059)	
ACCRUED INTEREST EXPENSE	320	
PENSION RELATED AMOUNTS	<u>(2,328)</u>	1,608

THE NET REVENUES (LOSS) OF CERTAIN ACTIVITIES OF THE INTERNAL SERVICE FUND IS REPORTED WITH GOVERNMENTAL ACTIVITIES.	<u>3,627</u>
---	--------------

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 30,710</u>
--	------------------

## TOWN OF FOWLER, COLORADO

## PROPRIETARY FUNDS

## STATEMENT OF NET POSITION

DECEMBER 31, 2021

	BUSINESS-TYPE ACTIVITIES -		
	WATER	SEWER	SANITATION
CURRENT ASSETS			
CASH OR EQUIVALENTS	\$ 166,567	\$ 514,882	\$ 128,319
CASH WITH TRUSTEE	-	1,201,241	-
ACCOUNTS RECEIVABLE	37,765	56,098	5,387
PREPAID EXPENSES	7,993	-	-
INVENTORY	56,615	-	-
TOTAL CURRENT ASSETS	<u>268,940</u>	<u>1,772,221</u>	<u>133,706</u>
RESTRICTED ASSETS			
RESTRICTED CASH	<u>289,056</u>	<u>620,939</u>	<u>-</u>
PROPERTY AND EQUIPMENT- AT COST			
LAND, WATER SYSTEM, AND EQUIPMENT - AT COST	3,288,809	1,874,220	-
ACCUMULATED DEPRECIATION	<u>(2,011,797)</u>	<u>(1,280,506)</u>	<u>-</u>
NET PROPERTY AND EQUIPMENT	<u>1,277,012</u>	<u>593,714</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 1,835,008</u>	<u>\$ 2,986,874</u>	<u>\$ 133,706</u>
CURRENT LIABILITIES			
ACCOUNTS PAYABLE	\$ 1,392	\$ 5,487	\$ 4,290
COMPENSATED ABSENCES	5,688	2,579	-
ACCRUED INTEREST PAYABLE	2,825	-	-
DUE TO OTHER FUNDS	28,401	2,624	581
NOTES PAYABLE - CURRENT	11,960	70,000	-
LEASE PAYABLE - CURRENT	9,754	-	-
ACCRUED LANDFILL COSTS - CURRENT	-	-	4,750
TOTAL CURRENT LIABILITIES	<u>60,020</u>	<u>80,690</u>	<u>9,621</u>
TERM LIABILITIES			
NOTE PAYABLE	25,755	840,000	-
LEASE PAYABLE	74,831	-	-
ACCRUED LANDFILL COSTS	-	-	42,750
TOTAL TERM LIABILITIES	<u>100,586</u>	<u>840,000</u>	<u>42,750</u>
CUSTOMER DEPOSITS	<u>17,400</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>178,006</u>	<u>920,690</u>	<u>52,371</u>
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	1,154,712	884,955	-
RESTRICTED FOR:			
FACILITY FEES	182,806	620,939	-
WATER SURCHARGE	51,477	-	-
DEBT SERVICE	54,773	41,300	-
UNRESTRICTED	213,234	518,990	81,335
TOTAL NET POSITION	<u>1,657,002</u>	<u>2,066,184</u>	<u>81,335</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,835,008</u>	<u>\$ 2,986,874</u>	<u>\$ 133,706</u>

SEE NOTES TO FINANCIAL STATEMENTS

ENTERPRISE FUNDS			GOVERNMENTAL
STORM	NATURAL		ACTIVITIES
DRAINAGE	RESOURCES	TOTAL	INTERNAL SERVICE
			FUND
\$ 33,621	\$ 318,562	\$ 1,161,951	\$ 20,098
-	-	1,201,241	-
682	22,429	122,361	-
-	-	7,993	-
-	-	56,615	-
<u>34,303</u>	<u>340,991</u>	<u>2,550,161</u>	<u>20,098</u>
-	-	909,995	-
-	1,798,059	6,961,088	113,718
-	(50,386)	(3,342,689)	(97,626)
-	<u>1,747,673</u>	<u>3,618,399</u>	<u>16,092</u>
<u>\$ 34,303</u>	<u>\$ 2,088,664</u>	<u>\$ 7,078,555</u>	<u>\$ 36,190</u>
\$ -	\$ -	\$ 11,169	\$ -
-	-	8,267	-
-	3,692	6,517	-
211	-	31,817	-
-	61,783	143,743	-
-	-	9,754	-
-	-	4,750	-
<u>211</u>	<u>65,475</u>	<u>216,017</u>	<u>-</u>
-	1,316,661	2,182,416	-
-	-	74,831	-
-	-	42,750	-
-	<u>1,316,661</u>	<u>2,299,997</u>	<u>-</u>
-	900	18,300	-
<u>211</u>	<u>1,383,036</u>	<u>2,534,314</u>	<u>-</u>
-	369,229	2,408,896	16,092
-	-	803,745	-
-	-	51,477	-
-	-	96,073	-
<u>34,092</u>	<u>336,399</u>	<u>1,184,050</u>	<u>20,098</u>
<u>34,092</u>	<u>705,628</u>	<u>4,544,241</u>	<u>36,190</u>
<u>\$ 34,303</u>	<u>\$ 2,088,664</u>	<u>\$ 7,078,555</u>	<u>\$ 36,190</u>

TOWN OF FOWLER, COLORADO

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEAR ENDED DECEMBER 31, 2021

	BUSINESS-TYPE ACTIVITIES -		
	WATER	SEWER	SANITATION
OPERATING REVENUES			
CHARGES FOR SERVICES	\$ 329,488	\$ 454,636	\$ 44,709
RENT	-	-	-
TOTAL OPERATING REVENUES	<u>329,488</u>	<u>454,636</u>	<u>44,709</u>
OPERATING EXPENSES			
PERSONAL SERVICES, MATERIALS, SUPPLIES	316,673	164,901	42,583
DEPRECIATION	<u>61,585</u>	<u>74,545</u>	<u>-</u>
TOTAL OPERATING EXPENSES	<u>378,258</u>	<u>239,446</u>	<u>42,583</u>
OPERATING INCOME (LOSS)	<u>(48,770)</u>	<u>215,190</u>	<u>2,126</u>
NONOPERATING REVENUES (EXPENSE)			
INTEREST INCOME	1,558	1,524	63
INTEREST EXPENSE	(3,988)	-	-
OTHER	<u>7,575</u>	<u>2,044</u>	<u>-</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>5,145</u>	<u>3,568</u>	<u>63</u>
INCOME BEFORE TRANSFERS	<u>(43,625)</u>	<u>218,758</u>	<u>2,189</u>
TRANSFERS IN (OUT)	<u>51,051</u>	<u>41,045</u>	<u>(1,200)</u>
CHANGE IN NET POSITION	<u>7,426</u>	<u>259,803</u>	<u>989</u>
NET POSITION JANUARY 1	<u>1,649,576</u>	<u>1,806,381</u>	<u>80,346</u>
NET POSITION DECEMBER 31	<u>\$ 1,657,002</u>	<u>\$ 2,066,184</u>	<u>\$ 81,335</u>

SEE NOTES TO FINANCIAL STATEMENTS

ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITY INTERNAL SERVICE FUND
STORM DRAINAGE	NATURAL RESOURCES	TOTAL	
\$ 10,864	\$ 159,149	\$ 998,846	\$ -
-	79,110	79,110	-
10,864	238,259	1,077,956	-
9,271	1,064	534,492	-
-	7,198	143,328	11,373
9,271	8,262	677,820	11,373
1,593	229,997	400,136	(11,373)
21	208	3,374	-
-	(81,794)	(85,782)	-
-	-	9,619	-
21	(81,586)	(72,789)	-
1,614	148,411	327,347	(11,373)
5,573	(27,067)	69,402	15,000
7,187	121,344	396,749	3,627
26,905	584,284	4,147,492	32,563
\$ 34,092	\$ 705,628	\$ 4,544,241	\$ 36,190

TOWN OF FOWLER, COLORADO  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 YEAR ENDED DECEMBER 31, 2021

	<u>BUSINESS-TYPE ACTIVITIES -</u>		
	<u>WATER</u>	<u>SEWER</u>	<u>SANITATION</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
CASH RECEIVED FROM CUSTOMERS	\$ 331,649	\$ 459,163	\$ 45,026
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(204,503)	(104,055)	(24,690)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(106,987)	(66,703)	(15,012)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>20,159</u>	<u>288,405</u>	<u>5,324</u>
CASH FLOWS FROM NONCAPITAL AND OTHER FINANCING ACTIVITIES			
TRANSFERS IN (OUT)	11,681	41,045	(1,200)
NET CASH PROVIDED (USED) BY NONCAPITAL AND OTHER FINANCING ACTIVITIES	<u>11,681</u>	<u>41,045</u>	<u>(1,200)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
ACQUISITION OF CAPITAL ASSETS	(8,347)	(85,085)	-
INTEREST PAID ON DEBT	(4,324)	-	-
PRINCIPAL PAID ON DEBT	(20,771)	(70,000)	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(33,442)</u>	<u>(155,085)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
INTEREST ON INVESTMENTS AND OTHER	9,133	3,568	63
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>9,133</u>	<u>3,568</u>	<u>63</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	7,531	177,933	4,187
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING	<u>448,092</u>	<u>2,159,129</u>	<u>124,132</u>
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - ENDING	<u>\$ 455,623</u>	<u>\$ 2,337,062</u>	<u>\$ 128,319</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
OPERATING INCOME (LOSS)	\$ (48,770)	\$ 215,190	\$ 2,126
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
DEPRECIATION	61,585	74,545	-
CHANGE IN ASSETS AND LIABILITIES			
ACCOUNTS RECEIVABLE AND PREPAIDS	2,161	4,527	317
INVENTORIES	1,872	-	-
DUE FROM (TO) OTHER FUNDS	-	(11,344)	(2,919)
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	3,311	5,487	-
ACCRUED LANDFILL COSTS	-	-	5,800
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 20,159</u>	<u>\$ 288,405</u>	<u>\$ 5,324</u>

SEE NOTES TO FINANCIAL STATEMENTS

ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITY
STORM DRAINAGE	NATURAL RESOURCES	TOTAL	INTERNAL SERVICE FUND
\$ 12,185	\$ 238,876	\$ 1,086,899	\$ -
(4,004)	1,512	(335,740)	-
(5,267)	-	(193,969)	-
2,914	240,388	557,190	-
(2,516)	(27,616)	21,394	15,000
(2,516)	(27,616)	21,394	15,000
-	-	(93,432)	-
-	(81,935)	(86,259)	-
-	(52,162)	(142,933)	-
-	(134,097)	(322,624)	-
21	208	12,993	-
21	208	12,993	-
419	78,883	268,953	15,000
33,202	239,679	3,004,234	5,098
\$ 33,621	\$ 318,562	\$ 3,273,187	\$ 20,098
\$ 1,593	\$ 229,997	\$ 400,136	\$ (11,373)
-	7,198	143,328	11,373
1,321	617	8,943	-
-	-	1,872	-
-	2,576	(11,687)	-
-	-	8,798	-
-	-	5,800	-
\$ 2,914	\$ 240,388	\$ 557,190	\$ -

TOWN OF FOWLER, COLORADO

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

DECEMBER 31, 2021

	<u>POLICE PENSION TRUST FUND</u>
ASSETS	
CASH OR EQUIVALENTS	<u>\$ 32,271</u>
TOTAL ASSETS	<u><u>\$ 32,271</u></u>
LIABILITIES	
DEPOSITS HELD FOR OTHERS	\$ -
NET POSITION	
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	<u>32,271</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 32,271</u></u>

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF FOWLER, COLORADO

FIDUCIARY FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED DECEMBER 31, 2021

	<u>POLICE PENSION TRUST FUND</u>
ADDITIONS	
EARNINGS ON INVESTMENTS	\$ 120
CONTRIBUTIONS	<u>-</u>
TOTAL ADDITIONS	120
DEDUCTIONS	<u>-</u>
CHANGES IN NET POSITION	120
NET POSITION JANUARY 1	<u>32,151</u>
NET POSITION DECEMBER 31	<u><u>\$ 32,271</u></u>

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Town of Fowler, Colorado (the "Town") is governed by an elected mayor and Board of Trustees, which are governed by state statutes and regulations. As required by accounting principles generally accepted in the United States of America, these financial statements present the Town of Fowler (the primary government) and its component units, if applicable.

The Town is not included in any other governmental "reporting entity", as required by accounting principles generally accepted in the United States of America; these basic financial statements present the Town (the primary government) and its component units, if applicable. Currently no component units have been included in the Town's reporting entity because of a lack of significant operational or financial relationships with the Town.

Joint Venture:

Otero County Landfill, Inc.

The Town of Fowler is a participant along with six other entities within the County in a joint venture known as the Otero County Landfill, Inc. As a participant, the Town is responsible for a portion of closure and post-closure costs of the landfill. As of December 31, 2021, the Town's share of the closure and post-closure costs are estimated at \$47,500 or approximately 2.77% of the total. A complete financial report may be obtained from the administrative offices of Otero County. The Town also incurred additional costs of approximately \$17,000 for services provided by Otero County Landfill, Inc. Financial statements for OCLI may be requested at 411 N 10<sup>th</sup> St., Rocky Ford, CO 81067.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town and its component units, if applicable. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the later are excluded from the government-wide financial statements. Major individual governmental funds (General Fund) and individual enterprise funds (Water Utility, Sewer Utility, Sanitation Utility, Storm Drainage, and Natural Resources Enterprise Funds) are reported as separate columns in the fund financial statements.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION  
(Continued)

Property and specific ownership taxes, sales taxes, franchise taxes, interest revenues, and charges for services are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Grants and entitlement awards are recorded as revenue when earned. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. All other revenue items are considered to be measurable and available only when cash is received.

The Town reports the following major governmental fund:

*General Fund* – The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those which are required to be accounted for in another fund. Major revenue sources include sales taxes, property taxes, franchise and other taxes, charges for services, and intergovernmental revenue. Primary expenditures include general government, public safety (police), public works and culture and recreation.

The Town reports the following major proprietary funds:

*Water Utility Fund* - Accounts for the operations of the Town's water utility. Activities of the fund include administration, operation and maintenance, treatment, and distribution of the water system, along with accumulation of resources for the payment of principal and interest on long-term debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

*Sewer Utility Fund* - Accounts for the operations of the Town's sewer utility. Activities of the fund include administration, operation and maintenance, treatment, and collection of the sewer system, along with accumulation of resources for the payment of principal and interest on long-term debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

*Sanitation Utility Fund* - Accounts for the operations of the Town's sanitation utility. Activities of the fund include administration, operation and maintenance, and collection of trash related to the sanitation system. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

*Storm Drainage Fund* – Accounts for the activities of the Town's storm drainage infrastructure. Activities of the fund include administration, operation and maintenance of the storm drainage system. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

*Natural Resources Enterprise Fund* – Accounts for the Town's purchase of land and water rights. Activities of the fund include administration costs related to those land and water rights. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

Additionally, the Town reports the following fund types:

*Internal Service Fund* – Accounts for the financing of goods or services provided by one department or agency of the Town to other departments or agencies of the Town, generally on a cost reimbursement basis. The internal service fund of the Town provides data processing and fleet management services to the other Town departments and agencies.

*Police Pension Trust (Health and Safety) Fund* – Accounts for resources that can be used to purchase health and safety items for the Town. Financing of the purchases is through transfers, grants, contributions or other.

As a general rule the effects of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the Town's utility functions and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION  
(Continued)

The proprietary funds account for transactions that are financed and operated in a manner similar to a private business enterprise where the intent of the governing body is that the costs and expenses of providing goods or services to the general public on a continuing basis, be financed or recovered primarily through charges. The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the funds principal ongoing operations. The principal operating revenues of the funds are charges to customers for sales and service. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

STEWARDSHIP

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

Prior to October 15, the Town Clerk submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted to obtain taxpayer comments. Prior to December 15, the budget is legally enacted through passage of an ordinance.

Revisions that alter total expenditures of any kind generally must be approved by the Board of Trustees. Budget amounts in the accompanying financial statements include revisions to the original approval. Appropriations lapse at year end and any open purchase item must be reappropriated in the following year.

All budget amounts presented in the accompanying supplemental information reflect the final budgets.

Expenditures may not legally exceed appropriations at the fund level. For the year ended December 31, 2021, the Cemetery Fund was in violation.

ENCUMBRANCES

Outstanding encumbrances represent a commitment for the estimated amount of expenditures, which could ultimately result from the fulfillment of uncompleted purchase orders and contracts. Encumbrances lapse at the end of each fiscal year (December 31). Lapsed encumbrances are then reviewed by department heads to determine those which will remain canceled and those, which will be reinstated and paid from appropriations for the following year. Encumbrances are, therefore, not considered expenditures until an actual liability is incurred.

CASH AND CASH EQUIVALENTS

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and highly liquid investments held in banks. For purposes of the statement of cash flows, the Town considers all highly liquid investments (including restricted assets and cash with trustee) with a maturity of six months or less when purchased to be cash equivalents.

State statutes authorize the Town to deposit in accounts of federally insured banks, credit unions, and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, bankers' acceptances, and mutual funds composed of otherwise legal investments.

ACCOUNTS RECEIVABLE

The Town grants credit terms in the normal course of business to its utility customers. Concentrations of credit risk with respect to accounts receivables which are uncollectible is limited due to customer deposits and account monitoring procedures which are utilized to minimize risk of loss. The Town recognized amounts due from utility customers as of year-end but not billed due to cycle billings. Recognition is based upon a direct ratio of days in the current period to the total days in each individual billing cycle.

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**INVENTORIES**

The inventories of the General Fund are accounted for as expenditures at the time they are purchased. Consumable supplies on hand are not recognized. The inventories of the Proprietary Funds are valued at cost using the first-in, first-out method.

**WATER INVENTORY**

The water inventory is carried at the lower of cost or market, with cost determined using the expenses involved in acquiring water held in storage.

**RESTRICTED ASSETS**

*Proprietary Funds* - The cash is restricted for future major repairs and the related debt service costs.

**CAPITAL ASSETS**

Capital assets which include property, plant, equipment and current infrastructure (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Town defines capital assets as assets with an initial life in excess of two years and an individual cost of \$5,000 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

Expenditures for maintenance and repairs are charged to expenses as incurred; expenditures for renewals and betterments are generally capitalized. Gains or losses due to disposal are charged or credited to income. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation is determined using the straight-line method based on the estimated useful lives of the assets as follows:

Systems	5 - 40	Years
Equipment	5 - 25	Years

**COMPENSATED ABSENCES**

It is the Town's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay are accrued when incurred in the government-wide and proprietary fund financial statements. A liability is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The liability for compensated absences totaled \$20,686 at December 31, 2021.

**DEFERRED OUTFLOWS / INFLOWS OF RESOURCES**

In addition to assets, the statement of financial position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has one item that qualifies for reporting in this category which is for pension related amounts.

Pension related amounts reported as deferred outflows of resources include the following:

Difference Between Expected and Actual Experience	\$	3,551
Changes of Assumptions or Other Inputs		13,854
Net Difference Between Projected and Actual Investment		
Earnings on Pension Plan Investments		-
Changes in Proportion		-
Contributions Made Subsequent to the Measurement Date		11,377
Total Pension Related Deferred Outflows	\$	28,782

More information on pension related items is included in Note 6.

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has two types of items that qualify for reporting in this category.

*Property Taxes* - The item, property taxes levied for subsequent years, arises only under a modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable, and are recognized as an inflow of resources in the period they are collected.

*Pension Related* - Amounts reported as deferred inflows of resources include the following:

Difference Between Expected and Actual Experience	\$ 130
Changes of Assumptions or Other Inputs	-
Net Difference Between Projected and Actual Investment	
Earnings on Pension Plan Investments	<u>33,458</u>
Total Pension Related Deferred Inflows	<u>\$ 33,588</u>

More information on pension related items is included in Note 6.

**DUE TO/FROM OTHER FUNDS**

Outstanding balances between funds created by lending/borrowing or cash allocation in common purchasing activities are reported as due to/from other funds.

**LEASE AGREEMENTS**

Annual rentals pertaining to leases which convey merely the right to use the property are charged to current operations. Lease agreements which are substantially installment purchases of property have been recorded as purchases with a corresponding liability recognized in the government-wide financial statements.

**NET POSITION / FUND BALANCE**

In the government-wide and proprietary financial statements, net position is classified in the following categories:

Net investment in capital assets – This amount consists of capital assets, net of accumulated depreciation, reduced by outstanding debt, if applicable, attributed to the acquisition, construction, or improvement of those assets.

Restricted net position – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted net position – This amount is all net position that do not meet the definition of “net investment in capital assets” or “restricted net position”

GASB Statement No. 54 “Fund Balance Reporting and Governmental Fund Type Definitions” provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which the resources can be used:

Nonspendable fund balance – amounts that are not in spendable form (such as inventory) or required to be maintained intact;

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

NET POSITION / FUND BALANCE

Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. Assigned fund balance is established through the adoption or amendment of the budget as intended for specific purposes.

When both restricted and unrestricted resources are available in governmental funds, the Town applies expenditures against restricted fund balance first, followed by committed fund balance, assigned fund balance and unassigned fund balance.

LONG-TERM OBLIGATIONS

In the government-wide financial statements, and proprietary fund types in the fund type financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position.

Net pension liabilities and assets, associated with the Statewide Defined Benefit Plan administered by FPPA, represent the Town's total pension liabilities less the fiduciary net position. Amounts have been determined using the economic resources measurement focus and the accrual basis of accounting.

PROPERTY TAXES

Property taxes represent ad valorem taxes levied by the Town, which are payable to the County Treasurer, and are recognized as revenues by the Town in the year for which they are levied.

Property taxes are levied in December for collection in the subsequent year.

Property taxes attach as an enforceable lien on property as of January 1. Taxes may be paid without penalty in either of two ways: (a) Full payment by April 30, or (b) First half must be paid by last day of February, and second half must be paid by June 15. Property taxes are reported as a receivable and a deferred revenue when levied and as a revenue when due for collection in the following year.

ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

ACCOUNTING PRINCIPLES

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

NOTE -2 DEPOSITS

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. As of December 31, 2021, the carrying value of cash deposits was \$3,275,554 and the bank balances were \$3,204,755 of which \$500,000 was covered by federal deposit insurance and the remaining balance was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institution through PDPA.

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -2 DEPOSITS (Continued)

The Colorado Public Deposit Protection Act, (PDPA) requires that all units of local government deposit cash in eligible public depositories, state regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by PDPA. PDPA allows the institution to create a single pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

NOTE -3 CAPITAL ASSETS

A summary of the various fund types' property and equipment follows:

GOVERNMENTAL ACTIVITIES:

	Balances January 1, <u>2021</u>	<u>Additions</u>	<u>Deletions</u>	Balances December 31, <u>2021</u>
Capital assets not being depreciated:				
Land	\$ 64,270	\$ -	\$ (10,500)	\$ 53,770
Construction in Progress	-	-	-	-
Capital assets being depreciated:				
Site Improvements	1,862,717	-	-	1,862,717
Buildings	2,076,924	-	(20,000)	2,056,924
Equipment	<u>737,248</u>	<u>53,119</u>	<u>-</u>	<u>790,367</u>
Total Capital Assets	<u>4,741,159</u>	<u>53,119</u>	<u>(30,500)</u>	<u>4,763,778</u>
Less Accumulated Depreciation:				
Site Improvements	(937,010)	(79,633)	-	(1,016,643)
Buildings	(1,099,133)	(33,717)	20,000	(1,112,850)
Equipment	<u>(565,018)</u>	<u>(35,354)</u>	<u>-</u>	<u>(600,372)</u>
	<u>(2,601,161)</u>	<u>(148,704)</u>	<u>20,000</u>	<u>(2,729,865)</u>
Governmental Activities Net Capital Assets	<u>\$ 2,139,998</u>	<u>\$ (95,585)</u>	<u>\$ (10,500)</u>	<u>\$ 2,033,913</u>

BUSINESS-TYPE ACTIVITIES:

	Balances January 1, <u>2021</u>	<u>Additions</u>	<u>Deletions</u>	Balances December 31, <u>2021</u>
Capital assets not being depreciated:				
Land	\$ 775,760	\$ -	\$ -	\$ 775,760
Water Rights	1,197,196	-	-	1,197,196
Construction in Process	301,149	-	-	301,149
Capital assets being depreciated:				
Systems and Equipment	<u>4,593,551</u>	<u>93,432</u>	<u>-</u>	<u>4,686,983</u>
	<u>6,867,656</u>	<u>93,432</u>	<u>-</u>	<u>6,961,088</u>
Less Accumulated Depreciation				
	<u>(3,199,361)</u>	<u>(143,328)</u>	<u>-</u>	<u>(3,342,689)</u>
Business-type Activities Net Capital Assets	<u>\$ 3,668,295</u>	<u>\$ (49,896)</u>	<u>\$ -</u>	<u>\$ 3,618,399</u>

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -3 CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions as follows:

<u>Governmental Activities</u>	
General Government	\$ 48,889
Public Works	72,055
Culture and Recreation	<u>27,760</u>
Total Governmental Activities Depreciation	<u>\$ 148,704</u>
 <u>Business-Type Activities</u>	
Water Utility	\$ 61,585
Sewer Utility	74,545
Natural Resources	<u>7,198</u>
Total Business-Type Activities Depreciation	<u>\$ 143,328</u>

NOTE -4 CHANGES IN LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions of the Town for the year ended December 31, 2021:

	<u>BEGINNING BALANCE</u>	<u>INCREASES</u>	<u>DECREASES</u>	<u>ENDING BALANCE</u>	<u>CURRENT PORTION</u>
<u>Governmental Activities:</u>					
Loan Payable 1	\$ 7,500	\$ -	\$ -	\$ 7,500	\$ -
Lease Payable	<u>61,832</u>	<u>-</u>	<u>(5,676)</u>	<u>56,156</u>	<u>6,194</u>
Totals	<u>\$ 69,332</u>	<u>\$ -</u>	<u>\$ (5,676)</u>	<u>\$ 63,656</u>	<u>\$ 6,194</u>

The compensated absences will be liquidated with resources of the general fund.

	<u>BEGINNING BALANCE</u>	<u>INCREASES</u>	<u>DECREASES</u>	<u>ENDING BALANCE</u>	<u>CURRENT PORTION</u>
<u>Business-Type Activities:</u>					
Lease Payable - Water	\$ 93,659	\$ -	\$ (9,074)	\$ 84,585	\$ 9,754
Loan Payable 1- Water	49,412	-	(11,697)	37,715	11,960
Loan Payable 1- Sewer	980,000	-	(70,000)	910,000	70,000
Loan Payable – Natural Resources	1,430,606	-	(52,162)	1,378,444	61,783
Estimated Closure & Post-Closure Costs	<u>41,700</u>	<u>5,800</u>	<u>-</u>	<u>47,500</u>	<u>4,750</u>
Totals	<u>\$2,595,377</u>	<u>\$ 5,800</u>	<u>\$ (142,933)</u>	<u>\$2,458,244</u>	<u>\$ 158,247</u>

LOAN PAYABLE 1

The Town entered into a promissory note with Otero County, Colorado for repairs to a town owned medical building on September 18, 2002. The note is in the amount of \$7,500 at a rate of 0%. The note is due only if one of the following conditions occurs: 1) The building is sold, or 2) the building is no longer used for medical purposes. The Town is actively pursuing the sale of the property.

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -4 CHANGES IN LONG-TERM OBLIGATIONS (Continued)

LEASE PAYABLE

The Town entered into a Lease Agreement with Fowler State Bank on January 23, 2013, in the amount of \$89,371, for street lighting improvements. The lease is payable in various monthly principal and interest installments at 4.63% per annum beginning January 23, 2014 with the final payment January 23, 2028.

Annual requirements of the lease as of December 31, 2021 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 6,194	\$ 2,600	\$ 8,794
2023	6,745	2,313	9,058
2024	7,329	2,001	9,330
2025	7,948	1,662	9,610
2026	8,604	1,294	9,898
2027-2028	<u>19,336</u>	<u>1,360</u>	<u>20,696</u>
	<u>\$ 56,156</u>	<u>\$ 11,230</u>	<u>\$ 67,386</u>

LEASE PAYABLE - WATER

The Town entered into a Lease Purchase Agreement with Fowler State Bank on January 23, 2013, in the amount of \$147,737 for water system equipment. The lease is payable in varying amounts beginning January 23, 2014 with an interest rate of 3.43% and with the final payment due January 23, 2028.

Annual requirements of the lease as of December 31, 2021 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 9,754	\$ 2,901	\$ 12,655
2023	10,468	2,567	13,035
2024	11,218	2,208	13,426
2025	12,006	1,823	13,829
2026	12,832	1,411	14,243
2027-2028	<u>28,307</u>	<u>1,474</u>	<u>29,781</u>
	<u>\$ 84,585</u>	<u>\$ 12,384</u>	<u>\$ 96,969</u>

LOAN PAYABLE 1- WATER

The Town entered into a Loan Agreement with Colorado Water Conservation Board on October 14, 2013 in the amount of \$277,245 for a water augmentation project. As of December 31, 2019, the project was closed and completed and the total amount due was reduced by \$212,158 due to the Town not needing the entire amount allotted by CWCB to complete the project. The loan is payable in annual principal and interest installments of \$12,809 beginning December 1, 2020 with an interest rate of 2.25% and with the final payment due December 1, 2025. If CWCB does not receive the annual payment within 15 calendar days of the due date, CWCB may impose a late charge in the amount of 5% of the annual payment due. The loan is payable from the revenues generated from the Water Utility Fund. The loan is collateralized by all Water Utility Fund revenues pledged to repay the loan.

Annual requirements of the lease as of December 31, 2021 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 11,960	\$ 849	\$ 12,809
2023	12,229	580	12,809
2024	12,504	305	12,809
2025	<u>1,022</u>	<u>20</u>	<u>1,042</u>
	<u>\$ 37,715</u>	<u>\$ 1,754</u>	<u>\$ 39,469</u>

In connection with the above loan payable, the Town is subject to various covenants. As of December 31, 2021, the Town was in compliance with all covenants.

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -4 CHANGES IN LONG-TERM OBLIGATIONS (Continued)

LOAN PAYABLE 1 - SEWER

The Town entered into a Loan Agreement with Colorado Water Resource & Power Development Authority on June 30, 2014, in the amount of \$1,400,000 for sewer system improvements. The loan is payable in semi-annual principal and interest installments of \$35,000 beginning May 1, 2015 with an interest rate of 0.00% and with the final payment due November 1, 2034. The loan is collateralized by Sewer Utility Fund pledged revenues. The loan is payable from the revenues generated from the system.

Annual requirements of the lease as of December 31, 2021 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 70,000	\$ -	\$ 70,000
2023	70,000	-	70,000
2024	70,000	-	70,000
2025	70,000	-	70,000
2026	70,000	-	70,000
2027-2031	350,000	-	350,000
2032-2034	<u>210,000</u>	<u>-</u>	<u>210,000</u>
	<u>\$ 910,000</u>	<u>\$ -</u>	<u>\$ 910,000</u>

In connection with the above loan payable, the Town is subject to various covenants and is required to maintain an operation and maintenance reserve in an amount equal to three months of operation and maintenance expenses, excluding depreciation. As of December 31, 2021, the Town was in compliance with all covenants and maintained the required reserve of \$41,300.

LOAN PAYABLE – NATURAL RESOURCES

The Town entered into a Loan Agreement with Fowler State Bank on December 12, 2014, in the amount of \$1,795,000 for the purchase of land and water rights. The loan is payable in monthly principal and interest installments of \$11,175 beginning January 12, 2015 with a variable interest rate that is subject to change from time to time based on changes in an independent index which is the New York Prime Rate as published in the business section of the Wall Street Journal. As of December 31, 2021, the interest rate outstanding was 5.75%. Final payment is December 12, 2034.

If an Event of Default occurs under the agreement, at any time thereafter, Lender may exercise any one or more of the following rights and remedies: 1.) Accelerate Indebtedness, 2.) Collect the Collateral, 3.) Sell the Collateral, and/or 4.) Sell Securities. Loan is secured by Deeds of Trust, 60.23 Shares of the Oxford Farmer's Ditch (net book value of \$1,084,140) and Assignment of Natural Resources Water Purchase Fees.

Annual requirements of the lease as of December 31, 2021 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 61,783	\$ 72,313	\$ 134,096
2023	65,027	69,069	134,096
2024	68,441	65,655	134,096
2025	72,034	62,062	134,096
2026	75,816	58,280	134,096
2027-2031	443,131	227,349	670,480
2032-2034	<u>592,212</u>	<u>76,590</u>	<u>668,802</u>
	<u>\$1,378,444</u>	<u>\$631,318</u>	<u>\$2,009,762</u>

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -4 CHANGES IN LONG-TERM OBLIGATIONS (Continued)

ESTIMATED CLOSURE AND POSTCLOSURE CARE COSTS

In 1995 the Town entered into an intergovernmental agreement with Otero County and other municipalities within the County to form Otero County Landfill, Inc. to operate the landfill within the County. The agreement transfers the liability for closure and postclosure costs to this organization. The Town and all participating entities are responsible for a portion of the costs based on an average of the population and assessed valuation of each entity to the total of all entities. Based on the current allocation, the Town's share is approximately 2.77% of the estimated \$1,714,000 in closure and post-closure costs amounting to \$47,500. These amounts are based on estimates of what it would cost to perform all closure and post-closure care in 2021. Actual costs may be higher or lower due to inflation or deflation, changes in technology, or changes in applicable laws or regulations.

The Town and other municipalities are required by state and federal laws and regulations to make certain financial assurances. These have been based on the same percentage as stated above.

	Manzanola	Otero #1	OTERO #2		
			Module #1	Module #2	Module #3
Percent of capacity	97%	100%	86%	85%	36%
Estimated closure date	2022	Closed	2022	2022	2026

NOTE -5 WATER FUND – CONTRIBUTED CAPITAL

During 1979, the Town of Fowler received a grant of \$160,000 from the United States Department of Agriculture, Farmers Home Administration for an addition of the Town's water system.

NOTE -6 PENSION PLANS

FIRE & POLICE – STATEWIDE DEFINED BENEFIT PLAN

Plan Description:

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

The Plan assets are included in the Fire & Police Member's Benefit Investment Fund and the Fire & Police Member's Self-Directed Investment Fund (for Deferred Retirement Option Plan (DROP) assets and Separate Retirement Account assets from eligible retired members).

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

Employers once had the option to elect to withdraw from the SWDB plan, but a change in state statutes permitted no further withdrawals after January 1, 1988.

Colorado Revised Statutes, Title 31, Article 31 grants the authority to establish and amend the benefit terms to the Fire & Police Pension Association of Colorado Board of Directors.

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -6 PENSION PLANS (Continued)

Benefits Provided:

A member is eligible for a normal retirement pension once the member has completed 25 years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

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

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

Contributions:

Through December 31, 2020, contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Effective January 1, 2021, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions are 8.0 percent and 8.5 percent in 2020 and 2021, respectively. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13.0 percent of pensionable earnings. In 2020, members of the SWDB plan and their employers are contributing at the rate of 11.0 percent and 8.0 percent, respectively, of pensionable earnings for a total contribution rate of 19.0 percent.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 23.0 percent and 23.5 percent of pensionable earnings in 2020 and 2021, respectively. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry department may submit a resolution to the FPPA Board of Directors to reduce the additional 4 percent contribution, to reflect the actual cost of reentry by department, to the plan for reentry contributions. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

The contribution rate for members and employers of affiliated social security employers is 5.5 percent and 4 percent, respectively, of pensionable earnings for a total contribution rate of 9.50 percent in 2020 and 9.75 percent in 2021. Per the 2014-member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of pensionable earnings. Employer contributions are 4.0 percent and 4.25 percent in 2020 and 2021, respectively. Employer contributions will increase 0.25 percent annually beginning in 2021 through 2030 to a total of 6.5 percent of pensionable earnings.

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -6 PENSION PLANS (Continued)

Contributions (Continued):

The member contribution rate as of December 31, 2021 for members hired prior to April 1, 2009 was 12.5% and the Town's contribution rate was 10.0%. For members hired after April 1, 2009 the member contribution rate as of December 31, 2021 was 11.0% and the Town's contribution rate was 8.0%. Contributions to the SWDB plan from the Town were \$11,377 for the year ended December 31, 2021.

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

At December 31, 2021, the Town reported an asset of \$32,573 for its proportionate share of the SWDB net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was based upon the January 1, 2021 actuarial valuation. The Town's proportion of the net pension asset was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined at January 1, 2020. At December 31, 2020, the Town's proportion was 0.0150 percent, which was a decrease of 0.0050 from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Town recognized pension expense of \$2,328. At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 3,551	\$ 130
Changes in Assumptions	13,854	-
Net difference between projected and actual earnings on pension plan investments	-	33,458
Changes in proportion	-	-
Contributions subsequent to the measurement date	11,377	-
Total	\$ 28,782	\$ 33,588

The \$11,377 reported as deferred outflows of resources related to pensions resulting from the Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<i>Year ended December 31,</i>	<i>Amortization</i>
2022	\$ (1,761)
2023	(1,761)
2024	(1,761)
2025	(1,761)
2026	(1,761)
2027-2031	(7,378)
Total	\$ (16,183)

Actuarial Assumptions:

The actuarial valuations for the Statewide Defined Benefit Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2020. The valuations used the following actuarial assumption and other inputs:

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -6 PENSION PLANS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued):

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 1, 2021	January 1, 2020
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return, net *	7.00%	7.00%
Projected Salary Increases *	4.25% - 11.25%	4.25% - 11.25%
Cost of Living Adjustment COLA	0.00%	0.00%
* Includes Inflation at	2.50%	2.50%

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

At least every five years the FPPA's Board of Directors in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	39%	8.23%
Equity Long/Short	8%	6.87%
Private Markets	26%	10.63%
Fixed Income - Rates	10%	4.01%
Fixed Income - Credit	5%	5.25%
Absolute Return	10%	5.60%
Cash	2%	2.32%
Total	100%	

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the FPPA's Board of Director's funding policy, which established the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -6 PENSION PLANS (Continued)

Discount Rate:

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 2.00 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00 percent.

The following presents the Town's proportionate share of the net pension liability/(asset), calculated using a discount rate of 7.00%, as well as what the Town's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Net Pension Liability (Asset)	\$ 32,780	\$ (32,573)	\$ (86,694)

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial report.

Subsequent Event:

During 2020, legislation was passed effective January 1, 2021 that amended the Statewide Defined Benefit Plan. Amendments to the related contribution rates and benefits of this plan are described above. Additionally, the stabilization reserve accounts (SRA) of the Defined Benefit System became self-directed accounts with assets of \$123.6 million transferred to the FPPA Members' Self-Directed Investment Fund after the January 1, 2021 actuarial valuation date. This transfer does not impact the net pension liability/(asset) of the plan as the transfer of assets will reduce both the total pension liability and the plan fiduciary net position.

NOTE -7 PENSION TRUST FUND

Plan Description and Funding Policy

The Pension Trust Fund covers all employees of the Town of Fowler, Police Department. Funding is accomplished by the aggregate cost method. This cost method received contributions from the State of Colorado, the Town's General Fund, and the covered employees. The Town is the trustee of the plan and has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the plan.

The Town currently has no employee of the Police Department that has met the vesting requirements to receive pension benefits and has never had anyone meet those requirements. The Town has obtained permission to use the collective contributions for current and future police requirements.

NOTE -8 RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of; damage to; and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town participates in a public entity risk pool to meet its insurance needs for workers' compensation. The Town utilizes the Colorado Intergovernmental Risk Agency (CIRSA), a public entity risk pool currently operating as a common risk management and insurance program for over 100 Colorado governmental entities. The Town pays an annual premium to CIRSA for its workers compensation coverage.

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -8 RISK MANAGEMENT (Continued)

It is the intent of the members of CIRSA to create a self-sustaining entity through member premiums and reinsurance through commercial companies for workers' compensation claims in excess of \$400,000 up to \$1 million for each insured event. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE -9 CONTINGENCIES AND COMMITMENTS

The Town participated in federally assisted grant programs. Under the terms of the grants, periodic compliance audits are required by the granting agencies and certain costs may be questioned as not being appropriate expenditures under the terms of the grants and could require reimbursement. Town administration believes disallowance, if any, will be immaterial.

NOTE -10 TAX SPENDING AND DEBT LIMITATIONS

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

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The Town's management believes a significant portion of its operations qualify for this exclusion.

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

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). A portion of the fund balance has been restricted in compliance with this requirement. At December 31, 2021, \$18,000 of the fund balance has been restricted.

Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

In November 2003, the authorized voters of the Town of Fowler, Colorado voted to authorize the Town to collect, retain, and expend all revenues from any source collected during 2004 and grants in future periods from any source, notwithstanding the limitation of Article X, Section 20 of Colorado constitution and providing that no local tax rate or mill levy be increased without further voter approval.

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

NOTE -11 RELATED PARTY TRANSACTIONS

As indicated in Note -1, the Town entered into an intergovernmental agreement with Otero County Landfill, Inc. (OCLI) regarding a landfill operation. For the year ended December 31, 2021, the Town had paid OCLI \$17,160 for its share of the costs of which \$4,290 was due and recorded as accounts payable in the Sanitation Utility Fund. The Town has recognized \$47,500 for its share of estimated closure and post closure care costs.

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -12 INTERFUND RECEIVABLES, PAYABLES, TRANSFERS AND BORROWINGS

Interfund Receivables and Payables:

During the course of operations, numerous transactions occur between the Town's funds for the reimbursement of expenditures. Related interfund receivables and payables are classified as "due from other funds" and "due to other funds" on the balance sheet and statement of net position and will be settled within a reasonable time period.

The composition of due to / from other funds as of December 31, 2021 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Water Utility	\$ 28,401
General	Sewer Utility	2,624
General	Sanitation Utility	582
General	Natural Resources	-
General	Storm Drainage	211
General	Library	<u>2,182</u>
		<u>34,000</u>
Pool & Recreation	General	7,957
Library	General	7,304
Cemetery	General	<u>7,957</u>
		<u>23,218</u>
Library	Pool & Recreation	<u>7,768</u>
		<u>\$ 64,986</u>

Interfund Transfers:

Transfers are for the use of unrestricted revenues collected in the enterprise funds to finance various programs accounted for in other funds in accordance with the Board of Trustee authorizations.

The composition of interfund transfers as of December 31, 2021 is as follows:

	<u>Transfers In (Out)</u>			
	<u>General Fund</u>	<u>Non-Major Funds</u>	<u>Internal Service</u>	<u>Proprietary Funds</u>
Non-Major Funds	\$ 2,883	\$ -	\$ -	\$ 10,972
Internal Service	(15,000)	-	-	-
General Fund	-	(2,883)	15,000	(80,374)
Proprietary Funds	<u>(80,374)</u>	<u>10,972</u>	<u>-</u>	<u>-</u>
Total	<u>\$ (92,491)</u>	<u>\$ 8,089</u>	<u>\$ 15,000</u>	<u>\$ (69,402)</u>

NOTE -13 NET POSITION

Restricted net position represents net position whose users are subject to constraints that are either 1.) legally imposed by creditors (such as debt covenants), grantors, or laws or regulations of other governments, or 2.) imposed by law through constitutional provisions or enabling legislation. Restricted net position at December 31, 2021 is as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Emergencies - TABOR	\$ 18,000	\$ -	\$ 18,000
Debt Service	-	96,073	96,073
Culture and Recreation	47,101	-	47,101
Facility Fees and Water Surcharge	<u>-</u>	<u>855,222</u>	<u>855,222</u>
	<u>\$ 65,101</u>	<u>\$ 951,295</u>	<u>\$ 1,016,396</u>

TOWN OF FOWLER, COLORADO  
NOTES TO FINANCIAL STATEMENTS

NOTE -13 NET POSITION (Continued)

*Restricted for Emergencies – TABOR* – This represents approximately 3% of the Town's 2021 fiscal year spending as that term is defined in the Colorado constitution. Under these provisions of the constitution, this portion of the Town's net position can be used for declared emergencies only and the Town must maintain 3% or more of its spending in this restricted account. The Town does not believe this restriction meets the definition of a stabilization arrangement under generally accepted accounting principles.

*Restricted for Debt Service* – The Town is required to maintain an operation and maintenance reserve in an amount equal to three months of operation and maintenance expenses, excluding depreciation as set forth by the creditor.

*Restricted for Culture and Recreation* – This represents money received from the Colorado state for parks and open space related projects.

*Restricted for Facility Fees and Water Surcharge* – This represents unspent cash received from special assessments in the Water Utility Fund and Sewer Utility Fund. The cash is restricted for future major repairs and the related debt service costs.

NOTE -14 FUND BALANCES

At December 31, 2021, fund balances for governmental funds consist of the following:

		Restricted Fund Balance			
		Emergencies TABOR	Conservation Trust	Total	
	General Fund	\$ 18,000	\$ -	\$ 18,000	
	Conservation Trust Fund	-	47,101	47,101	
	Total	\$ 18,000	\$ 47,101	\$ 65,101	
		Assigned Fund Balance			
		Library	Cemetery	Pool & Recreation	Total
	Library Fund	\$ 129,715	\$ -	\$ -	\$ 129,715
	Cemetery Fund	-	89,275	-	89,275
	Pool & Recreation Fund	-	-	170,768	170,768
	Total	\$ 129,715	\$ 89,275	\$ 170,768	\$ 389,758

NOTE -15 SUBSEQUENT EVENTS

Subsequent events have been evaluated through the report date, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

**REQUIRED SUPPLEMENTARY INFORMATION**

TOWN OF FOWLER, COLORADO  
 SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

STATEWIDE DEFINED BENEFIT PLAN

LAST 10 FISCAL YEARS\*

Measurement period ending December 31,	2020	2019	2018	2017	2016	2015	2014
Town's proportion of the net pension liability (asset)	0.0150%	0.0100%	0.0120%	0.0153%	0.0188%	0.0176%	0.0187%
Town's proportionate share of the net pension liability (asset)	\$ (32,573)	\$ (5,535)	\$ 15,143	\$ (22,120)	\$ 6,786	\$ (300)	\$ (21,105)
Town's covered payroll	\$ 133,847	\$ 120,513	\$ 72,130	\$ 80,235	\$ 89,938	\$ 106,637	\$ 114,950
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-24.34%	-4.59%	20.99%	27.57%	7.55%	0.28%	18.36%
Plan fiduciary net position as a percentage of the total pension liability (asset)	106.70%	101.90%	95.20%	106.30%	98.21%	100.10%	106.80%

\* Information above is presented as of the measurement date (December 31 of the previous fiscal year.)

Note: Information presented since inception of GASB 68. As information becomes available, each subsequent year will be added until a full 10-year trend is compiled.

TOWN OF FOWLER, COLORADO  
 SCHEDULE OF TOWN'S CONTRIBUTIONS  
 STATEWIDE DEFINED BENEFIT PLAN

LAST 10 FISCAL YEARS\*

Measurement period ending December 31,	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$ 11,377	\$ 9,641	\$ 5,770	\$ 6,419	\$ 7,195	\$ 8,531	\$ 9,196
Contributions in relation to the statutorily required contribution	(11,377)	(9,641)	(5,770)	(6,419)	(7,195)	(8,531)	(9,196)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	\$ 133,847	\$ 120,513	\$ 72,130	\$ 80,235	\$ 89,938	\$ 106,637	\$ 114,950
Contributions as a percentage of covered payroll	8.50%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%

\* Information above is presented as of the Town's fiscal year-end.

Note: Information presented since inception of GASB 68. As information becomes available, each subsequent year will be added until a full 10-year trend is compiled.

TOWN OF FOWLER, COLORADO

GENERAL FUND

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

YEAR ENDED DECEMBER 31, 2021

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUES				
TAXES	\$ 458,800	\$ 458,800	\$ 465,697	\$ 6,897
LICENSES AND PERMITS	8,000	8,000	15,681	7,681
INTERGOVERNMENTAL	51,750	51,750	53,307	1,557
CHARGES FOR SERVICES	20,000	20,000	39,053	19,053
FINES	55,750	55,750	57,581	1,831
GRANTS	1,500	1,500	-	(1,500)
INTEREST	1,500	1,500	1,280	(220)
MISCELLANEOUS	87,644	87,644	87,134	(510)
TOTAL REVENUES	684,944	684,944	719,733	34,789
EXPENDITURES				
GENERAL GOVERNMENT	175,052	175,052	231,286	(56,234)
PUBLIC SAFETY	318,913	318,913	219,201	99,712
PUBLIC WORKS	73,612	73,612	33,211	40,401
CULTURE AND RECREATION	90,639	90,639	63,648	26,991
DEBT SERVICE:				
PRINCIPAL	33,029	33,029	5,675	27,354
INTEREST	4,000	4,000	2,863	1,137
CAPITAL OUTLAY	-	-	18,544	(18,544)
TOTAL EXPENDITURES	695,245	695,245	574,428	120,817
REVENUES OVER (UNDER) EXPENDITURES	(10,301)	(10,301)	145,305	155,606
OTHER FINANCING SOURCES				
TRANSFERS IN	21,000	21,000	20,000	(1,000)
TRANSFERS OUT	(40,000)	(40,000)	(112,491)	(72,491)
TOTAL OTHER FINANCING SOURCES	(19,000)	(19,000)	(92,491)	(73,491)
REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	(29,301)	(29,301)	52,814	82,115
FUND BALANCE JANUARY 1	601,604	601,604	601,604	-
FUND BALANCE (DEFICIT) DECEMBER 31	\$ 572,303	\$ 572,303	\$ 654,418	\$ 82,115

**SUPPLEMENTARY INFORMATION**

## MAJOR GOVERNMENTAL FUNDS

### MAJOR GOVERNMENTAL FUNDS

*General Fund* – It accounts for all financial resources of the general government, except those which are required to be accounted for in another fund.

TOWN OF FOWLER, COLORADO

GENERAL FUND

BALANCE SHEET

DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 734,707	\$ 457,107
RECEIVABLES:		
ACCOUNTS	82,514	76,298
PROPERTY TAXES	69,600	70,800
ACCRUED INTEREST	135	209
DUE FROM OTHER FUNDS	<u>34,000</u>	<u>97,987</u>
 TOTAL ASSETS	 <u>\$ 920,956</u>	 <u>\$ 702,401</u>
 LIABILITIES		
ACCOUNTS PAYABLE	\$ 22,532	\$ 1,614
ACCRUED EXPENSES	7,793	5,165
UNEARNED REVENUES	143,395	-
DUE TO OTHER FUNDS	<u>23,218</u>	<u>23,218</u>
 TOTAL LIABILITIES	 <u>196,938</u>	 <u>29,997</u>
 DEFERRED INFLOWS OF RESOURCES		
DEFERRED REVENUES - PROPERTY TAXES	<u>69,600</u>	<u>70,800</u>
 FUND BALANCE		
RESTRICTED FOR		
EMERGENCIES - TABOR	18,000	14,300
UNASSIGNED	<u>636,418</u>	<u>587,304</u>
 TOTAL FUND BALANCE	 <u>654,418</u>	 <u>601,604</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	 <u>\$ 920,956</u>	 <u>\$ 702,401</u>

TOWN OF FOWLER, COLORADO

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
REVENUES		
TAXES	\$ 465,697	\$ 435,758
LICENSES AND PERMITS	15,681	6,231
INTERGOVERNMENTAL	53,307	46,172
CHARGES FOR SERVICES	39,053	21,831
FINES	57,581	34,640
GRANTS	-	1,500
INTEREST	1,280	2,990
OTHER	87,134	16,667
	<u>719,733</u>	<u>565,789</u>
TOTAL REVENUES		
EXPENDITURES		
GENERAL GOVERNMENT	231,286	176,315
PUBLIC SAFETY	219,201	157,515
PUBLIC WORKS	33,211	22,564
CULTURE AND RECREATION	63,648	58,246
DEBT SERVICE:		
PRINCIPAL	5,675	26,963
INTEREST	2,863	3,266
CAPITAL OUTLAY	18,544	30,052
	<u>574,428</u>	<u>474,921</u>
TOTAL EXPENDITURES		
REVENUES OVER (UNDER) EXPENDITURES	<u>145,305</u>	<u>90,868</u>
OTHER FINANCING SOURCES		
TRANSFERS IN	20,000	101,989
TRANSFERS OUT	(112,491)	(30,051)
	<u>(92,491)</u>	<u>71,938</u>
TOTAL OTHER FINANCING SOURCES		
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	52,814	162,806
FUND BALANCE JANUARY 1	<u>601,604</u>	<u>438,798</u>
FUND BALANCE DECEMBER 31	<u>\$ 654,418</u>	<u>\$ 601,604</u>

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

*Conservation Trust Fund* – This fund is used to account for the collection and disbursement of revenues received from the Colorado state lottery and are restricted for parks and open space related projects.

*Library Fund* – This fund is used for the disbursement of sales tax revenues that were collected in the General Fund and transferred to the Library Fund to be used for the operation and maintenance of the public library. It also accounts for the miscellaneous donations and contributions received to be expended in accordance with donor wishes.

*Cemetery Fund* - This fund is used for the disbursement of sales tax revenues that were collected in the General Fund and transferred to the Cemetery Fund to be used for the operation and maintenance of the community cemetery. It also accounts for the miscellaneous donations and contributions received to be expended in accordance with donor wishes.

*Pool & Recreation Fund* - This fund is used for the disbursement of sales tax revenues that were collected in the General Fund and transferred to the Pool & Recreation Fund to be used for the operation and maintenance of the community swimming pool. It also accounts for the miscellaneous donations and contributions received to be expended in accordance with donor wishes.

TOWN OF FOWLER, COLORADO  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2021

	CONSERVATION TRUST	LIBRARY	CEMETERY	POOL & RECREATION	TOTAL
<b>ASSETS</b>					
CASH OR EQUIVALENTS	\$ 47,101	\$ 117,534	\$ 81,318	\$ 170,579	\$ 416,532
DUE FROM OTHER FUNDS	-	15,071	7,957	7,957	30,985
<b>TOTAL ASSETS</b>	<b>\$ 47,101</b>	<b>\$ 132,605</b>	<b>\$ 89,275</b>	<b>\$ 178,536</b>	<b>\$ 447,517</b>
<b>LIABILITIES</b>					
ACCOUNTS PAYABLE	-	\$ 708	-	-	\$ 708
DUE TO OTHER FUNDS	-	2,182	-	7,768	9,950
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>2,890</b>	<b>-</b>	<b>7,768</b>	<b>10,658</b>
<b>FUND BALANCE</b>					
RESTRICTED	47,101	-	-	-	47,101
ASSIGNED	-	129,715	89,275	170,768	389,758
<b>TOTAL FUND BALANCE</b>	<b>47,101</b>	<b>129,715</b>	<b>89,275</b>	<b>170,768</b>	<b>436,859</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 47,101</b>	<b>\$ 132,605</b>	<b>\$ 89,275</b>	<b>\$ 178,536</b>	<b>\$ 447,517</b>

TOWN OF FOWLER, COLORADO  
NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED DECEMBER 31, 2021

	CONSERVATION TRUST	LIBRARY	CEMETERY	POOL & RECREATION	TOTAL
REVENUES					
TAXES	\$ -	\$ 51,706	\$ 51,706	\$ 51,706	\$ 155,118
INTERGOVERNMENTAL CHARGES FOR SERVICES	13,846	-	-	-	13,846
GRANTS	-	827	-	-	827
OTHER	48	1,902	1,522	837	4,309
<b>TOTAL REVENUES</b>	<b>13,894</b>	<b>62,164</b>	<b>53,228</b>	<b>52,543</b>	<b>181,829</b>
EXPENDITURES					
CULTURE AND RECREATION	1,000	46,206	4,225	27,319	78,750
CAPITAL OUTLAY	-	9,220	34,575	-	43,795
<b>TOTAL EXPENDITURES</b>	<b>1,000</b>	<b>55,426</b>	<b>38,800</b>	<b>27,319</b>	<b>122,545</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>12,894</b>	<b>6,738</b>	<b>14,428</b>	<b>25,224</b>	<b>59,284</b>
OTHER FINANCING SOURCES					
TRANSFERS IN	-	15,000	16,543	-	31,543
TRANSFERS OUT	-	-	(13,454)	(10,000)	(23,454)
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>-</b>	<b>15,000</b>	<b>3,089</b>	<b>(10,000)</b>	<b>8,089</b>
<b>REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES</b>	<b>12,894</b>	<b>21,738</b>	<b>17,517</b>	<b>15,224</b>	<b>67,373</b>
FUND BALANCE JANUARY 1	34,207	107,977	71,758	155,544	369,486
FUND BALANCE DECEMBER 31	<u>\$ 47,101</u>	<u>\$ 129,715</u>	<u>\$ 89,275</u>	<u>\$ 170,768</u>	<u>\$ 436,859</u>

TOWN OF FOWLER, COLORADO

CONSERVATION TRUST FUND

BALANCE SHEET

DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
CASH OR EQUIVALENTS	<u>\$ 47,101</u>	<u>\$ 34,207</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
FUND BALANCE		
RESTRICTED	<u>47,101</u>	<u>34,207</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 47,101</u>	<u>\$ 34,207</u>

TOWN OF FOWLER, COLORADO

CONSERVATION TRUST FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021		VARIANCE	2020
	ACTUAL	BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
INTERGOVERNMENTAL	\$ 13,846	\$ 6,000	\$ 7,846	\$ 11,814
OTHER	48	5,565	(5,517)	51
TOTAL REVENUES	13,894	11,565	2,329	11,865
EXPENDITURES				
RECREATION	1,000	11,565	10,565	1,501
TOTAL EXPENDITURES	1,000	11,565	10,565	1,501
CHANGE IN FUND BALANCE	12,894	-	12,894	10,364
FUND BALANCE JANUARY 1	34,207	34,207	-	23,843
FUND BALANCE DECEMBER 31	\$ 47,101	\$ 34,207	\$ 12,894	\$ 34,207

TOWN OF FOWLER, COLORADO

LIBRARY FUND

BALANCE SHEET

DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 117,534	\$ 98,246
DUE FROM OTHER FUNDS	<u>15,071</u>	<u>15,071</u>
TOTAL ASSETS	<u>\$ 132,605</u>	<u>\$ 113,317</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ 708	\$ 214
DUE TO OTHER FUNDS	<u>2,182</u>	<u>5,126</u>
TOTAL LIABILITIES	2,890	5,340
FUND BALANCE ASSIGNED	<u>129,715</u>	<u>107,977</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 132,605</u>	<u>\$ 113,317</u>

TOWN OF FOWLER, COLORADO

LIBRARY FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021		VARIANCE	2020
	ACTUAL	BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
TAXES	\$ 51,706	\$ 35,000	\$ 16,706	\$ 47,815
CHARGES FOR SERVICES	827	5,032	(4,205)	644
GRANTS	7,729	5,500	2,229	13,000
OTHER	1,902	400	1,502	280
TOTAL REVENUES	62,164	45,932	16,232	61,739
EXPENDITURES				
SALARIES & BENEFITS	29,630	29,651	21	26,689
SUPPLIES	2,472	3,350	878	4,761
UTILITIES	4,746	5,700	954	5,328
BOOKS & SUBSCRIPTIONS	7,620	11,300	3,680	10,936
REPAIRS & MAINTENANCE	1,738	720	(1,018)	2,743
CAPITAL OUTLAY	9,220	9,674	454	20,107
TOTAL EXPENDITURES	55,426	60,395	4,969	70,564
REVENUES OVER (UNDER) EXPENDITURES	6,738	(14,463)	21,201	(8,825)
OTHER FINANCING SOURCES (USES)				
TRANSFERS IN	15,000	15,000	-	20,051
TOTAL OTHER FINANCING SOURCES (USES)	15,000	15,000	-	20,051
CHANGE IN FUND BALANCE	21,738	537	21,201	11,226
FUND BALANCE JANUARY 1	107,977	107,977	-	96,751
FUND BALANCE DECEMBER 31	\$ 129,715	\$ 108,514	\$ 21,201	\$ 107,977

TOWN OF FOWLER, COLORADO

CEMETERY FUND

BALANCE SHEET

DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 81,318	\$ 65,148
DUE FROM OTHER FUNDS	<u>7,957</u>	<u>7,957</u>
TOTAL ASSETS	<u>\$ 89,275</u>	<u>\$ 73,105</u>
LIABILITIES		
DUE TO OTHER FUNDS	\$ -	\$ 1,347
FUND BALANCE ASSIGNED	<u>89,275</u>	<u>71,758</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 89,275</u>	<u>\$ 73,105</u>

TOWN OF FOWLER, COLORADO

CEMETERY FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021		VARIANCE	2020
	ACTUAL	BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
TAXES	\$ 51,706	\$ 35,500	\$ 16,206	\$ 47,800
OTHER	1,522	4,082	(2,560)	659
TOTAL REVENUES	53,228	39,582	13,646	48,459
EXPENDITURES				
REPAIRS & MAINTENANCE	4,225	7,000	2,775	12,553
CAPITAL OUTLAY	34,575	18,032	(16,543)	72,900
TOTAL EXPENDITURES	38,800	25,032	(13,768)	85,453
REVENUES OVER (UNDER) EXPENDITURES	14,428	14,550	(122)	(36,994)
OTHER FINANCING SOURCES (USES)				
TRANSFER IN	16,543	-	16,543	-
TRANSFER OUT	(13,454)	(14,550)	1,096	(10,324)
TOTAL OTHER FINANCING SOURCES (USES)	3,089	(14,550)	17,639	(10,324)
CHANGE IN FUND BALANCE	17,517	-	17,517	(47,318)
FUND BALANCE JANUARY 1	71,758	71,758	-	119,076
FUND BALANCE DECEMBER 31	\$ 89,275	\$ 71,758	\$ 17,517	\$ 71,758

TOWN OF FOWLER, COLORADO

POOL & RECREATION FUND

BALANCE SHEET

DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 170,579	\$ 155,355
DUE FROM OTHER FUNDS	<u>7,957</u>	<u>7,957</u>
TOTAL ASSETS	<u>\$ 178,536</u>	<u>\$ 163,312</u>
LIABILITIES		
DUE TO OTHER FUNDS	\$ 7,768	\$ 7,768
FUND BALANCE ASSIGNED	<u>170,768</u>	<u>155,544</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 178,536</u>	<u>\$ 163,312</u>

TOWN OF FOWLER, COLORADO

POOL & RECREATION FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021		VARIANCE	2020
	ACTUAL	BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
TAXES	\$ 51,706	\$ 35,500	\$ 16,206	\$ 47,800
OTHER	837	500	337	480
TOTAL REVENUES	52,543	36,000	16,543	48,280
EXPENDITURES				
REPAIRS & MAINTENANCE	\$ 27,319	16,000	(11,319)	\$ 2,098
CAPITAL OUTLAY	-	110,000	110,000	-
TOTAL EXPENDITURES	27,319	126,000	98,681	2,098
REVENUES OVER (UNDER) EXPENDITURES	25,224	(90,000)	115,224	46,182
OTHER FINANCING SOURCES (USES)				
TRANSFERS OUT	(10,000)	(10,000)	-	(5,000)
TOTAL OTHER FINANCING SOURCES (USES)	(10,000)	(10,000)	-	(5,000)
CHANGE IN FUND BALANCE	15,224	(100,000)	115,224	41,182
FUND BALANCE JANUARY 1	155,544	155,544	-	114,362
FUND BALANCE DECEMBER 31	\$ 170,768	\$ 55,544	\$ 115,224	\$ 155,544

## PROPRIETARY FUNDS

### ENTERPRISE FUNDS

*Water Utility Fund* - Accounts for the operations of the Town's water utility. Activities of the fund include administration, operation and maintenance, treatment, and distribution of the water system, along with accumulation of resources for the payment of principal and interest on long-term debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

*Sewer Utility Fund* - Accounts for the operations of the Town's sewer utility. Activities of the fund include administration, operation and maintenance, treatment, and collection of the sewer system, along with accumulation of resources for the payment of principal and interest on long-term debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

*Sanitation Utility Fund* - Accounts for the operations of the Town's sanitation utility. Activities of the fund include administration, operation and maintenance, and collection of trash related to the sanitation system. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

*Storm Drainage Fund* – Accounts for the activities of the Town's storm drainage infrastructure. Activities of the fund include administration, operation and maintenance of the storm drainage system. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

*Natural Resources Enterprise Fund* – Accounts for the Town's purchase of land and water rights. Activities of the fund include administration costs related to those land and water rights. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

TOWN OF FOWLER, COLORADO

WATER UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2021 AND 2020

	2021	2020
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 166,567	\$ 165,828
ACCOUNTS RECEIVABLE	37,765	39,926
PREPAID EXPENSES	7,993	7,993
DUE FROM OTHER FUNDS	-	166,787
INVENTORY	26,050	27,922
WATER INVENTORY	30,565	30,565
TOTAL CURRENT ASSETS	<u>268,940</u>	<u>439,021</u>
RESTRICTED ASSETS		
RESTRICTED CASH	<u>289,056</u>	<u>282,264</u>
PROPERTY AND EQUIPMENT		
LAND, WATER SYSTEM, AND EQUIPMENT - AT COST	3,288,809	3,280,462
ACCUMULATED DEPRECIATION	<u>(2,011,797)</u>	<u>(1,950,212)</u>
NET PROPERTY AND EQUIPMENT	<u>1,277,012</u>	<u>1,330,250</u>
TOTAL ASSETS	<u>\$ 1,835,008</u>	<u>\$ 2,051,535</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 1,392	\$ -
COMPENSATED ABSENCES	5,688	4,587
ACCRUED INTEREST PAYABLE	2,825	3,161
DUE TO OTHER FUNDS	28,401	68,280
NOTE PAYABLE - CURRENT	11,960	11,697
LEASE PAYABLE - CURRENT	9,754	9,074
BORROWINGS FROM OTHER FUND - CURRENT	-	83,139
TOTAL CURRENT LIABILITIES	<u>60,020</u>	<u>179,938</u>
TERM LIABILITIES		
NOTE PAYABLE	25,755	37,715
LEASE PAYABLE	74,831	84,585
BORROWINGS FROM OTHER FUND	-	83,139
TOTAL TERM LIABILITIES	<u>100,586</u>	<u>205,439</u>
OTHER LIABILITIES		
CUSTOMER DEPOSITS	<u>17,400</u>	<u>16,582</u>
TOTAL LIABILITIES	<u>178,006</u>	<u>401,959</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	1,154,712	1,187,180
RESTRICTED FOR:		
FACILITY FEES	182,806	161,049
WATER SURCHARGE	51,477	67,285
DEBT SERVICE	54,773	53,930
UNRESTRICTED	<u>213,234</u>	<u>180,132</u>
TOTAL NET POSITION	<u>1,657,002</u>	<u>1,649,576</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,835,008</u>	<u>\$ 2,051,535</u>

TOWN OF FOWLER, COLORADO

WATER UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 264,805	\$ 244,138
SPECIAL ASSESSMENTS	64,683	63,338
TOTAL OPERATING REVENUES	<u>329,488</u>	<u>307,476</u>
OPERATING EXPENSES		
SOURCE OF SUPPLY	132,647	147,269
SUPPLY MAINTENANCE	28,649	57,287
DISTRIBUTION AND OPERATING SUPPLIES	82,407	68,334
ACCOUNTING AND GENERAL ADMINISTRATION	72,970	80,539
DEPRECIATION	61,585	60,170
TOTAL OPERATING EXPENSES	<u>378,258</u>	<u>413,599</u>
OPERATING INCOME (LOSS)	<u>(48,770)</u>	<u>(106,123)</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	1,558	3,096
GRANTS	-	-
INTEREST EXPENSE	(3,988)	(4,684)
OTHER	7,575	3,185
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>5,145</u>	<u>1,597</u>
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	<u>(43,625)</u>	<u>(104,526)</u>
TRANSFER IN	79,779	81,072
TRANSFER (OUT)	(28,728)	(8,864)
CAPITAL CONTRIBUTIONS	-	-
CHANGE IN NET POSITION	<u>7,426</u>	<u>(32,318)</u>
NET POSITION JANUARY 1	<u>1,649,576</u>	<u>1,681,894</u>
NET POSITION DECEMBER 31	<u>\$ 1,657,002</u>	<u>\$ 1,649,576</u>

TOWN OF FOWLER, COLORADO

WATER UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 331,649	\$ 305,531
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(204,503)	(248,378)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(106,987)	(110,986)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>20,159</u>	<u>(53,833)</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFERS	<u>11,681</u>	<u>110,313</u>
NET CASH PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>11,681</u>	<u>110,313</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(8,347)	(5,445)
CAPITAL CONTRIBUTED	-	-
INTEREST PAID ON DEBT	(4,324)	(9,655)
PRINCIPAL PAID ON DEBT	(20,771)	(19,866)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(33,442)</u>	<u>(34,966)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND OTHER	<u>9,133</u>	<u>6,281</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	7,531	27,795
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	<u>448,092</u>	<u>420,297</u>
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	<u>\$ 455,623</u>	<u>\$ 448,092</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	<u>\$ (48,770)</u>	<u>\$ (106,123)</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	61,585	60,170
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	2,161	(1,945)
PREPAID EXPENSES	-	4,261
INVENTORIES	1,872	(8,397)
ACCOUNTS PAYABLE	1,392	(5,791)
COMPENSATED ABSENCES	1,101	-
CUSTOMER DEPOSITS	818	3,992
TOTAL ADJUSTMENTS	<u>68,929</u>	<u>52,290</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 20,159</u>	<u>\$ (53,833)</u>

TOWN OF FOWLER, COLORADO

SEWER UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 514,882	\$ 500,727
CASH WITH TRUSTEE	1,201,241	1,201,241
ACCOUNTS RECEIVABLE	56,098	60,625
DUE FROM OTHER FUNDS	-	16,859
	<u>1,772,221</u>	<u>1,779,452</u>
TOTAL CURRENT ASSETS		
RESTRICTED ASSETS		
RESTRICTED CASH	<u>620,939</u>	<u>457,161</u>
PROPERTY AND EQUIPMENT		
LAND, WATER SYSTEM, AND EQUIPMENT - AT COST	1,874,220	1,789,135
ACCUMULATED DEPRECIATION	<u>(1,280,506)</u>	<u>(1,205,961)</u>
NET PROPERTY AND EQUIPMENT	<u>593,714</u>	<u>583,174</u>
TOTAL ASSETS	<u>\$ 2,986,874</u>	<u>\$ 2,819,787</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 5,487	\$ -
COMPENSATED ABSENCES	2,579	2,579
DUE TO OTHER FUNDS	2,624	30,827
NOTE PAYABLE - CURRENT	<u>70,000</u>	<u>70,000</u>
TOTAL CURRENT LIABILITIES	80,690	103,406
TERM LIABILITIES		
NOTE PAYABLE	<u>840,000</u>	<u>910,000</u>
TOTAL LIABILITIES	<u>920,690</u>	<u>1,013,406</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	884,955	804,415
RESTRICTED FOR:		
FACILITY FEES	620,939	457,161
OPERATION AND MAINTENANCE	41,300	43,300
UNRESTRICTED	<u>518,990</u>	<u>501,505</u>
TOTAL NET POSITION	<u>2,066,184</u>	<u>1,806,381</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 2,986,874</u>	<u>\$ 2,819,787</u>

TOWN OF FOWLER, COLORADO

SEWER UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 221,698	\$ 211,015
SPECIAL ASSESSMENT	232,938	228,536
TOTAL OPERATING REVENUES	<u>454,636</u>	<u>439,551</u>
OPERATING EXPENSES		
COLLECTION SYSTEM	119,762	86,780
ACCOUNTING AND GENERAL ADMINISTRATION	45,139	46,139
DEPRECIATION	74,545	66,738
TOTAL OPERATING EXPENSES	<u>239,446</u>	<u>199,657</u>
OPERATING INCOME (LOSS)	<u>215,190</u>	<u>239,894</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	1,524	1,974
OTHER	2,044	-
INTEREST EXPENSE	-	(174)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>3,568</u>	<u>1,800</u>
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	218,758	241,694
TRANSFERS IN	53,831	15,973
TRANSFERS OUT	(12,786)	(6,549)
CAPITAL CONTRIBUTIONS	-	-
CHANGE IN NET POSITION	<u>259,803</u>	<u>251,118</u>
NET POSITION JANUARY 1	<u>1,806,381</u>	<u>1,555,263</u>
NET POSITION DECEMBER 31	<u>\$ 2,066,184</u>	<u>\$ 1,806,381</u>

TOWN OF FOWLER, COLORADO

SEWER UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
CASH RECEIVED FROM CUSTOMERS	\$ 459,163	\$ 437,120
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(104,055)	(51,384)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(66,703)	(67,850)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>288,405</b>	<b>317,886</b>
<b>CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>		
TRANSFERS	41,045	9,424
GRANTS	-	-
<b>NET CASH PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>41,045</b>	<b>9,424</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
ACQUISITION OF CAPITAL ASSETS	(85,085)	-
CAPITAL CONTRIBUTED	-	-
INTEREST PAID ON DEBT	-	(174)
PRINCIPAL PAID ON DEBT	(70,000)	(91,123)
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(155,085)</b>	<b>(91,297)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
INTEREST ON INVESTMENTS AND OTHER	3,568	1,975
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>177,933</b>	<b>237,988</b>
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	2,159,129	1,921,141
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	<u>\$ 2,337,062</u>	<u>\$ 2,159,129</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
OPERATING INCOME (LOSS)	\$ 215,190	\$ 239,894
<b>ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
DEPRECIATION	74,545	66,738
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	4,527	(2,431)
DUE FROM (TO) OTHER FUNDS	(11,344)	13,740
ACCOUNTS PAYABLE	5,487	(55)
<b>TOTAL ADJUSTMENTS</b>	<b>73,215</b>	<b>77,992</b>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 288,405</b>	<b>\$ 317,886</b>

TOWN OF FOWLER, COLORADO

SANITATION UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 128,319	\$ 124,132
ACCOUNTS RECEIVABLE	5,387	5,705
TOTAL CURRENT ASSETS	<u>\$ 133,706</u>	<u>\$ 129,837</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 4,290	\$ 4,290
DUE TO OTHER FUNDS	581	3,501
ACCRUED LANDFILL - CURRENT PORTION	4,750	4,170
TOTAL CURRENT LIABILITIES	9,621	11,961
TERM LIABILITIES		
ACCRUED LANDFILL COSTS	42,750	37,530
TOTAL LIABILITIES	<u>52,371</u>	<u>49,491</u>
NET POSITION		
UNRESTRICTED	81,335	80,346
TOTAL NET POSITION	<u>81,335</u>	<u>80,346</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 133,706</u>	<u>\$ 129,837</u>

TOWN OF FOWLER, COLORADO

SANITATION UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	<u>\$ 44,709</u>	<u>\$ 46,690</u>
OPERATING EXPENSES		
COLLECTION	36,200	31,295
ACCOUNTING AND GENERAL ADMINISTRATION	<u>6,383</u>	<u>7,061</u>
TOTAL OPERATING EXPENSES	<u>42,583</u>	<u>38,356</u>
OPERATING INCOME (LOSS)	2,126	8,334
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	<u>63</u>	<u>96</u>
INCOME (LOSS) BEFORE TRANSFERS AND SPECIAL ITEM	2,189	8,430
TRANSFER OUT	<u>(1,200)</u>	<u>(79,499)</u>
CHANGE IN NET POSITION	989	(71,069)
NET POSITION JANUARY 1	<u>80,346</u>	<u>151,415</u>
NET POSITION DECEMBER 31	<u>\$ 81,335</u>	<u>\$ 80,346</u>

TOWN OF FOWLER, COLORADO

SANITATION UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 45,026	\$ 46,774
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(24,690)	(17,769)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(15,012)	(17,014)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>5,324</u>	<u>11,991</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFERS	(1,200)	(4,499)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND OTHER	63	96
NET CHANGE IN CASH AND CASH EQUIVALENTS	4,187	7,588
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>124,132</u>	<u>116,544</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 128,319</u>	<u>\$ 124,132</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	<u>\$ 2,126</u>	<u>\$ 8,334</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	317	84
DUE FROM (TO) OTHER FUNDS	(2,919)	3,074
ACCOUNTS PAYABLE	-	499
ACCRUED LANDFILL COSTS	5,800	-
TOTAL ADJUSTMENTS	<u>3,198</u>	<u>3,657</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 5,324</u>	<u>\$ 11,991</u>

TOWN OF FOWLER, COLORADO

STORM DRAINAGE FUND

BALANCE SHEET

DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 33,621	\$ 33,202
ACCOUNTS RECEIVABLE	682	2,003
TOTAL CURRENT ASSETS	<u>\$ 34,303</u>	<u>\$ 35,205</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
DUE TO OTHER FUNDS	211	8,300
TOTAL CURRENT LIABILITIES	211	8,300
NET POSITION		
UNRESTRICTED	<u>34,092</u>	<u>26,905</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 34,303</u>	<u>\$ 35,205</u>

TOWN OF FOWLER, COLORADO

STORM DRAINAGE FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 10,864	\$ 12,574
TOTAL OPERATING REVENUES	<u>10,864</u>	<u>12,574</u>
OPERATING EXPENSES		
COLLECTION SYSTEM	5,337	5,427
ACCOUNTING AND GENERAL ADMINISTRATION	<u>3,934</u>	<u>5,518</u>
TOTAL OPERATING EXPENSES	<u>9,271</u>	<u>10,945</u>
OPERATING INCOME (LOSS)	<u>1,593</u>	<u>1,629</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	<u>21</u>	<u>44</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>21</u>	<u>44</u>
INCOME (LOSS) BEFORE TRANSFERS	1,614	1,673
TRANSFER IN	5,573	-
TRANSFER OUT	<u>-</u>	<u>(5,678)</u>
CHANGE IN NET POSITION	7,187	(4,005)
NET POSITION JANUARY 1	<u>26,905</u>	<u>30,910</u>
NET POSITION DECEMBER 31	<u>\$ 34,092</u>	<u>\$ 26,905</u>

TOWN OF FOWLER, COLORADO

STORM DRAINAGE FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 12,185	\$ 11,882
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(4,004)	(4,900)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	<u>(5,267)</u>	<u>(6,045)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>2,914</u>	<u>937</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFERS	<u>(2,516)</u>	<u>1,904</u>
NET CASH PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>(2,516)</u>	<u>1,904</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND OTHER	<u>21</u>	<u>44</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	419	2,885
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>33,202</u>	<u>30,317</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 33,621</u>	<u>\$ 33,202</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	<u>\$ 1,593</u>	<u>\$ 1,629</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	<u>1,321</u>	<u>(692)</u>
TOTAL ADJUSTMENTS	<u>1,321</u>	<u>(692)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 2,914</u>	<u>\$ 937</u>

TOWN OF FOWLER, COLORADO

NATURAL RESOURCES FUND

BALANCE SHEET

DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 318,562	\$ 239,679
ACCOUNTS RECEIVABLE	22,429	23,046
DUE FROM OTHER FUNDS	-	2,576
BORROWINGS TO OTHER FUND - CURRENT	-	83,139
TOTAL CURRENT ASSETS	<u>340,991</u>	<u>348,440</u>
OTHER ASSETS		
BORROWINGS TO OTHER FUND	-	83,139
PROPERTY AND EQUIPMENT		
LAND, WATER RIGHTS AND BUILDING - AT COST	1,798,059	1,798,059
ACCUMULATED DEPRECIATION	(50,386)	(43,188)
NET PROPERTY AND EQUIPMENT	<u>1,747,673</u>	<u>1,754,871</u>
TOTAL ASSETS	<u>\$ 2,088,664</u>	<u>\$ 2,186,450</u>
CURRENT LIABILITIES		
ACCRUED INTEREST PAYABLE	\$ 3,692	\$ 3,833
DUE TO OTHER FUNDS	-	166,827
NOTE PAYABLE - CURRENT	61,783	53,224
TOTAL CURRENT LIABILITIES	65,475	223,884
TERM LIABILITIES		
NOTE PAYABLE	1,316,661	1,377,382
OTHER LIABILITIES		
CUSTOMER DEPOSITS	900	900
TOTAL LIABILITIES	<u>1,383,036</u>	<u>1,602,166</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	369,229	324,265
UNRESTRICTED	336,399	260,019
TOTAL NET POSITION	<u>705,628</u>	<u>584,284</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 2,088,664</u>	<u>\$ 2,186,450</u>

TOWN OF FOWLER, COLORADO

NATURAL RESOURCES FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 159,149	\$ 155,259
RENT	79,110	78,300
	<u>238,259</u>	<u>233,559</u>
OPERATING EXPENSES		
ASSESSMENTS	-	-
REPAIRS AND MAINTENANCE	1,064	5,336
DEPRECIATION	7,198	7,198
	<u>8,262</u>	<u>12,534</u>
TOTAL OPERATING EXPENSES		
	<u>229,997</u>	<u>221,025</u>
OPERATING INCOME (LOSS)		
	<u>229,997</u>	<u>221,025</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	208	291
INTEREST EXPENSE	(81,794)	(86,198)
	<u>(81,586)</u>	<u>(85,907)</u>
TOTAL NONOPERATING REVENUES (EXPENSES)		
	<u>(81,586)</u>	<u>(85,907)</u>
INCOME (LOSS) BEFORE TRANSFERS	148,411	135,118
TRANSFER OUT	(27,067)	(77,635)
	<u>121,344</u>	<u>57,483</u>
CHANGE IN NET POSITION		
	<u>121,344</u>	<u>57,483</u>
NET POSITION JANUARY 1	584,284	526,801
	<u>584,284</u>	<u>526,801</u>
NET POSITION DECEMBER 31	<u>\$ 705,628</u>	<u>\$ 584,284</u>

TOWN OF FOWLER, COLORADO

NATURAL RESOURCES FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 159,766	\$ 153,931
CASH RECEIVED FROM RENT	79,110	78,300
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	1,512	(5,336)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>240,388</u>	<u>226,895</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFERS	(27,616)	(77,595)
NET CASH PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>(27,616)</u>	<u>(77,595)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
INTEREST PAID ON DEBT	(81,935)	(86,669)
PRINCIPAL PAID ON DEBT	(52,162)	(47,427)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(134,097)</u>	<u>(134,096)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND OTHER	208	291
NET CHANGE IN CASH AND CASH EQUIVALENTS	78,883	15,495
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>239,679</u>	<u>224,184</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 318,562</u>	<u>\$ 239,679</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	<u>\$ 229,997</u>	<u>\$ 221,025</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	7,198	7,198
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	617	(1,328)
DUE TO OTHER FUNDS	2,576	-
TOTAL ADJUSTMENTS	<u>10,391</u>	<u>5,870</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 240,388</u>	<u>\$ 226,895</u>

TOWN OF FOWLER, COLORADO

WATER UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2021

	BUDGET		ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 411,900	\$ 411,900	\$ 329,488	\$ (82,412)
INTEREST INCOME	1,200	1,200	1,558	358
OTHER	5,500	5,500	7,575	2,075
TOTAL REVENUES	418,600	418,600	338,621	(79,979)
EXPENDITURES				
SOURCE OF SUPPLY	197,981	197,981	132,647	65,334
SUPPLY MAINTENANCE	9,000	9,000	28,649	(19,649)
DISTRIBUTION AND OPERATING SUPPLIES	67,693	67,693	82,407	(14,714)
ACCOUNTING AND GENERAL ADMINISTRATION	50,000	50,000	72,970	(22,970)
DEPRECIATION	36,340	36,340	61,585	(25,245)
INTEREST EXPENSE	4,614	4,614	3,988	626
DEBT RETIREMENT	20,771	20,771	20,771	-
CAPITAL OUTLAY	81,901	81,901	8,347	73,554
TOTAL EXPENDITURES	468,300	468,300	411,364	56,936
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(49,700)	(49,700)	(72,743)	(23,043)
OTHER FINANCING SOURCES				
TRANSFERS	50,000	50,000	51,051	1,051
	<u>\$ 300</u>	<u>\$ 300</u>	(21,692)	<u>\$ (21,992)</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS				
CAPITAL OUTLAY			8,347	
DEBT RETIREMENT			20,771	
CHANGE IN NET POSITION			7,426	
NET POSITION JANUARY 1			<u>1,649,576</u>	
NET POSITION DECEMBER 31			<u>\$ 1,657,002</u>	

TOWN OF FOWLER, COLORADO

SEWER UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2021

	BUDGET		ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 442,800	\$ 442,800	\$ 454,636	\$ 11,836
INTEREST INCOME AND OTHER	1,500	1,500	3,568	2,068
TOTAL REVENUES	444,300	444,300	458,204	13,904
EXPENDITURES				
COLLECTION SYSTEM	97,160	97,160	119,762	(22,602)
ACCOUNTING AND GENERAL ADMINISTRATION	52,287	52,287	45,139	7,148
DEPRECIATION	63,271	63,271	74,545	(11,274)
DEBT RETIREMENT	70,000	70,000	70,000	-
CAPITAL OUTLAY	1,574,382	1,574,382	85,085	1,489,297
TOTAL EXPENDITURES	1,857,100	1,857,100	394,531	1,462,569
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(1,412,800)	(1,412,800)	63,673	1,476,473
OTHER FINANCING SOURCES				
TRANSFERS	9,100	9,100	41,045	31,945
DEBT PROCEEDS	1,400,000	1,400,000	-	(1,400,000)
	\$ (3,700)	\$ (3,700)	104,718	\$ 108,418
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS				
CAPITAL OUTLAY			85,085	
DEBT RETIREMENT			70,000	
CHANGE IN NET POSITION			259,803	
NET POSITION JANUARY 1			1,806,381	
NET POSITION DECEMBER 31			\$ 2,066,184	

TOWN OF FOWLER, COLORADO

SANITATION UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2021

	BUDGET		ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 53,700	\$ 53,700	\$ 44,709	\$ (8,991)
INTEREST INCOME	150	150	63	(87)
TOTAL REVENUES	<u>53,850</u>	<u>53,850</u>	<u>44,772</u>	<u>(9,078)</u>
EXPENDITURES				
COLLECTION	47,623	47,623	36,200	11,423
ACCOUNTING AND GENERAL ADMINISTRATION	6,227	6,227	6,383	(156)
TOTAL EXPENDITURES	<u>53,850</u>	<u>53,850</u>	<u>42,583</u>	<u>11,267</u>
REVENUES OVER (UNDER) EXPENDITURES BEFORE TRANSFERS	-	-	2,189	2,189
TRANSFERS	-	-	(1,200)	(1,200)
CHANGE IN NET POSITION	<u>\$ -</u>	<u>\$ -</u>	989	<u>\$ 989</u>
NET POSITION JANUARY 1			<u>80,346</u>	
NET POSITION DECEMBER 31			<u>\$ 81,335</u>	

TOWN OF FOWLER, COLORADO

STORM DRAINAGE UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2021

	BUDGET		ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 12,700	\$ 12,700	\$ 10,864	\$ (1,836)
INTEREST INCOME	100	100	21	(79)
TOTAL REVENUES	<u>12,800</u>	<u>12,800</u>	<u>10,885</u>	<u>(1,915)</u>
EXPENDITURES				
COLLECTION SYSTEM	9,686	9,686	5,337	4,349
ACCOUNTING AND GENERAL ADMINISTRATION	<u>2,809</u>	<u>2,809</u>	<u>3,934</u>	<u>(1,125)</u>
TOTAL EXPENDITURES	<u>12,495</u>	<u>12,495</u>	<u>9,271</u>	<u>3,224</u>
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	305	305	1,614	1,309
OTHER FINANCING SOURCES				
TRANSFERS	-	-	5,573	5,573
CHANGE IN NET POSITION	<u>\$ 305</u>	<u>\$ 305</u>	7,187	<u>\$ 6,882</u>
NET POSITION JANUARY 1			<u>26,905</u>	
NET POSITION DECEMBER 31			<u>\$ 34,092</u>	

TOWN OF FOWLER, COLORADO

NATURAL RESOURCES UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2021

	BUDGET		ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 157,500	\$ 156,300	\$ 159,149	\$ 2,849
RENT	78,300	78,300	79,110	810
INTEREST INCOME	400	400	208	(192)
TOTAL REVENUES	<u>236,200</u>	<u>235,000</u>	<u>238,467</u>	<u>3,467</u>
EXPENDITURES				
ASSESSMENTS	9,500	9,500	-	9,500
REPAIRS AND MAINTENANCE	3,400	2,700	1,064	1,636
UTILITIES	1,100	1,100	-	1,100
INSURANCE	366	366	-	366
PROFESSIONAL FEES	200	200	-	200
OTHER	53,706	47,049	-	47,049
DEPRECIATION	7,198	7,200	7,198	2
INTEREST EXPENSE	59,184	62,509	81,794	(19,285)
DEBT RETIREMENT	74,912	71,587	52,162	19,425
TOTAL EXPENDITURES	<u>209,566</u>	<u>202,211</u>	<u>142,218</u>	<u>59,993</u>
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	26,634	32,789	96,249	63,460
OTHER FINANCING SOURCES				
TRANSFERS	<u>(25,000)</u>	<u>(75,000)</u>	<u>(27,067)</u>	<u>47,933</u>
	<u>\$ 1,634</u>	<u>\$ (42,211)</u>	69,182	<u>\$ 111,393</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS				
DEBT RETIREMENT			<u>52,162</u>	
CHANGE IN NET POSITION			121,344	
NET POSITION JANUARY 1			<u>584,284</u>	
NET POSITION DECEMBER 31			<u>\$ 705,628</u>	

TOWN OF FOWLER, COLORADO

INTERNAL SERVICE FUND

BALANCE SHEET

DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 20,098	\$ 5,098
TOTAL CURRENT ASSETS	<u>20,098</u>	<u>5,098</u>
PROPERTY AND EQUIPMENT		
LAND, WATER SYSTEM, AND EQUIPMENT - AT COST	113,718	113,718
ACCUMULATED DEPRECIATION	<u>(97,626)</u>	<u>(86,253)</u>
NET PROPERTY AND EQUIPMENT	<u>16,092</u>	<u>27,465</u>
TOTAL ASSETS	<u>\$ 36,190</u>	<u>\$ 32,563</u>
LIABILITIES		
ACCOUNTS PAYABLE	<u>\$ -</u>	<u>\$ -</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	16,092	27,465
UNRESTRICTED	<u>20,098</u>	<u>5,098</u>
TOTAL NET POSITION	<u>36,190</u>	<u>32,563</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 36,190</u>	<u>\$ 32,563</u>

TOWN OF FOWLER, COLORADO

INTERNAL SERVICE FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
OTHER	\$ -	\$ -
TOTAL OPERATING REVENUES	<u>-</u>	<u>-</u>
OPERATING EXPENSES		
DEPRECIATION	11,373	7,037
TOTAL OPERATING EXPENSES	<u>11,373</u>	<u>7,037</u>
OPERATING INCOME	<u>(11,373)</u>	<u>(7,037)</u>
NONOPERATING REVENUES (EXPENSES)		
MISCELLANEOUS	-	(8)
INCOME (LOSS) BEFORE OTHER FINANCING SOURCES (USES)	<u>(11,373)</u>	<u>(7,045)</u>
OTHER FINANCING SOURCES (USES)		
TRANSFERS IN	15,000	10,000
TRANSFERS OUT	-	(5,485)
TOTAL OTHER FINANCING SOURCES	<u>15,000</u>	<u>4,515</u>
CHANGE IN NET POSITION	3,627	(2,530)
NET POSITION JANUARY 1	<u>32,563</u>	<u>35,093</u>
NET POSITION DECEMBER 31	<u>\$ 36,190</u>	<u>\$ 32,563</u>

TOWN OF FOWLER, COLORADO

INTERNAL SERVICE FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
OTHER	\$ -	\$ (8)
TRANSFERS	15,000	4,515
NET CASH PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>15,000</u>	<u>4,507</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	<u>-</u>	<u>(28,911)</u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>-</u>	<u>(28,911)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	15,000	(24,404)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>5,098</u>	<u>29,502</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 20,098</u>	<u>\$ 5,098</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	<u>\$ (11,373)</u>	<u>\$ (7,037)</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
DEPRECIATION	11,373	7,037
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS PAYABLE	<u>-</u>	<u>-</u>
TOTAL ADJUSTMENTS	<u>11,373</u>	<u>7,037</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ -</u>	<u>\$ -</u>

## **LOCAL HIGHWAY FINANCE REPORT**

The public report burden for this information collection is estimated to average 380 hours annually.

<b>LOCAL HIGHWAY FINANCE REPORT</b>	City or County: Town of Fowler
	YEAR ENDING : Dec-21
	This Information From The Records Of (example - City of _ or County of Town of Fowler, CO)
Prepared By: Kelly Lotrich, Town Administrator/Clerk Phone: 719-263-4461	

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

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

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

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	26,031
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations	3,866	b. Snow and ice removal	
3. Other local imposts (from page 2)	15,848	c. Other	
4. Miscellaneous local receipts (from page 2)	47,735	d. Total (a. through c.)	-
5. Transfers from toll facilities		4. General administration & miscellaneous	1,588
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	83,581
a. Bonds - Original Issues		6. Total (1 through 5)	111,200
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	67,449	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government</b> (from page 2)	43,751	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	0	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	111,200	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	111,200

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>				0
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>				0

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	111,200	111,200	0	-

Notes and Comments:

<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE:
	Colorado
	YEAR ENDING (mm/yy): Dec-21

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	47,735
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Other - Specific Ownership	15,848	g. Other Misc. Receipts	
6. Total (1. through 5.)	15,848	h. Other	
c. Total (a. + b.)	15,848	i. Total (a. through h.)	47,735
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	43,751	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle		d. Federal Transit Admin	
d. Other (DOLA)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	-	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	43,751	3. Total (1. + 2.g)	
			(Carry forward to page 1)

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL**

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		0	0
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	0	0
			(Carry forward to page 1)

**Notes and Comments:**