

TOWN OF DEER TRAIL, COLORADO

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2022




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INDEPENDENT AUDITOR'S REPORT

Board of Directors and Management
Town of Deer Trail, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund and the aggregate remaining fund information of the Town of Deer Trail, Colorado (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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Town, as of December 31, 2022 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 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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'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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.



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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'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'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.

Other Matters

Required Supplementary Information

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

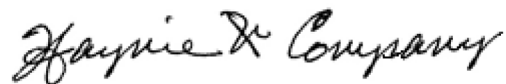
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

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 other supplementary information as listed in the table of contents is presented for purposes of additional analysis is not a required part of the basic financial statements.

The supplementary information as listed in the table of contents 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. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Sincerely,

A handwritten signature in cursive script that reads "Haynie & Company". The signature is written in black ink and is positioned below the word "Sincerely,".

Littleton, Colorado
September 12, 2023

Town of Deer Trail, Colorado
Statements of Net Position
December 31, 2022

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 1,412,061	\$ 1,147,296	\$ 2,559,357
Restricted Cash	-	54,224	54,224
Accounts Receivable	10,977	-	10,977
Property Taxes Receivable	132,307	-	132,307
Utility Accounts Receivable	-	76,938	76,938
Total Current Assets	<u>1,555,345</u>	<u>1,278,458</u>	<u>2,833,803</u>
Non-Current Assets:			
Capital Assets, Net			
Land	10,000	3,000	13,000
Infrastructure and Equipment	308,079	5,156,326	5,464,405
Total Non-Current Assets	<u>318,079</u>	<u>5,159,326</u>	<u>5,477,405</u>
TOTAL ASSETS	<u>1,873,424</u>	<u>6,437,784</u>	<u>8,311,208</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	5,645	12,933	18,578
Accrued Liabilities	6,617	25,368	31,985
Current Portion of Long-Term Debt	-	68,698	68,698
Total Current Liabilities	<u>12,262</u>	<u>106,999</u>	<u>119,261</u>
Non-Current Liabilities:			
Long Term Debt, Net of Current Portion	-	2,052,692	2,052,692
Total Non-Current Liabilities	<u>-</u>	<u>2,052,692</u>	<u>2,052,692</u>
TOTAL LIABILITIES	<u>12,262</u>	<u>2,159,691</u>	<u>2,171,953</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Property Taxes	132,307	-	132,307
Deferred Revenue - ARPA Funds	143,500	-	143,500
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>275,807</u>	<u>-</u>	<u>275,807</u>
NET POSITION			
Net Investment in Capital Assets	318,079	3,037,936	3,356,015
Restricted for:			
Conservation Trust	92,160	-	92,160
Emergencies	13,593	-	13,593
Debt Service	-	54,224	54,224
Unrestricted	1,161,523	1,185,933	2,347,456
TOTAL NET POSITION	<u>\$ 1,585,355</u>	<u>\$ 4,278,093</u>	<u>\$ 5,863,448</u>

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

Town of Deer Trail, Colorado

Statements of Activities

For the Year Ended December 31, 2022

FUNCTIONS / PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION	
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	TOTAL
		GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	PRIMARY GOVERNMENT	
PRIMARY GOVERNMENT:					
Governmental activities:					
General Government	\$ 358,511	\$ 61,858	\$ -	\$ -	\$ (296,653)
Public Safety	58,233	-	-	-	(58,233)
Culture and Recreation	1,778	-	36,665	-	34,887
Public Works	15,929	-	-	-	(15,929)
Total Governmental Activities	<u>434,451</u>	<u>61,858</u>	<u>36,665</u>	<u>-</u>	<u>(335,928)</u>
Business-Type Activities:					
Water	233,013	318,232	-	172,790	258,009
Sewer	217,723	218,558	-	330,000	330,835
Total Business-Type Activities	<u>450,736</u>	<u>536,790</u>	<u>-</u>	<u>502,790</u>	<u>588,844</u>
Total Primary Government	<u>\$ 885,187</u>	<u>\$ 598,648</u>	<u>\$ 36,665</u>	<u>\$ 502,790</u>	<u>\$ 252,916</u>
			Property Taxes	\$ 206,810	\$ 206,810
			Taxes and Other	100,303	100,303
			Investment Earnings	97	168
			Miscellaneous	-	(31,061)
			Transfers In (Out)	467,708	(467,708)
			Total General Revenues	774,918	276,220
			Change in Net Position	438,990	529,136
			Net Position Beginning	1,146,365	5,334,312
			Net Position Ending	<u>\$ 1,585,355</u>	<u>\$ 5,863,448</u>

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

Town of Deer Trail, Colorado
Governmental Funds Balance sheet
and Reconciliation of Fund Balances to Net Position
December 31, 2022

	<u>GENERAL</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>	<u>TOTALS</u>
ASSETS			
Cash	\$ 1,115,154	\$ 296,907	\$ 1,412,061
Accounts Receivable	10,977	-	10,977
Property Taxes Receivable	<u>132,307</u>	<u>-</u>	<u>132,307</u>
Prepaid Expenses		<u>-</u>	<u>-</u>
Total Assets	<u>\$ 1,258,438</u>	<u>\$ 296,907</u>	<u>\$ 1,555,345</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	6,617	-	6,617
Accrued Liabilities	<u>4,495</u>	<u>1,150</u>	<u>5,645</u>
Total Liabilities	<u>11,112</u>	<u>1,150</u>	<u>12,262</u>
DEFERED INFLOWS OF RESOURCES			
Deferred Property Taxes	132,307	-	132,307
Deferred Revenue	<u>143,500</u>	<u>-</u>	<u>143,500</u>
Total Deferred Inflows of Resources	<u>275,807</u>	<u>-</u>	<u>275,807</u>
FUND BALANCES			
Restricted:			
Emergency Reserve	13,593	-	13,593
Conservation Trust Funds	-	92,160	92,160
Assigned:			
Open Space	-	203,597	203,597
Unassigned	<u>957,926</u>	<u>-</u>	<u>957,926</u>
Total Fund Balances	<u>971,519</u>	<u>295,757</u>	<u>1,267,276</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,258,438</u>	<u>\$ 296,907</u>	

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.

318,079

Net Position of Governmental Activities

\$ 1,585,355

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

Town of Deer Trail, Colorado
Governmental Funds Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances and Reconciliation to the Statement of Activities
For the Year Ended December 31, 2022

	GENERAL	NONMAJOR GOVERNMENTAL FUNDS	TOTALS
REVENUES:			
Taxes	\$ 206,810	\$ -	\$ 206,810
Charges for Services	53,317	1,354	54,671
Intergovernmental	-	36,665	36,665
Licenses and Permits	7,187	-	7,187
Miscellaneous	86,138	14,262	100,400
TOTAL REVENUES	353,452	52,281	405,733
EXPENDITURES:			
Current:			
General Government	330,905	-	330,905
Public Safety	58,233	-	58,233
Capital Outlay	57,580	22,458	80,038
Public Works	4,619	11,310	15,929
Miscellaneous	1,778	-	1,778
TOTAL EXPENDITURES	453,115	33,768	486,883
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(99,663)	18,513	(81,150)
OTHER FINANCING SOURCES (USES)			
Operating Transfer In (Out)	443,666	24,042	467,708
NET CHANGE IN FUND BALANCE	344,003	42,555	386,558
FUND BALANCES, BEGINNING	627,516	253,202	
FUND BALANCES, ENDING	\$ 971,519	\$ 295,757	

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense.

Capital expenditures	80,038
Depreciation expense	(27,606)

Change in Net Position of Governmental Activities	\$ 438,990
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The accompanying notes are an integral part of these financial statements.

Town of Deer Trail, Colorado

Proprietary Funds Statement of Net Position December 31, 2022

ASSETS	WATER	SEWER	
Current Assets:	<u>FUND</u>	<u>FUND</u>	<u>TOTALS</u>
Cash	\$ 600,140	\$ 547,156	\$ 1,147,296
Accounts Receivable	30,775	46,163	76,938
Total Current Assets	<u>630,915</u>	<u>593,319</u>	<u>1,224,234</u>
Restricted Assets:			
Debt Service Reserve	20,802	33,422	54,224
Total Restricted Assets	<u>20,802</u>	<u>33,422</u>	<u>54,224</u>
Non-Current Assets:			
Capital Assets:			
Land	1,500	1,500	3,000
Distribution/Collection System	4,502,241	2,430,262	6,932,503
Equipment	-	626,116	626,116
Accumulated Depreciation	<u>(1,126,632)</u>	<u>(1,275,661)</u>	<u>(2,402,293)</u>
Total Non-Current Assets	<u>3,377,109</u>	<u>1,782,217</u>	<u>5,159,326</u>
TOTAL ASSETS	<u>4,028,826</u>	<u>2,408,958</u>	<u>6,437,784</u>
LIABILITIES			
Current Liabilities:			
Current Portion of Long-Term Debt	53,707	14,991	68,698
Accounts Payable	7,179	5,754	12,933
Accrued Liabilities	10,013	15,355	25,368
Total Current Liabilities	<u>70,899</u>	<u>36,100</u>	<u>106,999</u>
Non-Current Liabilities:			
Long-Term Debt - Net of Current Portion	1,536,034	516,658	2,052,692
Total Non-Current Liabilities	<u>1,536,034</u>	<u>516,658</u>	<u>2,052,692</u>
TOTAL LIABILITIES	<u>1,606,933</u>	<u>552,758</u>	<u>2,159,691</u>
NET POSITION			
Net Investment in Capital Assets	1,787,368	1,250,568	3,037,936
Reserved for Debt Service	20,802	33,422	54,224
Unrestricted	613,723	572,210	1,185,933
TOTAL NET POSITION	<u>\$ 2,421,893</u>	<u>\$ 1,856,200</u>	<u>\$ 4,278,093</u>

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

Town of Deer Trail, Colorado
Proprietary Funds
Statement of Revenues, Expenditures
and Changes in Fund Net Position
For the Year Ended December 31, 2022

	<u>WATER FUND</u>	<u>SEWER FUND</u>	<u>TOTAL</u>
OPERATING REVENUES			
Charges for Services	\$ 318,232	\$ 218,558	\$ 536,790
Total Operating Revenues	<u>318,232</u>	<u>218,558</u>	<u>536,790</u>
OPERATING EXPENSES			
Salaries and Benefits	16,616	16,616	33,232
Supplies and Office Expenses	16,675	-	16,675
Utilities	20,137	20,137	40,274
Repairs and Maintenance	12,285	28,742	41,027
Professional Fees	2,628	2,628	5,256
Other	42,399	53,188	95,587
Depreciation	<u>106,120</u>	<u>74,332</u>	<u>180,452</u>
Total Operating Expenses	<u>216,860</u>	<u>195,643</u>	<u>412,503</u>
Income (Loss) From Operations	<u>101,372</u>	<u>22,915</u>	<u>124,287</u>
NON-OPERATING REVENUES (EXPENSES)			
Activation and Tap Fees	172,790	330,000	502,790
Miscellaneous	(30,732)	(329)	(31,061)
Investment Earnings	-	71	71
Interest Expense	<u>(16,153)</u>	<u>(22,080)</u>	<u>(38,233)</u>
Total Non-Operating Revenues (Expenses)	<u>125,905</u>	<u>307,662</u>	<u>433,567</u>
Net Income Before Contributions and Transfers	<u>227,277</u>	<u>330,577</u>	<u>557,854</u>
Transfers In (Out)	<u>(190,201)</u>	<u>(277,507)</u>	<u>(467,708)</u>
CHANGE IN NET POSITION	<u>\$ 37,076</u>	<u>\$ 53,070</u>	<u>\$ 90,146</u>
NET POSITION, BEGINNING OF YEAR	<u>2,384,817</u>	<u>1,803,130</u>	<u>4,187,947</u>
NET POSITION, END OF YEAR	<u>\$ 2,421,893</u>	<u>\$ 1,856,200</u>	<u>\$ 4,278,093</u>

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

Town of Deer Trail, Colorado

Proprietary Funds Statement of Cash Flows

For the Year Ended December 31, 2022

	WATER FUND	SEWER FUND	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts From Customers	\$ 318,040	\$ 215,779	\$ 533,819
Payments to Suppliers for Goods and Services	(113,704)	(101,519)	(215,223)
Payments to Employees	(16,616)	(16,616)	(33,232)
Net Cash From Operating Activities	187,720	97,644	285,364
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Transfers (To) From Other Fund	(190,201)	(277,507)	(467,708)
Net Cash From Non-Capital Financing Activities	(190,201)	(277,507)	(467,708)
CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES:			
Tap Fees	172,790	330,000	502,790
Other	(30,732)	(329)	(31,061)
Transfers (to) Restricted Assets	(28)	(44)	(72)
Purchase of Assets	-	-	-
Interest Paid	(16,153)	(22,080)	(38,233)
Debt Principal Payments	(53,080)	(14,391)	(67,471)
Net Cash From Capital and Financing Activities	72,797	293,156	365,953
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest Revenue	-	71	71
Net Cash From Investing Activities	-	71	71
Net Increase (Decrease) in Cash and Cash Equivalents	70,316	113,364	183,680
CASH AND CASH EQUIVALENTS			
Beginning of Year	529,824	433,792	963,616
End of Year	\$ 600,140	\$ 547,156	\$ 1,147,296
Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities			
Net Operating Income (Loss)	\$ 101,372	\$ 22,915	\$ 124,287
Depreciation	106,120	74,332	180,452
(Increase) Decrease in Accounts Receivable, Net	(1,853)	(2,779)	(4,632)
Increase (Decrease) in Accounts Payable	(19,580)	1,616	(17,964)
Increase (Decrease) in Accrued Liabilities	1,661	1,560	3,221
Net Cash From Operating Activities	\$ 187,720	\$ 97,644	\$ 285,364

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

Town of Deer Trail, Colorado

Notes to Financial Statements

December 31, 2022

1. Summary of Significant Accounting Policies

The Town of Deer Trail (the Town) operates under a council-mayor form of government and maintains accounting policies to conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The financial reports of the Town include all of the integral parts of the Town's operations. The Town has no component units using the criteria as set forth in generally accepted accounting principles.

Fund Accounting

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Town reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Proprietary Funds – Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (including depreciation) of providing goods or service to the general public on a continuing basis be financed or recovered primarily through user charges. Proprietary funds are considered major funds because of community interests in the activities and sources of funding supporting these operations.

The Town of Deer Trail operates the Water and Sewer Utilities on this basis..

Government-wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

Town of Deer Trail, Colorado
Notes to Financial Statements (continued)
December 31, 2022

1. Summary of Significant Accounting Policies (continued)

Governmental activities, which normally are supported by taxes and intergovernmental revenue, 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 activity 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 as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual government funds and major individual 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 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 government considers revenues to be recognizable when received. 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 judgments, are recorded only when payment is due.

Property taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current period is considered to be susceptible to accrual as revenue of the current period.

Town of Deer Trail, Colorado
Notes to Financial Statements (continued)
December 31, 2022

1. Summary of Significant Accounting Policies (continued)

Sales tax collected and held by vendors at year end on behalf of the Town is also recognized as revenue if collected within 30 days after year end. Expenditure-driven grants are recognized as revenue when 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 by the government.

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

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 ongoing operations. The principal operating revenues of the Proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Equity

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

- *Nonspendable fund balance* - The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.
- *Restricted fund balance* - The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Town of Deer Trail, Colorado
Notes to Financial Statements (continued)
December 31, 2022

1. Summary of Significant Accounting Policies (continued)

- *Committed fund balance* - The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Trustees. The constraint may be removed or changed only through formal action of the Board of Trustees.

- *Assigned fund balance* - The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Trustees to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

- *Unassigned fund balance* - The residual portion of fund balance that does not meet any of the criteria described above. If more than one classification of fund balance is available for use when an expenditure is incurred, it is the Town's policy to use the most restrictive classification first.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. streets, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Donated or contributed fixed assets are recorded at their estimated fair value on the date received.

The costs of normal maintenance and repairs are charged to operations as incurred. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation of buildings, plants, and machinery and equipment is computed using the straight-line method over the following estimated useful lives:

Buildings and Improvements	10 to 40 years
Utility Systems	25 to 50 years
Equipment and Vehicles	5 to 15 years
Infrastructure	25 to 50 years

Long-term Obligations

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

Town of Deer Trail, Colorado
Notes to Financial Statements (continued)
December 31, 2022

1. Summary of Significant Accounting Policies (continued)

Budget and Budgetary Accounting

On or prior to October 15, the Town Clerk submits to the Town Board 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 January 1, the budget is legally enacted through the passage of an ordinance. Amendments can be made until year end.

Budgets for governmental and pension funds are adopted on a basis consistent with generally accepted accounting principles. Budgets for the Proprietary funds are adopted to fulfill statutory requirements and are prepared on an appropriation basis. Principally, the appropriation basis of budgeting provides for a full accrual basis of accounting, loans and reimbursements received, note receivable principal, capital expenditures and bond principal payments, but does not provide for depreciation and amortization. For 2022 the Town Board budgeted all funds and appropriated spending limits by fund. Therefore, the comparisons of actual and budget amounts relating to legal requirements shown in the financial statements is based on “total expenditures” plus “operating transfers to other funds” in the various fund types. All appropriations lapse at year end.

In 2022, the Town’s expenditures exceeded budgeted appropriations in the General, Conservation Trust, Open Space and Sewer funds, which may be a violation of State statutes.

Cash and Investments

Cash includes interest-bearing demand deposits (checking and money-market accounts), as well as short-term investments with a maturity date within three months of the date acquired.

Investments are stated at cost, except for marketable debt and equity security investments of the pension trust, which are valued at market. State statutes authorize the allowable type of investments, which are detailed in Note 2.

Property Taxes

Annual property taxes are levied and assessed on January 1 and are certified to the County by December 15 of the current year. On January 1 of the following year, the County Treasurer bills the property owners, thus establishing an enforceable lien on the property. The County Treasurer also collects the property taxes and remits the collections on a monthly basis to the Town.

Town of Deer Trail, Colorado
Notes to Financial Statements (continued)
December 31, 2022

1. Summary of Significant Accounting Policies (continued)

The Town recognizes a receivable for property tax levies upon certification by the County Treasurer. A deferred revenue liability is recorded in the same amount since the taxes are not available at year end to fund expenditures of the current year. They are recognized as revenue when collected in the following year.

Property taxes are computed using mills, where one mill is equal to \$1 on \$1,000 of assessed value. The mill levy for 2022 was 13.453.

Compensated Absences

All full-time Town employees accumulate sick leave for subsequent use. These accumulations are paid out at half the employees' rate.

Employees also receive noncumulative vacation leave that is paid out in full. The Town has an accrued sick and vacation balance of \$8,600 as of December 31, 2022.

2. Cash and Investments

For the purpose of the statement of cash flows, the Town considers all highly liquid investments (excluding restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Cash Deposits – The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is specified by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. 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. The State Regulatory Commissions for banks and savings and loan associations are required by Statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it.

Town of Deer Trail, Colorado
Notes to Financial Statements (continued)
December 31, 2022

2. Cash and Investments (continued)

The Town has a policy of limiting custodial credit risks by assuring that deposits are only made in eligible public depositories. As of December 31, 2022, none of the Town's deposits are deemed to be exposed to custodial credit risk.

The Town's cash deposits at December 31, 2022 was \$2,613,581 which include cash and cash equivalents, and restricted assets in the primary government Statement of Net Position.

Cash balances are as follows:

	Bank Balance	Carrying Balance
Insured (FDIC)	\$ 313,087	\$ 312,989
Collateralized by securities held by the pledging financial institution's trust department or agent in the Town's name	2,372,864	2,300,592
Total cash and certificates of deposit	\$ 2,685,951	\$ 2,613,581

The difference between the bank balance and carrying balance is \$72,370 which were outstanding checks that had not cleared the banks as of December 31, 2022.

Investments - Colorado statutes specify in which instruments the local government may invest, which include:

1. Repurchase agreements in obligations of the United States;
2. Obligations of the United States or obligations unconditionally guaranteed by the United States;
3. General obligation or revenue bonds of any state, District of Columbia, US territory or any of their subdivisions, with certain limitations;
4. Bankers acceptance issued by a state or national bank, with certain limitations;
5. Commercial paper, with certain limitations;
6. Any obligation, certificate of participation or lease/purchase of the investing public entity;
7. Money market funds, with certain limitations, which invest in the types of securities listed above;
8. Guaranteed investment contracts, with other certain limitations;

Town of Deer Trail, Colorado
Notes to Financial Statements (continued)
December 31, 2022

2. Cash and Investments (continued)

9. Participation with other local governments in pooled investment funds (trusts). These trusts are supervised by participating governments, and must comply with the same restrictions on cash deposits and investments. These trusts are "COLOTRUST" and "CSAFE".

The Town's only investments are in bank savings and local governments pooled investment funds, which are included in cash and cash equivalents.

Interest Rate Risk – The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value loss resulting from increasing interest rates.

Credit Risk – The Town does not have a formal investment policy that would further limit its investment choices beyond those listed above which are approved by Colorado Statutes.

As of December 31, 2022, the Town had \$62,989 invested in the Colorado Liquid Asset Trust (COLOTRUST), and SEC Rule 2a-7-like investment pool. Investments are valued at amortized cost with each share valued at \$1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the Town records its investments in COLOTRUST using the net asset value method.

3. Restricted Assets

Restricted assets are for the following purposes:

Water Fund – reserve of \$20,802, as required by the Series 2000 loan form Rural Utilities Service. This balance is held in a bank savings account at December 31, 2022.

Sewer Fund – reserve of \$33,422, as required by the Series 2005 Sewer Revenue Bonds. This balance is held in a bank savings account at December 31, 2022.

Town of Deer Trail, Colorado
Notes to Financial Statements (continued)
December 31, 2022

4. Capital Assets

Capital asset activity for the year was as follows:

	Balance December 31, 2021	Additions	Transfers or Retirements	Balance December 31, 2022
Governmental activities:				
Non-Depreciable assets:				
Land	\$ 10,000	\$ -	\$ -	\$ 10,000
Construction in progress	-	80,038		80,038
Depreciable assets:				
Buildings and improvements	653,200	-	-	653,200
Infrastructure	207,218	-	-	207,218
Equipment and vehicles	281,044	-	-	281,044
Total depreciable assets	<u>1,151,462</u>	<u>80,038</u>	<u>-</u>	<u>1,231,500</u>
Less accumulated depreciation for:				
Buildings and improvements	(592,440)	(5,820)	-	(598,260)
Infrastructure	(74,764)	(5,168)	-	(79,932)
Equipment and vehicles	(218,611)	(16,618)	-	(235,229)
Total accumulated depreciation	<u>(885,815)</u>	<u>(27,606)</u>	<u>-</u>	<u>(913,421)</u>
Governmental activities assets, net	<u>\$ 265,647</u>	<u>\$ 52,432</u>	<u>\$ -</u>	<u>\$ 318,079</u>

In 2022, depreciation expense of \$27,606 was charged to Public Works.

Town of Deer Trail, Colorado
Notes to Financial Statements (continued)
December 31, 2022

4. Capital Assets (continued)

	Balance December 31, 2021	Additions	Transfers or Retirements	Balance December 31, 2022
Business-type activities:				
Non-Depreciable assets:				
Land	\$ 3,000	\$ -	\$ -	\$ 3,000
Construction in progress	-	-	-	-
Depreciable assets:				
Distribution/collection system	6,932,503	-	-	6,932,503
Equipment	626,116	-	-	626,116
Total capital assets	<u>7,561,619</u>	<u>-</u>	<u>-</u>	<u>7,561,619</u>
Less accumulated depreciation for:				
Distribution/collection system	(1,755,875)	(166,877)	-	(1,922,752)
Equipment	(465,966)	(13,575)	-	(479,541)
Total accumulated depreciation	<u>(2,221,841)</u>	<u>(180,452)</u>	<u>-</u>	<u>(2,402,293)</u>
Business-type activities assets, net	<u>\$ 5,339,778</u>	<u>\$ (180,452)</u>	<u>\$ -</u>	<u>\$ 5,159,326</u>

In 2022, depreciation expense of \$106,120 was charged to the Water Fund and \$74,332 was charged to the Sewer Fund.

5. Contingency—Constitutional Amendment

In November 1992, the Colorado voters passed a constitutional amendment (TABOR Amendment) to the State Constitution (Article X, Section 20) which requires voter approval for any increases in mill levies, revenue limits, spending limits and creation of multi-year debt. In addition, the amendment requires that a reserve be established for emergencies of 3% in 1995 and thereafter.

The Town has reserved \$11,875 within the General Fund for the emergency reserve under the TABOR amendment.

In 1998, the voters of the Town approved a referendum allowing the Town to collect, retain and expend the full proceeds of the Town's taxes, fees and other revenues received without increasing or adding taxes of any kind.

Town of Deer Trail, Colorado
Notes to Financial Statements (continued)
December 31, 2022

5. Contingency—Constitutional Amendment (continued)

The Town believes that it is in compliance with the provisions of the TABOR Amendment. However, many provisions of the TABOR Amendment are complex and subject to further interpretation and will require judicial interpretation.

6. Long-Term Debt

Series 2005 Sewer Revenue Bonds – The Town issued bonds where the government pledges income derived from customer revenues, net of operating expenses, to repay the debt. Proceeds from the debt provided financing for various improvements. Annual principal and interest payments on the bonds are expected to require approximately 36% of sewer revenues. The bonds have an interest rate of 4.125% and are payable through 2045.

Series 2000 Rural Utilities Service Loan – The Town issued bonds where the government pledges income derived from customer revenues, net of operating expenses, to repay the debt. Proceeds from the debt provided financing for various improvements. Annual principal and interest payments on the bonds are expected to require approximately 19% of water revenues. The bonds have an interest rate of 4.75% and are payable through 2040.

During 2022 principal payments of \$21,091 were made. Additionally, interest payments totaling \$31,546 were made, which are included as a direct expense in the Statement of Activities within the Business-type activities.

Annual debt service requirements for the above bonds are as follows:

	Principal	Interest	Total
2023	\$ 22,091	\$ 30,620	\$ 52,744
2024	23,015	29,653	52,668
2025	24,066	28,646	52,712
2026	25,044	27,595	52,639
2027	26,150	26,499	52,649
2028-2032	149,116	114,286	263,402
2033-2037	184,746	78,629	263,375
2038-2042	187,901	36,285	224,186
2043-2045	77,420	4,449	81,869
	\$ 719,549	\$ 376,662	\$ 1,096,244

Town of Deer Trail, Colorado
Notes to Financial Statements (continued)
December 31, 2022

6. Long-Term Debt (continued)

Drinking Water Revolving Fund Disadvantaged Communities Fund- In October 2020, the Town entered into a loan agreement (the “Agreement”) with the Colorado Water Resource and Power Development Authority (“CWR & PDA”) for a principal amount of \$240,000. The loan accrues interest at 0.5% and is payable in semi-annual principal and interest payments beginning on November 1, 2021. The loan is secured by the net revenues of the Town, as defined within the Agreement.

Drinking Water Revolving Fund Direct Loan - In December 2019, the Town entered into a loan agreement (the “Agreement”) with the Colorado Water Resource and Power Development Authority (“CWR & PDA”) for a principal amount of \$1,221,200. The loan accrues interest at 0.5% and is payable in semi-annual principal and interest payments beginning on May 1, 2021. The loan is secured by the net revenues of the Town, as defined within the Agreement.

During 2022 principal payments on these loans of \$46,380 were made. Additionally, interest payments totaling \$7,183 were made, which are included as a direct expense Statement of Activities within the Business-type activities.

Loan requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 46,607	\$ 6,956	\$ 53,653
2024	46,846	6,718	53,563
2025	47,080	6,483	53,563
2026	47,406	6,157	53,563
2027	47,553	6,011	53,563
2028-2032	241,359	26,458	267,817
2033-2037	247,461	20,356	267,817
2038-2042	253,719	14,097	267,817
2043-2047	260,132	7,685	267,817
Thereafter	163,678	28,342	192,020
	<u>\$ 1,401,841</u>	<u>\$ 129,262</u>	<u>\$ 1,531,193</u>

Town of Deer Trail, Colorado
Notes to Financial Statements (continued)
December 31, 2022

6. Long-Term Debt (continued)

Total changes in Long-Term Liabilities during 2022 are as follows:

	Balance December 31, 2021	Additions	Payments	Balance December 31, 2022	Due Within One Year
Business-type activities:					
Loans payable:					
2000 RUS Loan- Water	\$ 194,600	\$ -	\$ (6,700)	\$ 187,900	\$ 7,100
2019-2020 CWR & PDA Loans	1,448,221	-	(46,380)	1,401,841	46,607
Total loans payable	1,642,821	-	(53,080)	1,589,741	53,707
Bonds payable:					
Series 2005 Sewer Bonds	546,040	-	(14,391)	531,649	14,991
Total long-term liabilities	<u>\$ 2,188,861</u>	<u>\$ -</u>	<u>\$ (67,471)</u>	<u>\$ 2,121,390</u>	<u>\$ 68,698</u>

7. Deferred Revenue

During 2021 and 2022, the Town received a grant payable in two tranches for a total of \$201,080. These were received pursuant to The American Rescue Plan Act of 2021, also called the COVID-19 Stimulus Package or American Rescue Plan (“ARP”) which was enacted on March 11, 2021. The purpose of the bill is to send relief to states and local governments affected by the COVID-19 Pandemic allowing them to better respond to the resulting public health needs and economic hardships that communities continue to experience nationwide. Funds received from this ARP grant can only be used on qualifying expenses. As of December 31, 2022, \$57,580 of these funds were spent on qualifying expenses and the remaining \$143,500 of these monies were recorded as deferred revenue and are being held until 2023.

8. Risk Management

The Town is exposed to various risks of loss to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters.

Property, Casualty, Errors and Omissions and Liability Insurance

The Town is exposed to various risks of loss related to property, casualty, errors and omissions and liability losses. In 1986 due to the excessive cost of this insurance, the Town joined together with other cities and towns in the State of Colorado to form the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a public entity risk pool currently operating as a common risk management and insurance program for members. The Town pays an annual contribution to CIRSA for its insurance coverage.

Town of Deer Trail, Colorado
Notes to Financial Statements (continued)
December 31, 2022

8. Risk Management (continued)

The member agreement provides that the pool will be self-sustaining through member contributions and additional assessments, if necessary, and the pool will purchase excess insurance through commercial companies for member's claims in excess of a specified self insurance retention, which is determined each policy year.

During 2022 the Town paid approximately \$22,431 for insurance coverage to the pool which is included in the operating expense of the general and enterprise funds.

Town of Deer Trail, Colorado

Required Supplementary Information

Town of Deer Trail, Colorado
General Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balances—Budget and Actual
For the Year Ended December 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL</u>	<u>FINAL</u>		POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 195,300	\$ 195,300	\$ 206,810	\$ 11,510
Charges for Services	3,000	3,000	53,317	50,317
Licenses and Permits	122,000	122,000	7,187	(114,813)
Miscellaneous	<u>8,800</u>	<u>8,800</u>	<u>86,138</u>	<u>77,338</u>
TOTAL REVENUES	<u>329,100</u>	<u>329,100</u>	<u>353,452</u>	<u>24,352</u>
EXPENDITURES				
Current:				
General Government	214,600	214,600	388,485	(173,885)
Public Safety	61,000	61,000	58,233	2,767
Public Works	28,500	28,500	4,619	23,881
Miscellaneous	<u>8,000</u>	<u>8,000</u>	<u>1,778</u>	<u>6,222</u>
TOTAL EXPENDITURES	<u>312,100</u>	<u>312,100</u>	<u>453,115</u>	<u>(141,015)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	17,000	17,000	(99,663)	(116,663)
OTHER FINANCIAL SOURCES (USES)				
Operating Transfers In (Out)	<u>-</u>	<u>-</u>	<u>443,666</u>	<u>443,666</u>
NET CHANGE IN FUND BALANCE	17,000	17,000	344,003	327,003
FUND BALANCES, BEGINNING OF YEAR	<u>294,186</u>	<u>294,186</u>	<u>627,516</u>	<u>333,330</u>
FUND BALANCES, END OF YEAR	<u>\$ 311,186</u>	<u>\$ 311,186</u>	<u>\$ 971,519</u>	<u>\$ 660,333</u>

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

Town of Deer Trail, Colorado

Other Supplementary Information

Town of Deer Trail, Colorado

Combining Balance Sheet Nonmajor Governmental Funds December 31, 2022

	CONSERVATION TRUST FUND	OPEN SPACE FUND	TOTALS
ASSETS:			
Cash	\$ 92,160	\$ 204,747	\$ 296,907
TOTAL ASSETS	<u>\$ 92,160</u>	<u>\$ 204,747</u>	<u>\$ 296,907</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts Payable	-	1,150	1,150
TOTAL LIABILITIES	<u>-</u>	<u>1,150</u>	<u>1,150</u>
FUND BALANCES			
Restricted - Conservation Trust Funds	92,160	-	92,160
Assigned - Open Space	-	203,597	203,597
TOTAL FUND BALANCES	<u>92,160</u>	<u>203,597</u>	<u>295,757</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 92,160</u>	<u>\$ 204,747</u>	<u>\$ 296,907</u>

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

Town of Deer Trail, Colorado
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2022

	CONSERVATION TRUST FUND	OPEN SPACE FUND	TOTALS
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Intergovernmental	\$ -	\$ 36,665	\$ 36,665
Other	14,120	142	14,262
Charges for Service	<u>1,093</u>	<u>261</u>	<u>1,354</u>
TOTAL REVENUES	<u>15,213</u>	<u>37,068</u>	<u>52,281</u>
EXPENDITURES:			
Capital Outlay	-	22,458	22,458
Culture and Recreation	<u>11,200</u>	<u>110</u>	<u>11,310</u>
TOTAL EXPENDITURES	<u>11,200</u>	<u>22,568</u>	<u>33,768</u>
(UNDER) EXPENDITURES	4,013	14,500	18,513
OTHER FINANCING SOURCES (USES):			
Operating Transfers In (Out)	<u>1,615</u>	<u>22,427</u>	<u>24,042</u>
NET CHANGE IN FUND BALANCE	5,628	36,927	42,555
FUND BALANCE, BEGINNING OF YEAR	<u>86,532</u>	<u>166,670</u>	<u>253,202</u>
FUND BALANCE, END OF YEAR	<u>\$ 92,160</u>	<u>\$ 203,597</u>	<u>\$ 295,757</u>

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

Town of Deer Trail, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balances—Budget and Actual
For the Year Ended December 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
REVENUES:				
Other	\$ -	\$ -	\$ 14,120	\$ 14,120
Charges for Service	-	-	1,093	1,093
Total Revenues	<u>-</u>	<u>-</u>	<u>15,213</u>	<u>15,213</u>
EXPENDITURES:				
Operating				
Recreation	-	-	11,200	(11,200)
Total Expenditures	<u>-</u>	<u>-</u>	<u>11,200</u>	<u>(11,200)</u>
(UNDER) EXPENDITURES	-	-	4,013	4,013
OTHER FINANCING SOURCES (USES):				
Operating Transfers (Out)	-	-	1,615	1,615
NET CHANGE IN FUND BALANCE	-	-	5,628	5,628
FUND BALANCE, BEGINNING OF YEAR	<u>32,498</u>	<u>32,498</u>	<u>86,532</u>	<u>35,166</u>
FUND BALANCE, END OF YEAR	<u>\$ 32,498</u>	<u>\$ 32,498</u>	<u>\$ 92,160</u>	<u>\$ 40,794</u>

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

Town of Deer Trail, Colorado
Open Space Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>(NEGATIVE)</u>
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 36,665	\$ 36,665
Charges for Service	<u>-</u>	<u>-</u>	<u>403</u>	<u>403</u>
Total Revenues	<u>-</u>	<u>-</u>	<u>37,068</u>	<u>37,068</u>
EXPENDITURES:				
Culture and Recreation	<u>-</u>	<u>-</u>	<u>22,568</u>	<u>(22,568)</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>22,568</u>	<u>(22,568)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	14,500	14,500
OTHER FINANCING SOURCES (USES):				
Operating Transfers In (Out)	<u>-</u>	<u>-</u>	<u>22,427</u>	<u>22,427</u>
NET CHANGE IN FUND BALANCE	-	-	36,927	36,927
FUND BALANCE, BEGINNING OF YEAR	<u>73,375</u>	<u>73,375</u>	<u>166,670</u>	<u>93,295</u>
FUND BALANCE, END OF YEAR	<u>\$ 73,375</u>	<u>\$ 73,375</u>	<u>\$ 203,597</u>	<u>\$ 130,222</u>

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

Town of Deer Trail, Colorado
Water Fund
Schedule of Revenues, Expenditures
And Changes in Net Position—Budget and Actual
For the Year Ended December 31, 2022

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		(NEGATIVE)
OPERATING REVENUES				
Charges for Services	\$ 255,465	\$ 255,465	\$ 318,232	\$ 62,767
Total Operating Revenues	<u>255,465</u>	<u>255,465</u>	<u>318,232</u>	<u>62,767</u>
OPERATING EXPENSES				
Salaries and Benefits	67,700	67,700	16,616	51,084
Supplies and Office Expenses	25,500	25,500	16,675	8,825
Utilities	14,650	14,650	20,137	(5,487)
Repairs and Maintenance	100,200	100,200	12,285	87,915
Professional Fees	17,500	17,500	2,628	14,872
Insurance	7,000	7,000	-	7,000
Capital improvements	-	-	-	-
Other	-	-	42,399	(42,399)
Total Operating Expenses	<u>232,550</u>	<u>232,550</u>	<u>110,740</u>	<u>121,810</u>
Income (Loss) From Operations	<u>22,915</u>	<u>22,915</u>	<u>207,492</u>	<u>184,577</u>
NON-OPERATING REVENUES (EXPENSES)				
Activation and Tap Fees	25,000	25,000	172,790	147,790
Miscellaneous	-	-	(30,732)	(30,732)
Principal Payments	-	-	(53,080)	(53,080)
Interest Expense	-	-	(16,153)	(16,153)
Total Non-Operating Revenues (Expenses)	<u>25,000</u>	<u>25,000</u>	<u>72,825</u>	<u>47,825</u>
Net Income Before Contributions and Transfers	<u>47,915</u>	<u>47,915</u>	<u>280,317</u>	<u>232,402</u>
Transfers In (Out)	-	-	(190,201)	(190,201)
CHANGE IN NET POSITION	<u>\$ 47,915</u>	<u>\$ 47,915</u>	<u>90,116</u>	<u>\$ 42,201</u>
RECONCILIATION TO GAAP BASIS:				
Principal Payments			53,080	
Depreciation and Amortization			(106,120)	
Capital outlay			-	
Change in Net Position GAAP			<u>\$ 37,076</u>	

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

Town of Deer Trail, Colorado
Sewer Fund
Schedule of Revenues, Expenditures
And Changes in Net Position—Budget and Actual
For the Year Ended December 31, 2022

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
OPERATING REVENUES				
Charges for Services	\$ 221,500	\$ 221,500	\$ 218,558	\$ (2,942)
Total Operating Revenues	<u>221,500</u>	<u>221,500</u>	<u>218,558</u>	<u>(2,942)</u>
OPERATING EXPENSES				
Salaries and Benefits	67,700	67,700	16,616	51,084
Utilities	14,650	14,650	20,137	(5,487)
Repairs and Maintenance	108,700	108,700	28,742	79,958
Professional Fees	19,500	19,500	2,628	16,872
Insurance	7,000	7,000	-	7,000
Other	<u>25,400</u>	<u>25,400</u>	<u>53,188</u>	<u>(27,788)</u>
Total Operating Expenses	<u>242,950</u>	<u>242,950</u>	<u>121,311</u>	<u>121,639</u>
Income (Loss) From Operations	(21,450)	(21,450)	97,247	118,697
NON-OPERATING REVENUES (EXPENSES)				
Activation and Tap Fees	70,000	70,000	330,000	260,000
Investment Earnings	-	-	71	71
Miscellaneous	-	-	(329)	(329)
Principal Payments	-	-	(14,391)	(14,391)
Interest Expense	<u>-</u>	<u>-</u>	<u>(22,080)</u>	<u>(22,080)</u>
Total Non-Operating Revenues (Expenses)	<u>70,000</u>	<u>70,000</u>	<u>293,271</u>	<u>223,271</u>
Net Income Before Contributions and Transfers	<u>48,550</u>	<u>48,550</u>	<u>390,518</u>	<u>341,968</u>
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>(277,507)</u>	<u>(277,507)</u>
CHANGE IN NET POSITION	<u>\$ 48,550</u>	<u>\$ 48,550</u>	113,011	<u>\$ 64,461</u>
RECONCILIATION TO GAAP BASIS:				
Principal Payments			14,391	
Depreciation and Amortization			<u>(74,332)</u>	
Change in Net Position GAAP			<u>\$ 53,070</u>	

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

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

LOCAL HIGHWAY FINANCE REPORT		City or County:	Deer Trail
		YEAR ENDING :	December 2022
This Information From The Records Of (example - City of _ or County of _): Town of Deer Trail	Prepared By:	Debbie Cowell	
	Phone:	303-769-4464	

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
A. Receipts from local sources:		A. Local highway disbursements:	
Current Liabilities:		1. Capital outlay (from page 2)	
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	
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		b. Snow and ice removal	
3. Other local imposts (from page 2)		c. Other	
4. Miscellaneous local receipts (from page 2)		d. Total (a. through c.)	
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	
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)		b. Redemption	
B. Private Contributions		c. Total (a. + b.)	
C. Receipts from State government (from page 2)		2. Notes:	
189,037		a. Interest	
D. Receipts from Federal Government (from page 2)		b. Redemption	
57,580		c. Total (a. + b.)	
E. Total receipts (A.7 + B + C + D)		3. Total (1.c + 2.c)	
496,952		0	
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	
		91,243	

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds	2,232,155	0	43,294	2,188,861
B. Notes (Total)	2,232,155	0	43,294	2,188,861

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	590,957	496,952	91,243	996,666	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2022	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	148,132	a. Interest on investments	97
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	7,187	f. Charges for Services	21,914
5. Specific Ownership &/or Other	9,579	g. Other Misc. Receipts	32,023
6. Total (1. through 5.)	16,766	h. Other Franchise fees	31,403
c. Total (a. + b.)	164,898	i. Total (a. through h.)	85,437
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	45,537	1. FHWA (from Item I.D.5.)	
Current Liabilities:		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		d. Federal Transit Admin	
d. Other (Specify) - ARP DOLA Grant	143,500	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal- CY DOLA Grant funds	57,580
f. Total (a. through e.)	143,500	g. Total (a. through f.)	57,580
4. Total (1. + 2. + 3.f)	189,037	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)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			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:			