

TOWN OF CALHAN, COLORADO

FINANCIAL STATEMENTS

December 31, 2022



Logan *and* Associates, LLC
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of
the Board of Trustees
Town of Calhan
Calhan, Colorado

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Calhan (the "Town") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Calhan as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Calhan, and to meet our 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 the 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's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 of 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 of the effectiveness of the Town'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town'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, and budgetary comparison schedule on pages i – viii and on pages 25 - 26 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 (GASB) 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying supplementary information and other information, as listed in the table of contents, 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 supplementary information and other information have 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 supplementary information and other information are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Logan and Associates, LLC

Aurora, Colorado

May 4, 2023

TOWN OF CALHAN
El Paso County, Calhan, Colorado
Management's Discussion and Analysis
December 31, 2022

Management of the Town of Calhan offers readers of the basic financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2022. The focus of the information contained herein is on the primary government.

Financial Highlights

- The Town's assets exceeded liabilities at the close of the fiscal year by \$4,477,041 (net position). Of this amount \$829,162 (unrestricted net position) may be used to meet the Town's ongoing obligations.
- The Town's total net position increased by \$449,785
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$746,209, an increase of \$342,954 from the prior year.
- The Town's governmental activities debt decreased by \$21,972 and the business-type activities debt decreased by \$15,131.

Overview of the Financial Statements

This discussion and analysis is intended as an introduction to the Town's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. In addition to the basic financial statements, also provided is other supplementary information.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private-sector business.

The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to a bottom line for the Town and its governmental and business-type activities. This statement reports all of the governmental fund's current financial resources (short-term spendable resources) with capital assets and long term obligations. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

The governmental activities reflect the Town's basic services, including police, judicial, administrative, parks and recreation, streets, building division, cemetery and public works. Sales and property taxes finance the majority of these services.

The business-type activities reflect private sector type operations, which include operation and maintenance of the Town's water and sewer facilities, where fees for services cover all or most of the cost of operations, including depreciation.

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2022

Fund Financial Statements

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

Governmental funds are used to account for the same functions as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on financial position and change in financial position, not on income determination, and use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they are “measurable and available”). The Town considers all revenues available if they are collected within sixty days following the year end. Expenditures are recorded when the related fund liability is incurred.

The General Fund is the Town’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Town maintains two *proprietary funds*. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water and sewer operations.

The *notes to the basic financial statements* provide additional information that is essential to a full understanding of the data provided in the government-wide fund financial statements.

Other information, in addition to the basic financial statements and accompanying notes, is presented in the form of certain required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the Town of Calhan, assets exceeded liabilities by \$4,477,041.

Of the Town’s net position, 18.5% is unrestricted and may be used to meet the Town’s ongoing financial obligations. This is net position that is not restricted by external requirements nor invested in capital assets.

Of the Town’s \$5,106,378 in assets, \$3,539,276(69.3%) reflects investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment) less any related debt used to acquire those assets that is still outstanding which \$3,300,712 is reported as net investment in capital assets in the net position. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town’s investment in its 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.

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2022

The following table reflects the Town's Net Position:

	Government Activities		Business-type Activities		Total	
	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022
Current and other assets	570,056	926,916	618,552	640,186	1,188,608	1,567,102
Capital assets	<u>1,640,702</u>	<u>1,680,796</u>	<u>1,756,710</u>	<u>1,858,480</u>	<u>3,397,412</u>	<u>3,539,276</u>
Total Assets	<u>2,210,758</u>	<u>2,607,712</u>	<u>2,375,262</u>	<u>2,498,666</u>	<u>4,586,020</u>	<u>5,106,378</u>
Current liabilities	68,405	82,271	110,689	205,208	179,094	287,479
Long-term liabilities	<u>56,967</u>	<u>36,764</u>	<u>192,108</u>	<u>176,228</u>	<u>249,075</u>	<u>212,992</u>
Total Liabilities	<u>125,372</u>	<u>119,035</u>	<u>302,797</u>	<u>381,436</u>	<u>428,169</u>	<u>500,471</u>
Deferred Inflow of Resources						
Deferred Property Tax Revenue	<u>130,595</u>	<u>128,866</u>			<u>130,595</u>	<u>128,866</u>
Net Position						
Invested in capital assets	1,569,991	1,634,341	1,594,470	1,666,371	3,119,461	3,300,712
Restricted for bond redemption	0	0	11,460	11,460	11,460	11,460
Restricted for TABOR	24,300	35,000	0	0	24,300	35,000
Restricted - Other	202,304	300,707	0	0	202,304	300,707
Unrestricted	<u>158,196</u>	<u>389,763</u>	<u>511,535</u>	<u>439,399</u>	<u>669,731</u>	<u>839,162</u>
Total Net Position	<u>1,954,791</u>	<u>2,359,811</u>	<u>2,072,465</u>	<u>2,117,230</u>	<u>4,027,256</u>	<u>4,477,041</u>

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2022

The following reflects the Town's Changes in Net Position:

	Government Activities		Business-type Activities		Total	
	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022
Revenues						
Program Revenues						
Charges for service	43,934	60,206	488,615	507,755	532,549	567,961
Grants & contributions	39,377	15,318	14,386	67,429	53,763	82,747
General Revenues						
Property taxes	127,118	144,657			127,118	144,657
Sales Taxes	523,183	826,308			523,183	826,308
Other taxes	66,403	64,241			66,403	64,241
Investment interest	467	4,983	1,304	1,161	1,771	6,144
Other	<u>24,523</u>	<u>58,535</u>	<u>0</u>	<u>2,208</u>	<u>24,523</u>	<u>60,743</u>
Total Revenues	<u>825,005</u>	<u>1,174,248</u>	<u>504,305</u>	<u>578,553</u>	<u>1,245,999</u>	<u>1,752,801</u>
Expenses						
General Government	101,585	122,622			101,585	122,622
Judicial	9,254	12,705			9,254	12,705
Public Safety	359,989	437,004			359,989	437,004
Public Works	116,764	156,485			116,764	156,485
Culture & Recreation	38,772	39,187			38,772	39,187
Interest on Long-Term Debt	1,637	1,225	9,825	7,076	11,462	8,301
Sewer	0	0	196,513	218,263	196,513	218,263
Water	<u>0</u>	<u>0</u>	<u>283,295</u>	<u>308,449</u>	<u>283,295</u>	<u>308,449</u>
Total Expenses	<u>628,001</u>	<u>769,228</u>	<u>489,633</u>	<u>533,788</u>	<u>1,117,634</u>	<u>1,303,016</u>
Increase (decrease) in net position	197,004	405,020	14,672	44,765	211,676	449,785
Net Position - Beginning	<u>1,757,787</u>	<u>1,954,791</u>	<u>2,057,793</u>	<u>2,072,465</u>	<u>3,815,580</u>	<u>4,027,256</u>
Net Position - Ending	<u>1,954,791</u>	<u>2,359,811</u>	<u>2,072,465</u>	<u>2,117,230</u>	<u>4,027,256</u>	<u>4,477,041</u>

Business-type activities increased the Town's net position by \$44,765 for the year ended December 31, 2022. Key elements of the increase are as follows:

* there was grant funding that was included in revenue that was the main reason for the increase.

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
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Intergovernmental revenues are grants and other revenues received from the county, state and federal government. Licenses and permits include amounts collected from the issuance of licenses and permits required by the Town for various purposes. Revenues from fees collected by the Town for a variety of services provided to the public are recorded as miscellaneous revenues, which include cemetery revenues, park and recreation fees, court and traffic fines. Interest income reflects revenues from property taxes and investment activity.

Governmental activities increased the Town's net position by \$405,020. Key elements are as follows:

- * Sales tax is still increasing. We expected sales tax to level out in 2022, but the increases were higher than expected. We did budget conservatively for 2023.
- * Revenues increased well above the expense increase.

Financial Analysis of the Government's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

The focus of the Town's governmental funds is to provide information on current year revenue, expenditures and balances of spendable resources. Such information is useful in assessing the Town's financial requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the year ended December 31, 2022, the Town's governmental funds reported combined ending fund balances of \$746,209 an increase of \$342,954. This is due in large part to the increase in sales tax revenue. The Town has unassigned fund balances of \$391,233, which is an increase of \$233,813 over 2021.

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2022

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

Total net position of the Water Fund amounted to \$1,486,800 and those for the Sewer Fund amounted to \$630,430. Total increase in net position for all enterprise funds was \$44,765.

Significant factors for Water and Sewer Funds:

- * There were grant funds in the water fund that improved the net position
- * There were tap fees and system development fees totaling \$13,000 received in 2022 that also contributed to the increase in net position.

General Fund Budgetary Highlights

There was a budget amendment for additional expenses for the police department and salaries. This was funded with additional sales tax revenue.

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2022

Capital Asset and Debt Administration

Capital assets

The Town's capital assets for its governmental and business type activities as of December 31, 2022 amount to \$3,539,276 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment and other, park facilities, infrastructure (including streets, alleys, signs and bridges), water system infrastructure, and wastewater infrastructure. The Town's capital assets by activity at December 31, 2022 were as follows:

	Prior Year			As of December 31, 2022		
	Government	Business-type	Total	Government	Business-type	Total
	Activities	Activities		Activities	Activities	
Land and Construction in progress	1,346	84,044	85,390	1,346	264,433	265,779
Infrastructure	1,476,522		1,476,522	1,541,032		1,541,032
Improvements	179,902	3,199,673	3,379,575	179,902	3,205,220	3,385,122
Buildings	547,081	210,113	757,194	547,081	210,113	757,194
Equipment and vehicles	511,713	423,186	934,899	554,880	423,186	978,066
Parks	124,082		124,082	124,082		124,082
Less accumulated depreciation	<u>(1,199,944)</u>	<u>(2,160,306)</u>	<u>(3,360,250)</u>	<u>(1,267,527)</u>	<u>(2,244,472)</u>	<u>(3,511,999)</u>
Total	<u>1,640,702</u>	<u>1,756,710</u>	<u>3,397,412</u>	<u>1,680,796</u>	<u>1,858,480</u>	<u>3,539,276</u>

Debt

At December 31, 2022, the Town had a total indebtedness of \$259,303 which is outlined below:

	Prior Year			At December 31, 2022		
	Government	Business-type	Total	Government	Business-type	Total
	Activities	Activities		Activities	Activities	
Loans payable	70,711	116,340	187,051	46,455	107,309	153,764
Accrued Compensated Absences	18,455		18,455	20,739		20,739
Bonds payable	<u>0</u>	<u>90,900</u>	<u>90,900</u>	<u>0</u>	<u>84,800</u>	<u>84,800</u>
Total	<u>89,166</u>	<u>207,240</u>	<u>296,406</u>	<u>67,194</u>	<u>192,109</u>	<u>259,303</u>

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2022

Economic Factors and Next Year's Budget

The 2023 budget represents an attempt to maintain both core services and a sufficient fund balance. Increasing reserves is a large priority for the foreseeable future as the current reserves are not sufficient for our needs. The following factors were considered in compiling the 2023 budget:

- * Most revenue line items were budgeted slightly higher, with sales tax having a larger percentage increase
- * Expenditures have been budgeted close to the same for the last 3 years as the town tries to build reserves.
- * Water and Sewer funds have budgeted improvements to the infrastructure.
- * Grant funds have been budgeted for grants awarded but not yet expended in both the general fund, the water fund and sewer fund.
- * Salaries were increased for 2023
- * Water and sewer revenue will be increased due to a rate increase. This standard rate increase was not done in 2020 due to the COVID-19 pandemic.
- * There were increases to the police department to improve services

It is the hope of the Board of Trustees and the employees of the Town of Calhan that 2023 will try to get back to some semblence of normal and the pandemic will run its course.

COVID-19 was a small part of the 2023 budget discussions, but the board planned on a more "normal" year. The Town received American Rescue funds in 2021 and 2022. These will be used for infrastructure improvements in the water and sewer funds in 2023.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning the information provided in this report or requests for additional financial information should be addressed to the Town Treasurer, Town of Calhan, P.O. Box 236, Calhan, CO 80808.

BASIC FINANCIAL STATEMENTS

TOWN OF CALHAN, COLORADO

STATEMENT OF NET POSITION
December 31, 2022

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Investments	\$ 643,245	\$ 116,945	\$ 760,190
Cash and Investments - Restricted	-	184,647	184,647
Receivables			
Property Taxes	128,866	-	128,866
Other Governments	126,032	-	126,032
Accounts	9,504	49,194	58,698
Inventory	-	21,149	21,149
Investments - Long-term	19,269	268,251	287,520
Capital Assets, Not Depreciated	1,346	264,433	265,779
Capital Assets, Depreciated Net of Accumulated Depreciation	<u>1,679,450</u>	<u>1,594,047</u>	<u>3,273,497</u>
TOTAL ASSETS	<u>2,607,712</u>	<u>2,498,666</u>	<u>5,106,378</u>
LIABILITIES			
Accounts Payable	43,561	-	43,561
Accrued Salaries and Benefits	8,280	-	8,280
Customer Deposits	-	4,680	4,680
Unearned Revenue	-	184,647	184,647
Noncurrent Liabilities			
Due in One Year	30,430	15,881	46,311
Due in More Than One Year	<u>36,764</u>	<u>176,228</u>	<u>212,992</u>
TOTAL LIABILITIES	<u>119,035</u>	<u>381,436</u>	<u>500,471</u>
DEFERRED INFLOW OF RESOURCES			
Deferred Property Tax Revenue	<u>128,866</u>	<u>-</u>	<u>128,866</u>
NET POSITION			
Net Investment in Capital Assets	1,634,341	1,666,371	3,300,712
Restricted for Debt Service	-	11,460	11,460
Restricted for Emergencies	35,000	-	35,000
Restricted for Parks and Recreation	31,529	-	31,529
Restricted for Street Improvements	269,178	-	269,178
Unrestricted, Unreserved	<u>389,763</u>	<u>439,399</u>	<u>829,162</u>
TOTAL NET POSITION	<u>\$ 2,359,811</u>	<u>\$ 2,117,230</u>	<u>\$ 4,477,041</u>

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

TOWN OF CALHAN, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2022

FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	PROGRAM REVENUES	
			OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 122,622	\$ 4,520	\$ -	\$ -
Judicial	12,705	-	-	-
Public Safety	437,004	20,785	5,585	-
Public Works	156,485	34,751	-	-
Parks and Recreation	39,187	150	9,733	-
Interest on Long-Term Debt	1,225	-	-	-
Total Governmental Activities	769,228	60,206	15,318	-
Business-Type Activities				
Water	308,449	306,543	-	64,429
Sewer	218,263	201,212	-	3,000
Interest on Long-Term Debt	7,076	-	-	-
Total Business-Type Activities	533,788	507,755	-	67,429
Total Primary Government	\$ 1,303,016	\$ 567,961	\$ 15,318	\$ 67,429

GENERAL REVENUES

Property Taxes
Sales Taxes
Franchise Taxes
Other Taxes
Interest
Miscellaneous

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION, Beginning

NET POSITION, Ending

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

NET (EXPENSE) REVENUE AND
CHANGE IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
\$ (118,102)	\$ -	\$ (118,102)
(12,705)	-	(12,705)
(410,634)	-	(410,634)
(121,734)	-	(121,734)
(29,304)	-	(29,304)
(1,225)	-	(1,225)
(693,704)	-	(693,704)
-	62,523	62,523
-	(14,051)	(14,051)
-	(7,076)	(7,076)
-	41,396	41,396
(693,704)	41,396	(652,308)
144,657	-	144,657
826,308	-	826,308
25,525	-	25,525
38,716	-	38,716
4,983	1,161	6,144
58,535	2,208	60,743
1,098,724	3,369	1,102,093
405,020	44,765	449,785
1,954,791	2,072,465	4,027,256
\$ 2,359,811	\$ 2,117,230	\$ 4,477,041

TOWN OF CALHAN, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2022

	GENERAL FUND	NONMAJOR GOVERNMENTAL CONSERVATION TRUST FUND	TOTALS
ASSETS			
Cash and Investments	\$ 611,716	\$ 31,529	\$ 643,245
Property Taxes Receivable	128,866	-	128,866
Due from Other Governments	126,032	-	126,032
Accounts Receivable	9,504	-	9,504
Investments - Longterm	19,269	-	19,269
TOTAL ASSETS	895,387	31,529	926,916
LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY			
LIABILITIES			
Accounts Payable	43,561	-	43,561
Accrued Salaries and Benefits	8,280	-	8,280
TOTAL LIABILITIES	51,841	-	51,841
DEFERRED INFLOW OF RESOURCES			
Deferred Property Tax Revenue	128,866	-	128,866
FUND EQUITY			
Fund Balance (Deficit)			
Restricted for Emergencies	35,000	-	35,000
Restricted for Parks and Recreation	-	31,529	31,529
Restricted for Street Improvements	269,178	-	269,178
Committed for Cemetery Improvements	19,269	-	19,269
Unassigned	391,233	-	391,233
TOTAL FUND EQUITY	714,680	31,529	746,209
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY	\$ 895,387	\$ 31,529	\$ 926,916

Amounts reported for governmental activities in the statement of net position are different because:

Total Fund Balances of Governmental Funds	746,209
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	1,680,796
Long-term liabilities and related items are not due and payable in the current period and are not reported in the funds. These include loans payable (\$46,455) and accrued compensated absences (\$20,739).	(67,194)
Net position of governmental activities	<u>\$ 2,359,811</u>

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

TOWN OF CALHAN, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2022

	GENERAL FUND	NONMAJOR GOVERNMENTAL CONSERVATION TRUST FUND	TOTALS
REVENUES			
Taxes	\$ 996,490	\$ -	\$ 996,490
Licenses and Permits	14,971	-	14,971
Fines and Forfeitures	21,935	-	21,935
Charges for Services	23,300	-	23,300
Intergovernmental	58,451	9,733	68,184
Interest	4,930	53	4,983
Miscellaneous	47,545	-	47,545
TOTAL REVENUES	<u>1,167,622</u>	<u>9,786</u>	<u>1,177,408</u>
EXPENDITURES			
Current			
General Government	118,860	-	118,860
Judicial	12,705	-	12,705
Public Safety	412,894	-	412,894
Public Works	118,740	-	118,740
Parks and Recreation	7,909	4,591	12,500
Capital Outlay	133,274	-	133,274
Debt Service			
Principal	24,256	-	24,256
Interest	1,225	-	1,225
TOTAL EXPENDITURES	<u>829,863</u>	<u>4,591</u>	<u>834,454</u>
CHANGE IN FUND BALANCES	337,759	5,195	342,954
FUND BALANCES, Beginning	<u>376,921</u>	<u>26,334</u>	<u>403,255</u>
FUND BALANCES, Ending	<u>\$ 714,680</u>	<u>\$ 31,529</u>	<u>\$ 746,209</u>

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

TOWN OF CALHAN, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2022

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Changes in Fund Balances - Total Governmental Funds	\$ 342,954
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 \$133,274 was exceeded by depreciation (\$90,623) and the loss on disposal (\$2,557) in the current period.	40,094
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This includes payments of loans payable.	24,256
Some expense 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. This includes the change in accrued compensated absences.	<u>(2,284)</u>
Change in Net Position of Governmental Activities	<u>\$ 405,020</u>

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

TOWN OF CALHAN, COLORADO

STATEMENT OF NET POSITION
 PROPRIETARY FUND TYPE
 December 31, 2022

	WATER FUND	SEWER FUND	TOTALS
ASSETS			
Current Assets			
Cash and Investments	\$ 107,537	\$ 9,408	\$ 116,945
Cash and Investments - Restricted	-	184,647	184,647
Accounts Receivable, Net	21,295	27,899	49,194
Inventory	20,811	338	21,149
Total Current Assets	<u>149,643</u>	<u>222,292</u>	<u>371,935</u>
Noncurrent Assets			
Investments - Long-term	199,507	68,744	268,251
Capital Assets, Not Being Depreciated	214,593	49,840	264,433
Capital Assets, Net of Accumulated Depreciation	<u>1,066,191</u>	<u>527,856</u>	<u>1,594,047</u>
Total Noncurrent Assets	<u>1,480,291</u>	<u>646,440</u>	<u>2,126,731</u>
TOTAL ASSETS	<u>1,629,934</u>	<u>868,732</u>	<u>2,498,666</u>
LIABILITIES			
Current Liabilities			
Customer Deposits	4,680	-	4,680
Unearned Revenue	-	184,647	184,647
Bonds Payable - Current Portion	6,500	-	6,500
Loans Payable - Current Portion	<u>4,690</u>	<u>4,691</u>	<u>9,381</u>
Total Current Liabilities	<u>15,870</u>	<u>189,338</u>	<u>205,208</u>
Noncurrent Liabilities			
Bonds Payable	78,300	-	78,300
Loans Payable	<u>48,964</u>	<u>48,964</u>	<u>97,928</u>
Total Noncurrent Liabilities	<u>127,264</u>	<u>48,964</u>	<u>176,228</u>
TOTAL LIABILITIES	<u>143,134</u>	<u>238,302</u>	<u>381,436</u>
NET POSITION			
Net Investment in Capital Assets	1,142,330	524,041	1,666,371
Restricted for Debt Service	11,460	-	11,460
Unreserved	<u>333,010</u>	<u>106,389</u>	<u>439,399</u>
TOTAL NET POSITION	<u>\$ 1,486,800</u>	<u>\$ 630,430</u>	<u>\$ 2,117,230</u>

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

TOWN OF CALHAN, COLORADO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPES
Year Ended December 31, 2022

	WATER FUND	SEWER FUND	TOTALS
OPERATING REVENUES			
Charges for Services	\$ 296,843	\$ 201,212	\$ 498,055
Connection and Late Fees	9,700	-	9,700
Miscellaneous	2,208	-	2,208
TOTAL OPERATING REVENUES	308,751	201,212	509,963
OPERATING EXPENSES			
Operations and Maintenance	230,047	177,718	407,765
Administrative and General	19,602	15,179	34,781
Depreciation	58,800	25,366	84,166
TOTAL OPERATING EXPENSES	308,449	218,263	526,712
OPERATING INCOME	302	(17,051)	(16,749)
NON-OPERATING REVENUES (EXPENSES)			
Interest Income	976	185	1,161
Interest Expense	(4,917)	(2,159)	(7,076)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(3,941)	(1,974)	(5,915)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(3,639)	(19,025)	(22,664)
CAPITAL CONTRIBUTIONS			
Tap Fees	7,800	2,200	10,000
System Development Fees	2,200	800	3,000
Grant Revenue	54,429	-	54,429
TOTAL CAPITAL CONTRIBUTIONS	64,429	3,000	67,429
CHANGE IN NET POSITION	60,790	(16,025)	44,765
NET POSITION, Beginning	1,426,010	646,455	2,072,465
NET POSITION, Ending	<u>\$ 1,486,800</u>	<u>\$ 630,430</u>	<u>\$ 2,117,230</u>

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

TOWN OF CALHAN, COLORADO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUND TYPES
 Year Ended December 31, 2022
 Increase (Decrease) in Cash and Cash Equivalents

	WATER FUND	SEWER FUND	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 302,576	\$ 197,703	\$ 500,279
Cash Paid to Suppliers	(103,564)	(72,805)	(176,369)
Cash Paid to Employees	(146,781)	(120,010)	(266,791)
Net Cash Provided by Operating Activities	<u>54,439</u>	<u>4,888</u>	<u>59,327</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	(180,389)	(5,547)	(185,936)
Tap Fees	7,800	2,200	10,000
System Development Fees	2,200	800	3,000
Grant Proceeds	54,429	94,220	148,649
Loan Payments	(10,616)	(4,515)	(15,131)
Interest Payments	(4,917)	(2,159)	(7,076)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(131,493)</u>	<u>84,999</u>	<u>(46,494)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	976	185	1,161
Sale (Purchase) of Investments	13,336	(161)	13,175
Net Cash Provided (Used) by Investing Activities	<u>14,312</u>	<u>24</u>	<u>14,336</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(62,742)	89,911	27,169
CASH AND CASH EQUIVALENTS, Beginning	<u>170,279</u>	<u>104,144</u>	<u>274,423</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 107,537</u>	<u>\$ 194,055</u>	<u>\$ 301,592</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income	\$ 302	\$ (17,051)	\$ (16,749)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Depreciation and Amortization	58,800	25,366	84,166
Changes in Assets and Liabilities			
Accounts Receivable	(3,517)	(3,509)	(7,026)
Inventory	(696)	82	(614)
Customer Deposits	(450)	-	(450)
Total Adjustments	<u>54,137</u>	<u>21,939</u>	<u>76,076</u>
Net Cash Provided by Operating Activities	<u>\$ 54,439</u>	<u>\$ 4,888</u>	<u>\$ 59,327</u>

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

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Town of Calhan (the "Town") is a Colorado statutory town (a municipal corporation), incorporated in 1919 and is governed by a Mayor and six member Board of Trustees elected by the residents. The Town provides public safety, public works, municipal court, parks and recreation, water, sewer, and general administrative services to its residents.

The accounting policies of the Town conform to generally accepted accounting principles as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Town adopted GASB Statement No. 87 *Leases* for the year ended December 31, 2022. Adoption of this statement revised and established new reporting requirements for leases reported in the financial statements. As a result, the Town changed the descriptions for previously reported capital leases to a new description called loans. A summary of the Town's more significant accounting policies follows.

Reporting Entity

In accordance with governmental accounting standards, the Town has considered the possibility of including additional entities in its financial statements.

The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if the Town officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Town. The Town may also be financially accountable for organizations that are fiscally dependent upon it. Based on the application of the criteria, the Town does not include additional organizations in its report entity.

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 nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. 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.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

The statement of net position reports all financial, capital and debt resources of the Town. The difference between assets plus deferred outflows, and liabilities plus deferred inflows of the Town is reported as net position.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental and 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 financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the granting agency 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 collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current year, except for expenditure driven grants as defined in the following paragraph.

Taxes, intergovernmental revenue and interest associated with the current fiscal year are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. Grant and similar revenues are recorded as revenues when all eligibility requirements are met, including any time

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)

requirements. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenues are considered to be measurable and available only when cash is received by the Town.

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, are recorded only when payment is due.

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

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

The Town reports the following major governmental fund in the fund financial statements:

General Fund – The General Fund is used to account for the general operations and specific programs of the Town.

The Town reports the following major proprietary funds:

Water Fund – The Water Fund accounts for the financial activities associated with providing water services.

Sewer Fund – The Sewer Fund accounts for the financial activities associated with providing sewer services.

Assets, Liabilities, Fund Balance/Net Assets

Cash and Investments – For the purposes of reporting in the statement of cash flows, cash equivalents include certificates of deposit and investments with original maturities of three months or less. Investments are reported at fair value.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Fund Balance/Net Assets (Continued)

Receivables – Due from other governments and accounts receivable are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Inventory – Inventory is valued at cost using the first-in, first-out method in the proprietary funds. The cost of inventory is recorded as expense when consumed rather than when purchased.

Capital Assets – Capital assets, which include property, plant, buildings and related improvements, equipment, vehicles, and all infrastructure owned by the Town, are reported in the applicable government-wide or business-type activities columns of the government-wide financial statements and the proprietary funds in the fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives.

Land Improvements	10 – 20 years
Buildings	20 – 50 years
Infrastructure	40 years
Park Equipment and Improvements	10 – 20 years
Collection and Distribution Systems	10 – 50 years
Equipment, Machinery, and Vehicles	5 – 20 years

General infrastructure assets acquired prior to January 1, 2002 are not being reported in the basic financial statements. General infrastructure assets include all roads, bridges, and other infrastructure acquired subsequent to January 1, 2002.

Compensated Absences – Full-time employees of the Town are allowed to accumulate unused vacation and sick time. Vacation accumulates based on years of service. Sick time is accrued at a rate of twelve (12) days per year, up to a maximum of 36 days accumulation. Employees who accumulate in excess of 36 days are paid 50% of the days in excess at their current rate at the end of each year. Employees will be paid for all accrued vacation time, but not accumulated sick time, upon separation of employment. Therefore, no liability for accumulated

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

sick time is reported in the financial statements. Accrued vacation time is recognized as current salary costs when earned in the proprietary funds and when due in the governmental funds. A long-term liability is reported in the government-wide financial statements for accrued compensated absences.

Long-Term Debt - In the government-wide financial statements, and the proprietary funds 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 statement of net position.

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Debt premiums and discounts are reported as other financing sources and uses, respectively. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. In the government-wide and proprietary funds, debt premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

Net Position - In the government-wide and proprietary fund financial statements, net position is restricted when constraints placed on the net position are externally imposed.

- Net Investment in Capital Assets - this classification is intended to report the portion of net position which is associated with non-liquid, capital assets less outstanding debt related to those capital assets.
- Restricted Net Position - this classification includes liquid assets which have third party limitations on their use.
- Unrestricted Net Position - this classification includes assets that do not have any third party limitation on their use.

Fund Balance Classification - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form (such as prepaid items) or (b) are legally or contractually required to be maintained intact.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position/Fund Balances (Continued)

- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Town’s highest level of decision-making authority, the Town Board of Trustees. The constraint may be removed or changed only through formal action of the Town Board of Trustees.
- Assigned – This classification includes amounts that are constrained by the Town’s intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Town Board of Trustees to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or changed than those imposed on committed amounts.
- Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

The Town has not established a formal policy for its use of restricted and unrestricted fund balance. However, if both the restricted and unrestricted fund balances are available the Town uses restricted fund balance first, followed by committed, assigned and unassigned.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and are collected in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer’s Office collects property taxes and remits to the Town on a monthly basis. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow of resources are reported at December 31.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

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

Subsequent Events

The Town has evaluated events subsequent to the year ended December 31, 2022 through May 4, 2023, the date of these financial statements were issued, and has incorporated any required recognition into these financial statements.

NOTE 2: CASH AND INVESTMENTS

A summary of cash and investments at December 31, 2022, follows:

Cash Deposits	\$ 1,037,859
Investments	<u>194,498</u>
Total	<u>\$ 1,232,357</u>

Cash is reported in the financial statements as follows:

Cash and Investments	\$ 760,190
Cash and Investments – Restricted	184,647
Investments – Long-term	<u>287,520</u>
Total	<u>\$ 1,232,357</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all local government entities deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of Federal Deposit Insurance Corporation (FDIC) levels must be collateralized by eligible collateral as determined by the PDPA. The FDIC insures depositors up to \$250,000 for each financial institution. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 2: CASH AND INVESTMENTS (Continued)

Cash Deposits (Continued)

At December 31, 2022, the Town had bank deposits totaling \$1,150,934 of which \$271,046 were insured by FDIC, and \$879,888 were collateralized with securities held by the financial institution's agent but not in their name.

Investments

The Town has not adopted a formal investment policy; however, the Town follows State statutes regarding investments. The Town generally limits its concentration of investments to Local Government Investment Pools, obligations of the United States and certain U.S. government agency securities, which are believed to have a minimal credit risk; minimal interest rate risk and no foreign currency risk. Additionally, the Town is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Town Board of Trustees, such actions are generally associated with debt service reserve or sinking fund requirements.

State statutes specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest which include the following:

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

The Town measures and records its investments using fair market value measurement guidelines established by generally accepted accounting principles, except for local government investment pools, which are recorded using the net asset value method. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investment in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

At December 31, 2022, the Town had the following investment:

	<u>Maturity</u>	<u>2022</u>
Colorado Liquid Asset Trust (COLOTRUST)	Weighted Average under 60 days	<u>\$ 194,498</u>

The Town invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the "Trust"), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers share in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as the safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAA by Standard and Poor's. COLOTRUST records its investments at fair value and the Town records its investments in COLOTRUST using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Restricted Cash and Investments

Restricted cash and investments consist of amounts restricted for the American Rescue Plan Act grant expenditures.

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TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2022, is summarized below:

	Balances 12/31/2021	Additions	Deletions	Balances 12/31/2022
Governmental Activities:				
Capital Assets, not being depreciated				
Land	\$ 1,346	\$ -	\$ -	\$ 1,346
Capital Assets, being depreciated				
Land Improvements	179,902	-	-	179,902
Buildings	547,081	-	-	547,081
Infrastructure	1,476,522	64,510	-	1,541,032
Park Equipment and Improvements	124,082	-	-	124,082
Equipment and Vehicles	511,713	68,764	25,597	554,880
Total Capital Assets, being depreciated	<u>2,839,300</u>	<u>133,274</u>	<u>25,597</u>	<u>2,946,977</u>
Less accumulated depreciation				
Land Improvements	(106,659)	(7,728)	-	(114,387)
Buildings	(360,639)	(8,457)	-	(369,096)
Infrastructure	(303,217)	(38,512)	-	(341,729)
Park Equipment and Improvements	(90,917)	(5,762)	-	(96,679)
Equipment and Vehicles	(338,512)	(30,164)	(23,040)	(345,636)
Total accumulated depreciation	<u>(1,199,944)</u>	<u>(90,623)</u>	<u>(23,040)</u>	<u>(1,267,527)</u>
Total Capital Assets, being depreciated, net	<u>1,639,356</u>	<u>42,651</u>	<u>2,557</u>	<u>1,679,450</u>
Governmental Activities Capital Assets, net	<u>\$ 1,640,702</u>	<u>\$ 42,651</u>	<u>\$ 2,557</u>	<u>\$ 1,680,796</u>

Depreciation expense was charged to the functions/programs as follows:

General Government	\$ 3,762
Public Safety	22,429
Public Works	37,745
Parks and Recreation	<u>26,687</u>
Total	<u>\$ 90,623</u>

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 3: CAPITAL ASSETS (Continued)

	Balances 12/31/2021	Additions	Deletions	Balances 12/31/2022
Business-type Activities:				
Capital Assets, not being depreciated				
Land	\$ 49,840	\$ -	\$ -	\$ 49,840
Construction in Progress	34,204	180,389	-	214,593
	<u>84,044</u>	<u>180,389</u>	<u>-</u>	<u>264,433</u>
Capital Assets, being depreciated				
Collection and Distribution Systems	3,199,673	5,547		3,205,220
Buildings	210,113	-	-	210,113
Machinery and Equipment	423,186	-	-	423,186
Total Capital Assets, being depreciated	<u>3,832,972</u>	<u>5,547</u>	<u>-</u>	<u>3,838,519</u>
Less accumulated depreciation				
Collection and Distribution Systems	(1,833,025)	(57,473)		(1,890,498)
Buildings	(54,758)	(4,380)	-	(59,138)
Machinery and Equipment	(272,523)	(22,313)	-	(294,836)
Total accumulated depreciation	<u>(2,160,306)</u>	<u>(84,166)</u>	<u>-</u>	<u>(2,244,472)</u>
Total Capital Assets, being depreciated, net	<u>1,672,666</u>	<u>(78,619)</u>	<u>-</u>	<u>1,594,047</u>
Business-type Activities Capital Assets, net	<u>\$ 1,756,710</u>	<u>\$ 101,770</u>	<u>\$ -</u>	<u>\$ 1,858,480</u>

Depreciation expense for the Business-type Activities was charged to the functions/programs as follows:

Water Fund	\$ 58,800
Sewer Fund	<u>25,366</u>
Total	<u>\$ 84,166</u>

During the year ended December 31, 2022, the Town entered into a construction contract for the replacement of water lines along Boulder Street in the amount of \$270,000. At December 31, 2022, the remaining balance on the contract was \$226,165.

Subsequent to the year ended December 31, 2022, the Town entered into a contract in the amount of \$76,371 for the purchase of dash cameras for the police vehicles to be installed in 2024.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 4: LONG-TERM DEBT

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2022.

	Balance 12/31/2021	Additions	Deletions	Balance 12/31/2022	Due Within One Year
Governmental Activities					
Building Loan	\$ 25,542	\$ -	\$ 1,983	\$ 23,559	\$ 2,059
Equipment Loans	30,528	-	7,632	22,896	7,632
Vehicle Loan	14,641	-	14,641	-	-
Accrued Compensated Absences	18,455	11,154	8,870	20,739	20,739
	<u>\$ 89,166</u>	<u>\$ 11,154</u>	<u>\$ 33,126</u>	<u>\$ 67,194</u>	<u>\$ 30,430</u>

Compensated absences are expected to be liquidated primarily with revenues of the General Fund.

Loans Payable

The Town has entered into loan agreements to purchase a building, police vehicles and bodycam equipment. These loans bear interest at rates ranging from 0% to 3.85% per annum, and mature between March 2023 and September 2032.

During the year ended December 31, 2022, the Town entered into an agreement to purchase bodycam equipment. At December 31, 2022 a balance of \$30,528 remains outstanding and is to be paid in four equal annual instalments through 2025.

Following is a summary of the future debt service requirements for these loans for the year ended December 31, 2022:

Year Ended December 31	Principal	Interest	Total
2023	\$ 9,691	\$ 871	\$ 10,562
2024	9,769	793	10,562
2025	9,854	708	10,562
2026	2,308	622	2,930
2027	2,397	533	2,930
2028 - 2032	12,436	1,203	13,639
	<u>\$ 46,455</u>	<u>\$ 4,730</u>	<u>\$ 51,185</u>

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 4: LONG-TERM DEBT (Continued)

Business-type Activities

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2022.

	Balance 12/31/2021	Additions	Deletions	Balance 12/31/2022	Due Within One Year
Business-type Activities					
1992 Water Revenue Bonds	\$ 90,900	\$ -	6,100	\$ 84,800	\$ 6,500
Building Loan	116,340	-	9,031	107,309	9,381
	<u>\$ 207,240</u>	<u>\$ -</u>	<u>\$ 15,131</u>	<u>\$ 192,109</u>	<u>\$ 15,881</u>

Water Revenue Bonds

During 1992, the Town issued Water Revenue Bonds in the principal amount of \$175,200 for the construction of certain water system improvements. Principal and interest payments are due semi-annually on February 1, and August 1, through August 1, 2032. Interest accrues at a rate of 5.5% per annum. The bonds required a reserve fund be established in the total amount of \$11,460, which is reported as restricted net position in the water fund. The bonds are payable solely from revenues of the Town's water utility system, after deducting operation and maintenance costs. During the year ended December 31, 2022, net revenues of \$88,704 were available to pay annual debt service of \$10,936. Remaining debt service at December 31, 2022 was \$111,451.

Following is a summary of the water revenue bonds future debt service requirements for the business-type activities for the year ended December 31, 2022:

Year Ended December 31	Principal	Interest	Total
2023	\$ 6,500	\$ 4,576	\$ 11,076
2024	6,900	4,213	11,113
2025	7,300	3,828	11,128
2026	7,700	3,421	11,121
2027	8,100	2,992	11,092
2028 - 2032	48,300	7,621	55,921
	<u>\$ 84,800</u>	<u>\$ 26,651</u>	<u>\$ 111,451</u>

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 4: LONG-TERM DEBT (Continued)

Business-type Activities (Continued)

Loan Payable

The Town has entered into a loan agreement to purchase a building for the water and sewer systems. The building loan bears interest at rates of 3.75% per annum and matures September 2032.

Following is a summary of the future debt service requirements for this loan for the year ended December 31, 2022:

<u>Year Ended December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 9,381	\$ 3,966	\$ 13,347
2024	9,734	3,613	13,347
2025	10,121	3,226	13,347
2026	10,512	2,835	13,347
2027	10,919	2,428	13,347
2028 - 2032	56,642	5,484	62,126
	<u>\$ 107,309</u>	<u>\$ 21,552</u>	<u>\$ 128,861</u>

NOTE 5: PUBLIC ENTITY RISK POOL

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. For these risks of loss, the Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability, property, and workers compensation coverages and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 5: PUBLIC ENTITY RISK POOL (Continued)

It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the Town does not approve budgets nor does it have the ability to significantly affect the operations of entity.

NOTE 6: PENSION PLANS

Defined Contribution Pension Plan

The Town contributes to a single employer defined contribution money purchase pension plan on behalf of its employees. The contribution requirements of the Plan participants and the Town are established and may be amended by the Town Board of Trustees. The Plan is administered by Colorado Retirement Association. Employees are eligible to participate after six months of service. The Town will match 100% of the employee's contribution, which is a minimum of 3% and maximum of 4%. Employees are fully vested in the Town's contributions immediately. During the year ended December 31, 2022, employee contributions totaled \$19,078 and the Town recognized pension expense of \$19,074.

NOTE 7: COMMITMENTS AND CONTINGENCIES

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the "Amendment"), which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. The Amendment requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of an expiring tax, or tax policy change directly causing a net tax revenue gain to the Town. Revenue in excess of the fiscal spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue.

In April 1996, voters within the Town authorized the Town to levy a mill of 17.683 mills and to collect, retain and expend the full amount of revenues generated during 1995 and each subsequent year, and to spend such revenues for (a) snow removal, (b) street sweeping, (c) street construction, repair and maintenance, (d) capital improvements, (e) police protection, (f) storm drainage, (g) parks and recreation, and (h) other municipal services, without limiting in any year the amount of other revenues that may be collected and spent by the Town under provisions of the Amendment.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

NOTE 7: COMMITMENTS AND CONTINGENCIES (Continued)

Tabor Amendment (Continued)

In November 2012, the voters approved collection and spending of a one (1) percent sales and use tax, commencing January 1, 2013, without any limitations of the Amendment.

The Town's management believes it is in compliance with the provisions of the Amendment. However, the Amendment is complex and subject to interpretation. Many of its provisions may require judicial interpretation.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2022, the emergency reserve of \$35,000 was reported as restricted fund balance in the General Fund.

Claims and Judgments

The Town participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental entities. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. At December 31, 2022, significant amounts of grant expenses have not been audited but management believes that subsequent audits will not have a material effect on the overall financial position of the Town.

Litigation

The Town was named as a defendant in pending litigation. In June 2022, the court issued a summary judgment in favor of the Town. The plaintiffs appealed the judgement, and as of current date, the outcome of the appeal cannot be determined at this time.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF CALHAN, COLORADO

GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2022
 (With Comparative Totals for December 31, 2021)

	2022			VARIANCE Positive (Negative)	2021
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		ACTUAL
REVENUES					
Taxes	\$ 619,595	\$ 709,595	\$ 996,490	\$ 286,895	\$ 675,820
Licenses and Permits	11,200	11,200	14,971	3,771	11,386
Fines and Forfeitures	26,000	26,000	21,935	(4,065)	16,137
Charges for Services	13,300	13,300	23,300	10,000	16,411
Intergovernmental	103,170	103,170	58,451	(44,719)	70,156
Interest	750	750	4,930	4,180	432
Miscellaneous	10,600	10,600	47,545	36,945	46,135
TOTAL REVENUES	784,615	874,615	1,167,622	293,007	836,477
EXPENDITURES					
Current					
General Government	111,801	133,966	118,860	15,106	98,303
Judicial	14,806	14,806	12,705	2,101	9,254
Public Safety	405,044	441,544	412,894	28,650	331,060
Public Works	346,546	351,638	118,740	232,898	85,099
Parks and Recreation	15,041	15,041	7,909	7,132	12,949
Capital Outlay	48,000	57,000	133,274	(76,274)	115,749
Debt Service					
Principal	12,100	15,000	24,256	(9,256)	21,272
Interest	-	-	1,225	(1,225)	1,637
TOTAL EXPENDITURES	953,338	1,028,995	829,863	199,132	675,323
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(168,723)	(154,380)	337,759	506,482	161,154
OTHER FINANCING SOURCES					
Capital Lease Proceeds	-	-	-	-	38,470
NET CHANGE IN FUND BALANCE	(168,723)	(154,380)	337,759	506,482	199,624
FUND BALANCE, Beginning	168,723	168,723	376,921	208,198	177,297
FUND BALANCE, Ending	\$ -	\$ 14,343	\$ 714,680	\$ 714,680	\$ 376,921

See the accompanying Independent Auditor's Report.

TOWN OF CALHAN, COLORADO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2022

NOTE 1: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets

Budgets are legally adopted for all funds of the Town. Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the enterprise funds are presented on a non-GAAP budgetary basis. Capital outlay and long-term debt principal are budgeted as expenditures and depreciation is not budgeted.

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

- In September, Management submits to the Town 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 and public comments.
- Prior to December 31, the budget is legally enacted through passage of an ordinance.
- Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures must be approved by the Town Board of Trustees.
- All budget appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

SUPPLEMENTARY INFORMATION

TOWN OF CALHAN, COLORADO

CONSERVATION TRUST FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2022

(With Comparative Totals for December 31, 2021)

	2022		VARIANCE Positive (Negative)	2021
	ORIGINAL AND FINAL BUDGET	ACTUAL		ACTUAL
REVENUES				
Lottery Revenues	\$ 10,000	\$ 9,733	\$ (267)	\$ 10,105
Interest	50	53	3	35
TOTAL REVENUES	<u>10,050</u>	<u>9,786</u>	<u>(264)</u>	<u>10,140</u>
EXPENDITURES				
Parks and Recreation	10,000	4,591	5,409	-
Contingency	<u>16,997</u>	<u>-</u>	<u>16,997</u>	<u>-</u>
TOTAL EXPENDITURES	<u>26,997</u>	<u>4,591</u>	<u>5,409</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(16,947)	5,195	22,142	10,140
FUND BALANCE, Beginning	<u>16,947</u>	<u>26,334</u>	<u>9,387</u>	<u>16,194</u>
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ 31,529</u>	<u>\$ 31,529</u>	<u>\$ 26,334</u>

See the accompanying Independent Auditor's Report.

TOWN OF CALHAN, COLORADO
WATER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2022
(With Comparative Totals for December 31, 2021)

	2022		VARIANCE Positive (Negative)	2021
	ORIGINAL AND FINAL BUDGET	ACTUAL		ACTUAL
REVENUES				
Charges for Services	\$ 287,000	\$ 296,843	\$ 9,843	\$ 291,986
Connection and Late Fees	6,200	9,700	3,500	2,250
Tap Fees	2,200	7,800	5,600	-
System Development Fees	800	2,200	1,400	-
Investment Income	1,200	976	(224)	978
Grant Revenue	270,000	54,429	(215,571)	14,386
Miscellaneous	-	2,208	2,208	-
	567,400	374,156	(193,244)	309,600
TOTAL REVENUES				
EXPENDITURES				
Operations and Maintenance	536,463	230,047	306,416	201,423
Administration and General	22,650	19,602	3,048	19,777
Capital Outlay	275,000	180,389	94,611	59,643
Debt Service				
Principal	12,274	10,616	1,658	10,079
Interest	5,336	4,917	419	7,531
	851,723	445,571	406,152	298,453
TOTAL EXPENDITURES				
NET INCOME, Budget Basis	<u>\$ (284,323)</u>	<u>(71,415)</u>	<u>\$ 212,908</u>	<u>11,147</u>
GAAP BASIS ADJUSTMENTS				
Capital Outlay		180,389		59,643
Depreciation		(58,800)		(62,095)
Principal Paid on Long-Term Debt		10,616		10,079
		60,790		18,774
NET INCOME, GAAP Basis				
NET POSITION, Beginning		1,426,010		1,407,236
NET POSITION, Ending		<u>\$ 1,486,800</u>		<u>\$ 1,426,010</u>

See the accompanying Independent Auditor's Report.

TOWN OF CALHAN, COLORADO
 SEWER FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2022
 (With Comparative Totals for December 31, 2021)

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES				
Charges for Services	\$ 195,000	\$ 201,212	\$ 6,212	\$ 194,379
Tap Fees	2,200	2,200	-	-
System Development Fees	800	800	-	-
Investment Income	500	185	(315)	326
Grants	404,813	-	(404,813)	-
TOTAL REVENUES	603,313	204,397	(398,916)	194,705
EXPENDITURES				
Operations and Maintenance	188,535	177,718	10,817	158,682
Administration and General	17,150	15,179	1,971	13,551
Capital Outlay	510,000	5,547	504,453	-
Debt Service				
Principal	6,674	4,515	2,159	4,380
Interest	-	2,159	(2,159)	2,294
Contingency Reserve	60,954	-	60,954	-
TOTAL EXPENDITURES	783,313	205,118	578,195	178,907
NET INCOME, Budget Basis	\$ (180,000)	(721)	\$ 179,279	15,798
GAAP BASIS ADJUSTMENTS				
Capital Outlay		5,547		-
Depreciation		(25,366)		(24,280)
Principal Paid on Long-term Debt		4,515		4,380
NET INCOME, GAAP Basis		(16,025)		(4,102)
NET POSITION, Beginning		646,455		650,557
NET POSITION, Ending		\$ 630,430		\$ 646,455

See the accompanying Independent Auditor's Report.

OTHER INFORMATION

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

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO
	YEAR ENDING (mm/yy): 12/22

This Information From The Records Of: Town of Calhan	Prepared By: Cindy Tompkins
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I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 73,268
a. Motor Fuel (from Item I.A.5.)	\$ -	2. Maintenance:	\$ 33,552
b. Motor Vehicle (from Item I.B.5.)	\$ -	3. Road and street services:	
c. Total (a.+b.)	\$ -	a. Traffic control operations	\$ 548
2. General fund appropriations	\$ 20	b. Snow and ice removal	\$ 1,000
3. Other local imposts (from page 2)	\$ 293,383	c. Other	\$ 12,259
4. Miscellaneous local receipts (from page 2)	\$ 6,581	d. Total (a. through c.)	\$ 13,807
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 71,456
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 145,308
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 337,391
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 299,984	b. Redemption	
8. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 37,407	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 337,391	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1,c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 337,391

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ -	\$ 337,391	\$ 337,391	\$ -	\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
 COLORADO
 YEAR ENDING (mm/yy):
 12/22

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assesments	\$ 4,503	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	\$ 6,581
1. Sales Taxes	\$ 275,323	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	\$ 13,557	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 288,880	h. Other	
c. Total (a. + b.)	\$ 293,383	i. Total (a. through h.)	\$ 6,581
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 32,489	1. FHWA (from Item I.D.5.)	\$ -
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 3,669	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other (ie. ARPA) Road and Bridge	\$ 1,249	f. Other Federal	
f. Total (a. through e.)	\$ 4,918	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 37,407	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements		\$ 73,268	\$ 73,268
(3). System Preservation			\$ -
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 73,268	\$ 73,268
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 73,268	\$ 73,268
<i>(Carry forward to page 1)</i>			

Notes and Comments: