

**TOWN OF
WIGGINS, COLORADO**

BASIC FINANCIAL STATEMENTS

December 31, 2022

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FINANCIAL SECTION



**PROSPECTIVE
BUSINESS
SOLUTIONS, LLC**
Certified Public Accountants

Auditing, Accounting, and Consulting Services for
Governments and Nonprofit Organizations

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

INDEPENDENT AUDITOR'S REPORT

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wiggins (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 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, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 the management's discussion and analysis and the budgetary comparison information, the schedule of the Town's proportionate share, and the schedule of the Town's contributions on pages 41-43 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.

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 individual fund schedules and the local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The 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 combining and individual fund schedules and the local highway finance report are fairly stated in all material respects in relation to the financial statements as a whole.

PB Solutions LLC

Littleton, Colorado
July 17, 2023

Management's Discussion and Analysis

This discussion and analysis of the financial performance of the Town of Wiggins, Colorado (Town) provides an overview of the Town's financial activities for the fiscal year ended December 31, 2022. Please read it in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- The Town of Wiggins had a Net Position of \$15,037,737 at December 31, 2022.
- The Net Position of the Town increased by \$1,612,436 (12.0%) during 2022.
- At December 31, 2022, the Town's governmental funds reported combined ending fund balances of \$2,567,105. This marked an increase of \$742,734 (40.7%) from the prior year's ending governmental fund balances due primarily to increases in the General Fund and the Sales Tax Capital Improvement Fund.
- The General Fund increased its Fund Balance by \$451,410 (38.3%) during 2022 marking the fourth consecutive year where the General Fund's revenues outpaced its expenditures by roughly \$300,000 or more.
- The Sales Tax Capital Improvement Fund increased its fund balance available for future year spending by \$276,463.
- The Town's Water and Sewer Funds' net positions increased by \$813,940 (8.8%) during 2022 primarily due to operating income and tap fees received.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the Town of Wiggins's basic financial statements. The Town's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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 *Statement of Net Position* presents information on all the Town's assets and liabilities and deferred inflows and outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as useful indicators of whether the financial position of the Town is improving or deteriorating.

The *Statement of Activities* presents information showing how the Town's net position changed during the most recent fiscal 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 and earned but unused employee leave).

Both government-wide financial statements distinguish functions of the Town of Wiggins that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety (police), public works, parks and recreation, and library. The business-type activities of the Town include water and sewer operations.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Wiggins, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal

requirements. All the funds of the Town can be divided into two categories: Governmental Funds and Proprietary Funds.

Governmental Funds -- Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds. The unrestricted balances left at year-end are available for spending in future years. These funds are reported using the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide detailed short-term views of cash, operations, and basic services provided. Governmental fund statements show the reader whether there are more or fewer financial resources available at the end of a fiscal year that can be spent in the near future to finance government programs and objectives.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The *Reconciliation of Balance Sheet of the Governmental Funds to the Statement of Net Position* and the *Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities* provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The Town of Wiggins maintains three individual governmental funds. Information for these funds is presented by fund name in the *Governmental Fund Balance Sheet* and the *Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances* for the two governmental funds that meet the criteria to be designated as major funds (General Fund and Sales Tax Capital Improvement Fund), and for the non-major Conservation Trust Fund.

Proprietary Funds -- The Town's utility services are reported in proprietary funds; they focus on overall economic position rather than year-end fund balances. Enterprise funds are the type of proprietary funds used to account for the Town's Water Fund and Sewer Fund. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements, only in a bit more detail.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately after the fund financial statements.

Other information

Budgetary comparison statements or schedules for all funds with budgeted expenditures/expenses are included following the "Notes to Financial Statements" to demonstrate each fund's compliance with adopted budgets and appropriations. For the year ended December 31, 2022, all funds had budgeted expenditures/expenses.

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 Wiggins, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$15,037,737 at the close of 2022. As shown below, the Town's financial position improved by \$1,612,436 (12.0%) during 2022.

Town of Wiggins's Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 3,472,939	\$ 2,540,444	\$ 5,483,841	\$ 4,591,948	\$ 8,956,780	\$ 7,132,392
Capital assets, net	2,303,388	2,288,624	13,609,257	13,734,589	15,912,645	16,023,213
Net Pension Asset	94,730	27,127	-	-	94,730	27,127
Total assets	\$ 5,871,057	\$ 4,856,195	\$ 19,093,098	\$ 18,326,537	\$ 24,964,155	\$ 23,182,732
Deferred outflow s of resources	\$ 73,377	\$ 57,163	\$ -	\$ -	\$ 73,377	\$ 57,163
Current liabilities	\$ 381,670	\$ 216,301	\$ 338,355	\$ 283,764	\$ 720,025	\$ 500,065
Noncurrent Liabilities	35,035	37,391	8,645,620	8,747,590	8,680,655	8,784,981
Total liabilities	\$ 416,705	\$ 253,692	\$ 8,983,975	\$ 9,031,354	\$ 9,400,680	\$ 9,285,046
Deferred inflow s of resources	\$ 599,115	\$ 529,548	\$ -	\$ -	\$ 599,115	\$ 529,548
Net position:						
Net investment in capital assets	\$ 2,298,299	\$ 2,281,627	\$ 4,983,272	\$ 5,004,753	\$ 7,281,571	\$ 7,286,380
Restricted	993,542	690,718	1,133,776	1,133,776	2,127,318	1,824,494
Unrestricted	1,636,773	1,157,773	3,992,075	3,156,654	5,628,848	4,314,427
Total net position	\$ 4,928,614	\$ 4,130,118	\$ 10,109,123	\$ 9,295,183	\$ 15,037,737	\$ 13,425,301

Much (48.4%) of the Town's total net position at December 31, 2022 is represented by its investment in capital assets (e.g. land, infrastructure, buildings, machinery, and equipment). The Town uses these capital assets to provide services to residents and businesses; consequently, these assets are not available for future spending.

Approximately 14.2% (\$2,127,318) of the Town's total net position at the end of 2022 represents resources that are subject to external restrictions on how they may be used. They are fund balance restrictions of sales taxes collected for capital improvements (\$897,308), and unspent water loan proceeds (\$1,133,776) for construction of a water recharge facility. An additional \$39,734 is restricted for parks and certain recreation projects, and \$56,500 for emergencies.

The remaining amount of the Town's total net position at the end of 2022 (\$5,628,848) represents 37.4% of total net position and may be used to meet the Town's other ongoing obligations to residents and creditors.

The following chart displays the changes in net position experienced by the Town over the last two fiscal years. An analysis of these changes follows for both its Governmental and Business-type Activities.

Town of Wiggins's Changes in Net Position

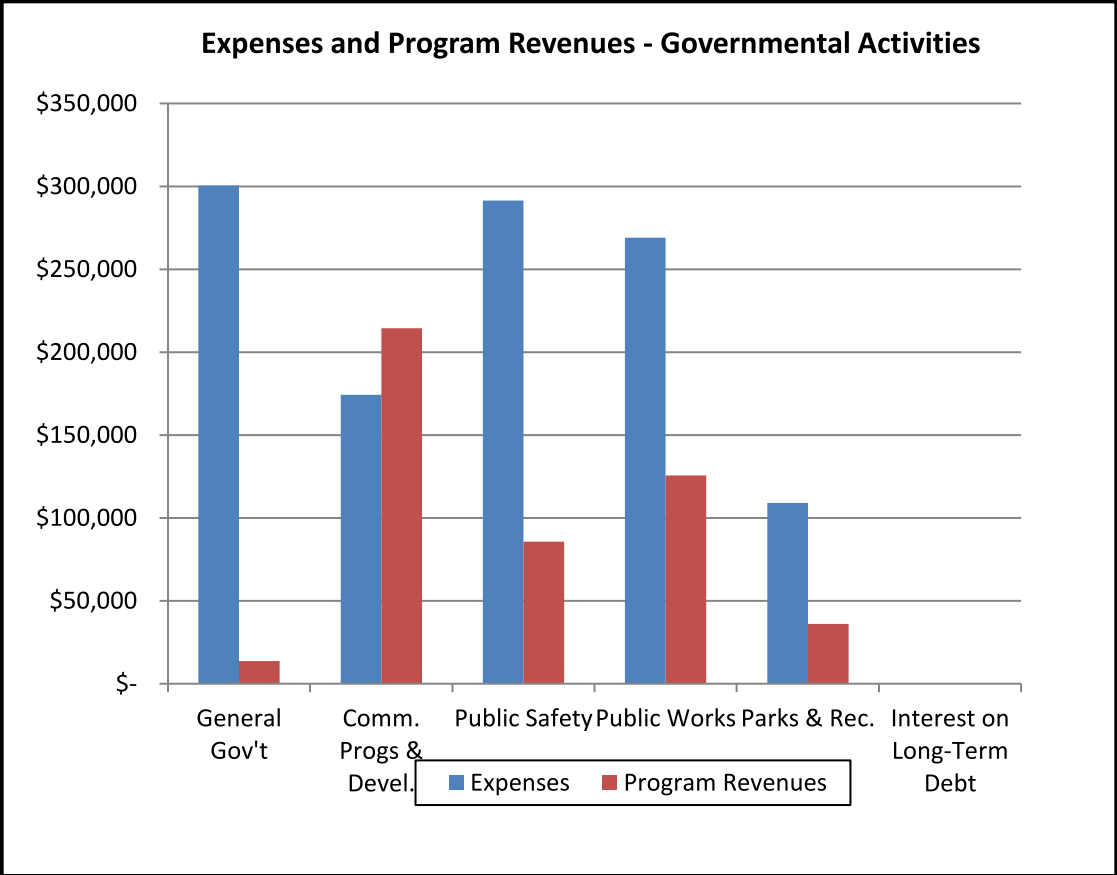
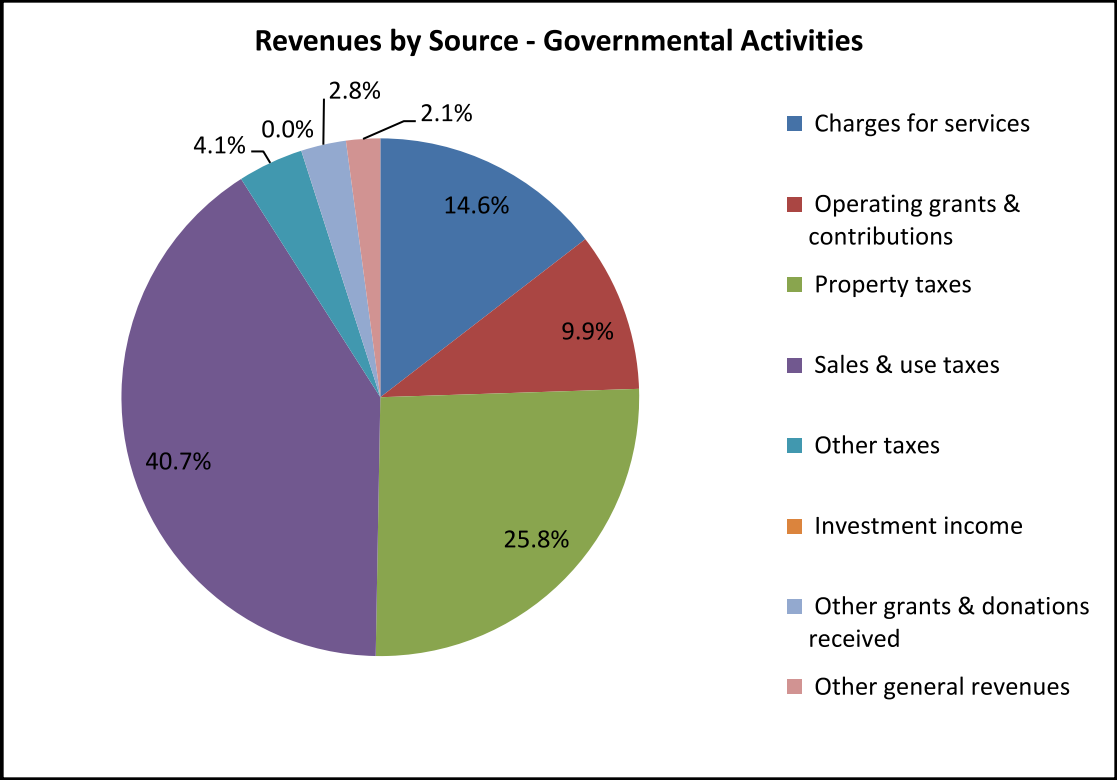
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Program revenues:						
Charges for services	\$ 282,496	\$ 222,291	\$ 1,266,026	\$ 1,051,093	\$ 1,548,522	\$ 1,273,384
Operating grants & contributions	192,885	135,515	-	-	192,885	135,515
Capital grants & contributions	-	-	805,000	983,500	805,000	983,500
General revenues:						
Property taxes	501,355	405,515	-	-	501,355	405,515
Sales & use taxes	790,441	680,956	-	-	790,441	680,956
Other taxes	79,591	56,298	-	-	79,591	56,298
Investment income	60	40	660	671	720	711
Other grants & donations received	54,684	10,556	-	-	54,684	10,556
Gain on sale of capital assets	22,084	-	-	-	22,084	-
Other general revenues	19,201	75,304	26,383	35,171	45,584	110,475
Total revenues	\$ 1,942,797	\$ 1,586,475	\$ 2,098,069	\$ 2,070,435	\$ 4,040,866	\$ 3,656,910
Program expenses:						
General government	\$ 300,451	\$ 294,561	\$ -	\$ -	\$ 300,451	\$ 294,561
Community Programs & Development	174,235	51,980	-	-	174,235	51,980
Public safety	291,467	274,139	-	-	291,467	274,139
Public works	269,052	231,104	-	-	269,052	231,104
Parks and Recreation	109,096	93,352	-	-	109,096	93,352
Water utility	-	-	736,494	645,984	736,494	645,984
Sewer utility	-	-	276,790	343,768	276,790	343,768
Interest on long-term debt	-	1,548	270,845	275,758	270,845	277,306
Total expenses	\$ 1,144,301	\$ 946,684	\$ 1,284,129	\$ 1,265,510	\$ 2,428,430	\$ 2,212,194
Increase/(decrease)in net position	\$ 798,496	\$ 639,791	\$ 813,940	\$ 804,925	\$ 1,612,436	\$ 1,444,716
Net Position, Beginning	4,130,118	3,490,327	9,295,183	8,490,258	13,425,301	11,980,585
Net Position, Ending	\$ 4,928,614	\$ 4,130,118	\$10,109,123	\$ 9,295,183	\$ 15,037,737	\$ 13,425,301

Governmental Activities

The Town's Governmental Activities increased in net position by \$798,496 (19.3%) in 2022. This was a continued improvement similar to 2021 when Governmental Activities net position increased by \$639,791 (18.3%). Key elements of the 2022 increase are as follows:

- Total revenues increased by \$356,322 primarily due to increased property tax valuations, increased sales and use taxes, and increased charges for services.
- Total expenses increased by \$197,617 in 2022 primarily in Community Programs & Development.

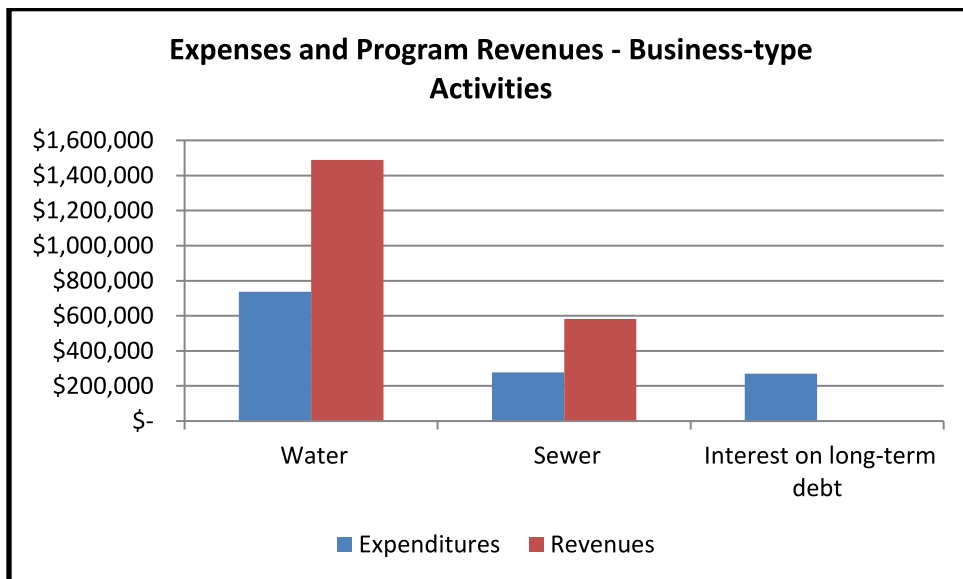
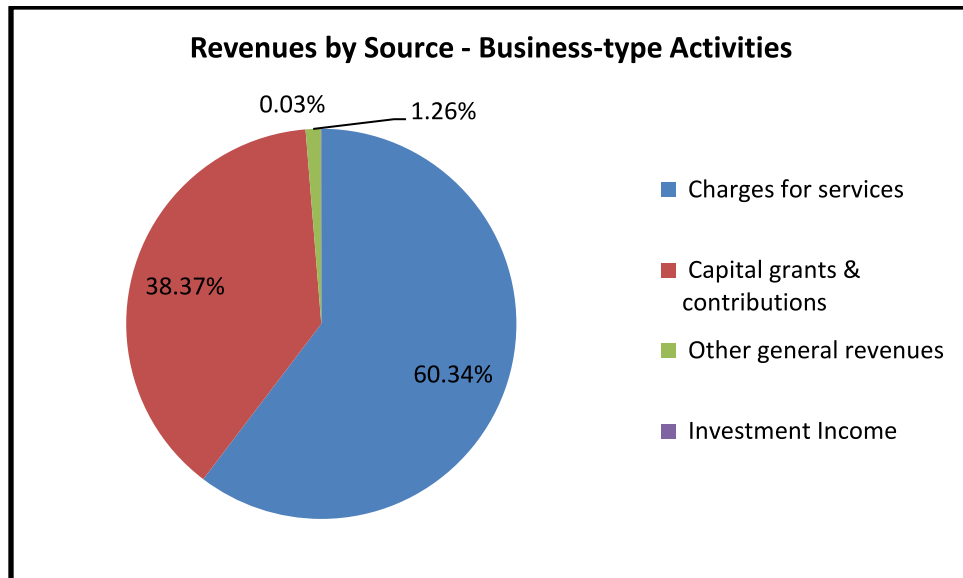
The following two charts illustrate the Governmental Activities revenues and expenses. As in most municipalities, the expenses of governmental activities are not fully supported through program revenues but are largely financed through taxes.



Business-type Activities

Business-type Activities increased in net position by \$813,940 (8.8%) during 2022. This was a continued improvement over 2021, 2020, and 2019 when net position increased by \$804,925 (9.5%), \$246,643 (3.0%), and \$740,433 (9.9%) respectively. The 2022 improvement was due to Net Operating Income outpacing long-term debt expenses, and Tap Fees of \$805,000 charged for water and sewer system growth.

The following two charts illustrate the Business-type Activities revenues and expenses for 2022.

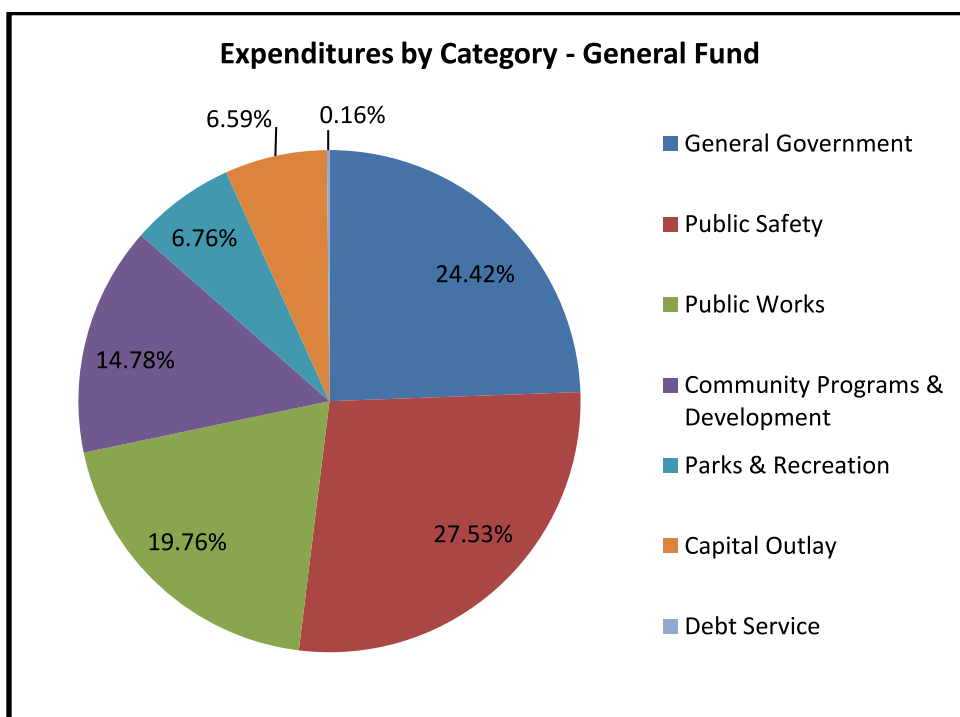
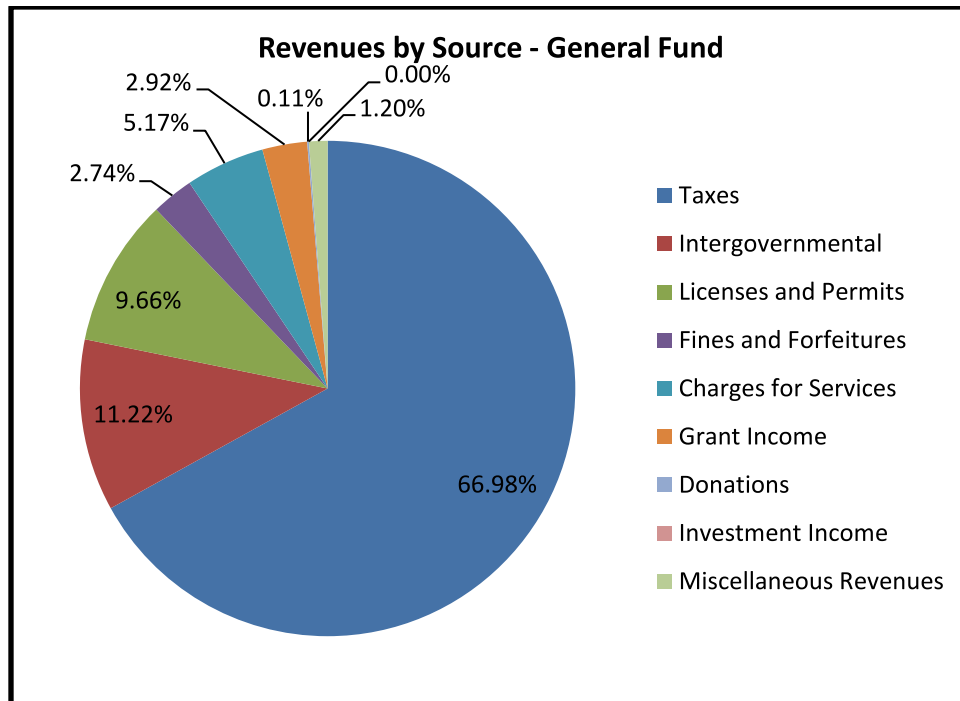


THE TOWN'S FUNDS

As noted earlier, the Town of Wiggins uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Governmental Funds utilize the modified accrual basis of accounting, and the balances of the spendable resources (unrestricted fund balance) in each fund are

shown at year end. At December 31, 2022 the Town's two major Governmental funds reported combined ending fund balances of \$2,527,371. These funds are discussed below.

General Fund. The General Fund is the chief operating fund of the Town of Wiggins. It accounts for all the general services provided by the Town. At the end of 2022, the fund balance of the General Fund totaled \$1,630,063. This was a \$451,410 (38.3%) increase over 2021. Expenditures in 2022 of \$1,178,703 were outpaced by revenues totaling \$1,607,601. The following two tables illustrate General Fund revenues and expenditures during 2022.



Sales Tax Capital Improvement Special Revenue Fund. This fund is utilized to account for proceeds from the Town's 1% sales tax restricted to capital acquisition and/or construction of capital projects and related debt service. During 2022, current revenues totaled \$294,651. Expenses totaled \$18,188, and the Fund Balance at year-end increased by \$276,463 to total \$897,308.

Water Fund. At December 31, 2022 the net position of the Water Fund was \$7,073,504. This was an increase of \$609,035 (9.4%) over 2021. Most of the increase was due to net operating income of \$225,310 and tap fees of \$553,000 received for future system capacity and improvements. The Water Fund had interest expenses on long-term debt totaling \$169,812 in 2022.

Sewer Fund. At December 31, 2022 the net position of the Sewer Fund was \$3,035,619. This was an increase of \$204,905 (7.2%) over 2021. Most of the increase was due to tap fees of \$252,000 received for future system capacity and improvements. The Sewer Fund had net operating income of \$53,815, and interest expenses on long-term debt totaling \$101,033.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At December 31, 2022 the Town had invested in a range of capital assets including land, buildings and improvements, vehicles, office equipment, and park equipment and trails. Note 4 of the financial statements provides a summary of changes in capital assets during the year. During 2022, the Town completed certain drainage system improvements, building improvements, park improvements, and water and sewer system improvements.

Debt Administration. The Town's long-term debt primarily consists of loans and capital leases. At the end of 2022, the governmental activities had a balance of \$5,089 owed on a capital lease for a copier. Compensated absences are also recorded. See Note 5 on page 24 for more detailed information.

In business-type activities at December 31, 2022, the Town owed \$210,844 on a 2009 water rights lease/purchase agreement, \$2,655,100 on a 2011 Water Loan from the U.S. Department of Agriculture Rural Utilities (USDA), \$460,571 on a 2013 Water Loan from USDA, \$2,408,850 on a 2017 Note Payable to the Colorado Water Conservation Board, and \$2,890,620 on a 2022 bank loan. These debts were incurred for water rights acquisition and water and sewer system facilities and upgrades. Compensated absences are also recorded. See Note 5 on page 25 for more detailed information.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The 2023 Budget anticipates no significant changes in the trends the Town has experienced over the past two years. The General Fund balance is expected to continue to grow in order to provide security in times of emergency or economic downturn. The utility fund budgets seek to continue covering operating costs through charges for services, to complete system development projects, and to achieve continued compliance with the rate maintenance covenants (see Note 5) contained in the Town's long-term debt documents for the Water and Sewer Funds.

REQUESTS FOR INFORMATION

This financial report is designed to provide the Town of Wiggins's residents, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the funds it receives and assets it maintains. If you have questions about this report, or should you desire additional financial information, contact the Town's management at Town of Wiggins, 304 Central Avenue, Wiggins, CO 80654 or call Town Hall at (970) 483-6161.

BASIC FINANCIAL STATEMENTS

TOWN OF WIGGINS, COLORADO

STATEMENT OF NET POSITION

December 31, 2022

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Investments	\$ 2,805,277	\$ 2,714,679	\$ 5,519,956
Restricted Cash and Investments	18,831	1,524,860	1,543,691
Funds Held in Escrow	-	1,133,776	1,133,776
Cash Held by County Treasurer	3,905	-	3,905
Receivables			
Property Taxes	524,164	-	524,164
Sales Taxes and Other	120,162	-	120,162
Accounts	-	105,348	105,348
Prepaid Expenses	600	5,178	5,778
Capital Assets, Not Depreciated	1,362,677	6,694,706	8,057,383
Capital Assets, Depreciated, Net of Accumulated Depreciation	940,711	6,914,551	7,855,262
Net Pension Asset	94,730	-	94,730
TOTAL ASSETS	5,871,057	19,093,098	24,964,155
DEFERRED OUTFLOWS OF RESOURCES			
Related to Pensions	73,377	-	73,377
TOTAL DEFERRED OUTFLOWS OF RESOURCES	73,377	-	73,377
LIABILITIES			
Accounts Payable	89,350	59,916	149,266
Unearned Revenue	292,320	-	292,320
Accrued Interest Payable	-	202,344	202,344
Deposits	-	76,095	76,095
Noncurrent Liabilities			
Due Within One Year	7,897	112,011	119,908
Due in More Than One Year	3,181	8,517,901	8,521,082
Compensated Absences Due in More Than One Year	23,957	15,708	39,665
TOTAL LIABILITIES	416,705	8,983,975	9,400,680
DEFERRED INFLOWS OF RESOURCES			
Related to Pensions	74,951	-	74,951
Deferred Property Tax Revenue	524,164	-	524,164
TOTAL DEFERRED INFLOWS OF RESOURCES	599,115	-	599,115
NET POSITION			
Net Investment in Capital Assets	2,298,299	4,983,272	7,281,571
Restricted	993,542	1,133,776	2,127,318
Unrestricted	1,636,773	3,992,075	5,628,848
TOTAL NET POSITION	\$ 4,928,614	\$ 10,109,123	\$ 15,037,737

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

TOWN OF WIGGINS, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2022

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 300,451	\$ 7,246	\$ 6,500	\$ -
Public Safety	291,467	45,091	40,510	-
Public Works	269,052	-	125,617	-
Community Programs & Development	174,235	212,549	1,815	-
Parks and Recreation	109,096	17,610	18,443	-
Total Governmental Activities	1,144,301	282,496	192,885	-
Business-Type Activities				
Water	736,494	935,870	-	553,000
Sewer	276,790	330,156	-	252,000
Interest and Fiscal Charges	270,845	-	-	-
Total Business-Type Activities	1,284,129	1,266,026	-	805,000
GENERAL REVENUES				
Property Taxes				
Specific Ownership Taxes				
Sales and Use Taxes				
Grants and Contributions Not Restricted				
To Specific Programs				
Franchise Taxes				
Net Gain on Sale of Assets				
Other Revenues				
Earnings on Investments				
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
CHANGES IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
\$ (286,705)	\$ -	\$ (286,705)
(205,866)	-	(205,866)
(143,435)	-	(143,435)
40,129	-	40,129
(73,043)	-	(73,043)
<u>(668,920)</u>	<u>-</u>	<u>(668,920)</u>
-	752,376	752,376
-	305,366	305,366
-	(270,845)	(270,845)
<u>-</u>	<u>786,897</u>	<u>786,897</u>
501,355	-	501,355
40,413	-	40,413
790,441	-	790,441
54,684	-	54,684
39,178	-	39,178
22,084	-	22,084
19,201	26,383	45,584
60	660	720
<u>1,467,416</u>	<u>27,043</u>	<u>1,494,459</u>
798,496	813,940	1,612,436
<u>4,130,118</u>	<u>9,295,183</u>	<u>13,425,301</u>
<u>\$ 4,928,614</u>	<u>\$ 10,109,123</u>	<u>\$ 15,037,737</u>

TOWN OF WIGGINS, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2022

	GENERAL FUND	SALES TAX CAPITAL IMPROVEMENT FUND	NON-MAJOR CONSERVATION TRUST FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Investments	\$ 1,916,554	\$ 848,989	\$ 39,734	\$ 2,805,277
Restricted Cash and Investments	18,831	-	-	18,831
Cash Held by County Treasurer	3,905	-	-	3,905
Property Taxes Receivable	524,164	-	-	524,164
Accounts Receivable	69,483	50,679	-	120,162
Prepaid Expenses	600	-	-	600
TOTAL ASSETS	\$ 2,533,537	\$ 899,668	\$ 39,734	\$ 3,472,939
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 86,990	\$ 2,360	\$ -	\$ 89,350
Unearned Revenue	292,320	-	-	292,320
TOTAL LIABILITIES	379,310	2,360	-	381,670
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenues	524,164	-	-	524,164
FUND BALANCES				
Nonspendable	600	-	-	600
Restricted	56,500	897,308	39,734	993,542
Unassigned	1,572,963	-	-	1,572,963
TOTAL FUND BALANCES	1,630,063	897,308	39,734	2,567,105
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 2,533,537	\$ 899,668	\$ 39,734	\$ 3,472,939

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

TOWN OF WIGGINS, COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
Year Ended December 31, 2022

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

Total fund balances of governmental funds			\$ 2,567,105
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.			
	Capital Assets, Not Depreciated	1,362,677	
	Capital Assets, Depreciated	1,892,010	
	Accumulated Depreciation	<u>(951,299)</u>	<u>2,303,388</u>
Long-term liabilities and related assets are not due and payable in the current period and, therefore, are not reported in the funds.			
	Leases	(5,089)	
	Compensated Absences	(29,946)	
	Net Pension Asset	<u>94,730</u>	<u>59,695</u>
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.			
	Deferred outflows of resources - Related to Pensions	73,377	
	Deferred inflows of resources - Related to Pensions	<u>(74,951)</u>	<u>(1,574)</u>
Net position of governmental activities			<u>\$ 4,928,614</u>

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

TOWN OF WIGGINS, COLORADO

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

	GENERAL FUND	SALES TAX CAPITAL IMPROVEMENT FUND	NON-MAJOR CONSERVATION TRUST FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Property Taxes	\$ 501,355	\$ -	\$ -	\$ 501,355
Specific Ownership Taxes	40,413	-	-	40,413
Sales and Use Taxes	495,808	294,633	-	790,441
Franchise Fees	39,178	-	-	39,178
Intergovernmental Revenue	180,301	-	18,443	198,744
Grants	47,010	-	-	47,010
Donations	1,815	-	-	1,815
Charges for Services	83,122	-	-	83,122
Licenses and Permits	155,320	-	-	155,320
Fines and Forfeitures	44,054	-	-	44,054
Earnings on Investments	24	18	18	60
Miscellaneous	19,201	-	-	19,201
TOTAL REVENUES	1,607,601	294,651	18,461	1,920,713
EXPENDITURES				
Current				
General Government	287,850	-	-	287,850
Public Safety	324,488	-	-	324,488
Public Works	232,899	552	-	233,451
Community Programs & Development	174,235	-	-	174,235
Parks and Recreation	79,669	-	-	79,669
Capital Outlay	77,654	17,636	3,600	98,890
Debt Service				
Principal	1,908	-	-	1,908
Interest	-	-	-	-
TOTAL EXPENDITURES	1,178,703	18,188	3,600	1,200,491
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	428,898	276,463	14,861	720,222
OTHER FINANCING SOURCES				
Sale of Assets	22,512	-	-	22,512
NET CHANGE IN FUND BALANCES	451,410	276,463	14,861	742,734
FUND BALANCES, Beginning	1,178,653	620,845	24,873	1,824,371
FUND BALANCES, Ending	\$ 1,630,063	\$ 897,308	\$ 39,734	\$ 2,567,105

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

TOWN OF WIGGINS, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF 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 change in fund balances - total governmental funds			\$ 742,734
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities.			
	Capital Outlay	98,890	
	Depreciation	(83,698)	<u>15,192</u>
In the statement of activities, only the gain on the sale of assets is reported, whereas in the governmental funds, the entire proceeds from sale of assets increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the assets sold.			(428)
Some expenses reported in the statement of activities do not require current financial resources and are not reported in the funds.			
	Lease Principal Payments	1,908	
	Changes in Compensated Absences	<u>448</u>	<u>2,356</u>
Deferred Charges related to pensions are not recognized in the governmental funds. However, for the government-wide funds those amounts are capitalized and amortized.			
	Deferred charges related to Pension Plan		<u>38,642</u>
Change in net position of governmental activities			<u>\$ 798,496</u>

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

TOWN OF WIGGINS, COLORADO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2022

	WATER	SEWER	TOTAL
ASSETS			
Current Assets			
Cash and Investments	\$ 1,408,066	\$ 1,306,613	\$ 2,714,679
Restricted Cash and Investments	1,066,158	458,702	1,524,860
Funds Held in Escrow	1,133,776	-	1,133,776
Accounts Receivable	64,608	40,740	105,348
Prepaid Expense	4,344	834	5,178
	<u>3,676,952</u>	<u>1,806,889</u>	<u>5,483,841</u>
Total Current Assets			
Noncurrent Assets			
Capital Assets, Not Being Depreciated	5,809,964	884,742	6,694,706
Capital Assets, Net of Accumulated Depreciation	5,459,957	1,454,594	6,914,551
	<u>11,269,921</u>	<u>2,339,336</u>	<u>13,609,257</u>
Total Noncurrent Assets			
TOTAL ASSETS			
	<u>14,946,873</u>	<u>4,146,225</u>	<u>19,093,098</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	52,841	7,075	59,916
Deposits	54,471	21,624	76,095
Accrued Interest Payable	193,136	9,208	202,344
Accrued Compensated Absences, Current Portion	1,963	1,964	3,927
Lease Payable, Current Portion	30,512	-	30,512
Bonds and Notes Payable, Current Portion	77,572	-	77,572
	<u>410,495</u>	<u>39,871</u>	<u>450,366</u>
Total Current Liabilities			
Noncurrent Liabilities			
Accrued Compensated Absences	7,854	7,854	15,708
Lease Payable	180,332	-	180,332
Bonds and Notes Payable	7,274,688	1,062,881	8,337,569
	<u>7,462,874</u>	<u>1,070,735</u>	<u>8,533,609</u>
Total Noncurrent Liabilities			
TOTAL LIABILITIES			
	<u>7,873,369</u>	<u>1,110,606</u>	<u>8,983,975</u>
NET POSITION			
Net Investment in Capital Assets	3,706,817	1,276,455	4,983,272
Restricted	1,133,776	-	1,133,776
Unrestricted	2,232,911	1,759,164	3,992,075
	<u>7,073,504</u>	<u>3,035,619</u>	<u>10,109,123</u>
TOTAL NET POSITION			

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

TOWN OF WIGGINS, COLORADO

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2022

	WATER	SEWER	TOTAL
OPERATING REVENUES			
Charges for Services	\$ 935,870	\$ 330,156	\$ 1,266,026
Other Revenues	25,934	449	26,383
TOTAL OPERATING REVENUES	961,804	330,605	1,292,409
OPERATING EXPENSES			
Professional Services	240,305	26,621	266,926
Sewer Administration	-	89,560	89,560
Water Administration	91,170	-	91,170
Public Works Administration	20,702	21,952	42,654
Treatment Plant Operations	-	17,442	17,442
Depreciation	229,612	70,376	299,988
	154,705	50,839	205,544
TOTAL OPERATING EXPENSES	736,494	276,790	1,013,284
NET OPERATING INCOME (LOSS)	225,310	53,815	279,125
NON-OPERATING REVENUES (EXPENSES)			
Earnings on Investments	537	123	660
Interest Expense	(169,812)	(101,033)	(270,845)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(169,275)	(100,910)	(270,185)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	56,035	(47,095)	8,940
Tap Fees	553,000	252,000	805,000
CHANGE IN NET POSITION	609,035	204,905	813,940
NET POSITION, Beginning	6,464,469	2,830,714	9,295,183
NET POSITION, Ending	\$ 7,073,504	\$ 3,035,619	\$ 10,109,123

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

TOWN OF WIGGINS, COLORADO

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

	WATER	SEWER	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 967,950	\$ 310,634	\$ 1,278,584
Cash Paid to Employees	(108,760)	(110,571)	(219,331)
Cash Paid to Suppliers	(471,350)	(112,896)	(584,246)
Net Cash Used by Operating Activities	<u>387,840</u>	<u>87,167</u>	<u>475,007</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	(80,212)	-	(80,212)
Principal Payments on Long Term Debt	(103,851)	-	(103,851)
Interest Payments	(134,239)	(102,261)	(236,500)
Tap Fees and Capital Contributions	553,000	252,000	805,000
Grants and Contributions	-	-	-
Net Cash Provided by Capital Financing Activities	<u>234,698</u>	<u>149,739</u>	<u>384,437</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	<u>537</u>	<u>123</u>	<u>660</u>
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	623,075	237,029	860,104
CASH AND CASH EQUIVALENTS, Beginning	<u>1,851,149</u>	<u>1,528,286</u>	<u>3,379,435</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 2,474,224</u>	<u>\$ 1,765,315</u>	<u>\$ 4,239,539</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income (Loss)	<u>\$ 225,310</u>	<u>\$ 53,815</u>	<u>\$ 279,125</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities			
Depreciation Expense	154,705	50,839	205,544
Changes in Assets and Liabilities			
Accounts Receivable	(8,996)	(18,167)	(27,163)
Prepaid Expenses	(4,068)	(558)	(4,626)
Accounts Payable	4,807	2,101	6,908
Compensated Absences	940	941	1,881
Deposits and Escrow	15,142	(1,804)	13,338
Total Adjustments	<u>162,530</u>	<u>33,352</u>	<u>195,882</u>
Net Cash Provided by Operating Activities	<u>\$ 387,840</u>	<u>\$ 87,167</u>	<u>\$ 475,007</u>

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

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Wiggins, Colorado (the “Town”) was incorporated in 1974. The Town is governed by a town manager and a seven-member board of trustees (including the mayor) elected by the residents.

The accounting policies of the Town conform to generally accepted accounting principles (GAAP) as applicable to governmental units. Following is a summary of the more significant policies:

Reporting Entity

The financial reporting entity consists of the Town and organizations for which the Town is financially accountable. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the Town. In addition, any legally separate organizations for which the Town is financially accountable are considered part of the reporting entity. Financial accountability exists if the Town appoints a voting majority of the organization’s governing board and is able to impose its will on the organization, or if the organization provides benefits to, or imposes financial burdens on the Town.

Based upon the application of these criteria, the Town does not include additional organizations in its reporting entity.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The statement of activities demonstrates the degree to which the direct expenses of the 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 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*.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual funds are reported as separate columns in the fund financial statements.

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 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 collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Taxes, intergovernmental revenues, 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. All other revenue items 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 the 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.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

In the fund financial statements, the Town reports the following major governmental funds:

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

The *Sales Tax Capital Improvement Fund* accounts for the collection of the voter approved 1% sales tax generated to the fund for the acquisition and construction of capital facilities and equipment.

The Town reports the following major proprietary funds:

The *Water Fund* accounts for the financial activities associated with the provision of water services.

The *Sewer Fund* accounts for the financial activities associated with the provision of sewer services.

Assets, Liabilities, and Fund Balance/Net Position

Cash and Cash Equivalents – For purposes of the statement of cash flows, the Town considers cash and cash equivalents to be all demand deposits as well as short-term investments with a maturity date of three months or less. Investments are stated at fair value.

Receivables – All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Prepaid Items – On the government-wide and governmental fund financial statements, prepaid expenses are presented using the consumption method.

Unearned Revenues - Unearned revenues include amounts received but not yet available for expenditure.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Capital Assets – Capital assets, which include land, water rights, infrastructure, utility plant and lines, and property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 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 acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Improvements	15 - 35 years
Water System	7 - 50 years
Sewer System	10 - 50 years
Buildings	10 - 50 years
Equipment	5 - 25 years
Vehicles	3 - 10 years

Compensated Absences – Town employees are entitled to certain compensated absences based on their length of employment and are allowed to accumulate unused vacation, sick time, holiday, and comp time. The maximum accrual for vacation and sick leave is 80 hours and 240 hours, respectively. Vacation time in excess of 80 hours at year end is forfeited. Upon termination of employment, a maximum of 80 hours of unused vacation and sick time is paid at the employee’s current rate of pay. All unused holiday hours and comp time is paid out upon termination of employment at the employee’s current rate of pay.

These compensated absences are expensed when paid in the governmental fund types. Compensated absences are expensed when earned in the proprietary fund type. A long-term liability in the amount of \$29,946 and \$19,635 has been recorded in the governmental activities and business-type activities, respectively, in the statement of net position for the accrued benefits.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

Deferred Outflows and Deferred Inflows of Resources – In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position and fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position and balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position and fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Long-Term Debt – 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 governmental activities, business-type activities, or proprietary funds. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current expenditures.

Pensions – The Town participates in the Statewide Defined Benefit Plan (SWDBP), a cost-sharing, multiple-employer defined benefit pension plan administered by the Fire & Police Pension Association of Colorado (FPPA). The net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to and deductions from the fiduciary net position of the SWDBP have been determined using the economic resources measurement focus and the accrual basis of accounting, the same basis of accounting used by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms. Employer contributions are recognized in the year the contributions are paid.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

Property Taxes – Property taxes are levied on December 15 based on the assessed value of property as certified by the County Assessor on October 1. The property tax may be paid in total by April 30 or one-half payment by February 28 and the second half by June 15. The billings are considered due on these dates. The bill becomes delinquent, and penalties and interest may be assessed by the County Treasurer on the post mark day following these dates. The tax sale date is the first Thursday of November.

Under Colorado Law, all property taxes become due and payable on January 1, in the year following that in which they are levied. 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, receivables and corresponding deferred inflows of resources are reported at year end.

Net Position– The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as investment in capital assets, restricted, and unrestricted.

Investment in Capital Assets is intended to reflect the portion of net position, which is associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Net Position are liquid assets, which have third party limitations on their use.

Unrestricted Net Position represents assets that do not have any third-party limitation on their use. While Town management may have categorized and segmented portion for various purposes, the Town Board of Trustees has the unrestricted right to revisit or alter these managerial decisions.

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.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

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 either because they are not in a spendable form or because they are legally or contractually required to be maintained intact. The Town reports nonspendable fund balances related prepaid expenses on December 31, 2022.

- 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. The Town has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. In addition, the Town reports restricted fund balances in the Sales Tax Capital Improvement Fund, and Conservation Trust Fund. These balances are restricted for capital improvements and parks and recreation.

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Town Board of Trustees. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Town does not report any committed fund balances as of December 31, 2022.

- Assigned – This classification includes amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. The Town does not report any assigned fund balances as of December 31, 2022.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

- 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 would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned fund balance.

Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The Town participates in 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 provisions of 24-10-115.5, Colorado Revised Statutes and the Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide member 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 made against members of CIRSA, their employees and officers.

It is the intent 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. 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 legal separate entity, and the Town does not approve budgets, nor does it have the ability to significantly affect the operations of CIRSA.

Subsequent Events

The Town has evaluated events subsequent to the year ended December 31, 2022 through July 17, 2023, the date these financial statements were issued, and has incorporated any required recognition into these financial statements.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparison for the proprietary fund is presented on a non-GAAP budgetary basis. Capital outlay and debt service is budgeted as an expenditure and depreciation is not budgeted. Annual appropriated budgets are adopted for all funds. All appropriations lapse at fiscal year-end.

The Town adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- Budgets are required by state law for all funds. Management submits to the Town Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year end.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level.
- Management is authorized to transfer budgeted amounts between departments within any fund. However, revisions that alter the total expenditures of any fund must be approved by the Town Board of Trustees.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted or amended by the Town Board of Trustees.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3: CASH AND INVESTMENTS

Cash and investments on December 31, 2022 consist of the following:

Petty Cash	\$	900
Deposits		7,061,745
Investments		1,002
Total		\$ 7,063,647

The above amounts are classified in the statement of net position as follows:

Cash and Investments - Governmental Activities	\$	2,805,277
Cash and Investments - Governmental Activities, Restricted		18,831
Cash and Investments - Business-Type Activities		2,714,679
Cash and Investments - Business-Type Activities, Restricted		1,524,860
Total		\$ 7,063,647

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. 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 regulations. On December 31, 2022, State regulatory commissioners have indicated that all financial institutions holding deposits for the Town are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. 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 the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The Town has no policy regarding custodial credit risk for deposits.

On December 31, 2022, the Town had deposits with financial institutions with a carrying amount of \$7,061,745. The bank balances with the financial institutions were \$7,254,904. Of these balances, \$500,000 was covered by federal depository insurance and \$6,754,904 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3: **CASH AND INVESTMENTS** (Continued)

Investments

The Town is required to comply with State statutes and the Town's investment policy which specify investment instruments meeting defined rating, maturity, and concentration of credit risk criteria in which the Town may invest.

Interest Rate Risk

State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which includes:

- Obligations of the United States and certain U.S. government agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' 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

Concentration of Credit Risk

Except for corporate securities, State statutes do not limit the amount the Town may invest in any single investment or issuer.

Local Government Investment Pools

The Town had invested \$1,002 in the Colorado Government Liquid Asset Trust (ColoTrust) which has a credit rating of AAAM by Standard and Poor's. ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds and is regulated by the State Securities Commissioner. It operates similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 3: **CASH AND INVESTMENTS** (Continued)

Investments (Continued)

Local Government Investment Pools (Continued)

Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities.

ColoTrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables.

Restricted Cash and Investments

Cash and investments in the amount of \$18,831 are restricted in the General Fund for future community hall replacement costs.

Cash and investments in the amount of \$1,066,158 and \$458,702 are restricted in the Water Fund and Sewer Fund, respectively. These funds are restricted for sinking fund and debt reserve requirements.

The Town also has undrawn loan proceeds in the amount of \$1,133,776 shown as Cash Held in Escrow on the statement of net position.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 4: CAPITAL ASSETS

	<u>Balance</u> <u>12/31/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2022</u>
Governmental Activities				
Capital Assets, Not Depreciated				
Land	\$ 456,539	\$ -	\$ -	\$ 456,539
Land Improvements	845,899	-	-	845,899
Construction in Progress	-	60,239	-	60,239
Total Capital Assets, Not Depreciated	<u>1,302,438</u>	<u>60,239</u>	<u>-</u>	<u>1,362,677</u>
Capital Asset, Being Depreciated				
Buildings	361,056	5,558	-	366,614
Equipment	276,435	-	9,000	267,435
Improvements	1,088,922	33,093	-	1,122,015
Vehicles	146,420	-	10,474	135,946
Total Capital Assets, Being Depreciated	<u>1,872,833</u>	<u>38,651</u>	<u>19,474</u>	<u>1,892,010</u>
Accumulated Depreciation				
Buildings	244,868	12,697	-	257,565
Equipment	198,631	14,229	8,572	204,288
Improvements	307,117	50,384	-	357,501
Vehicles	136,031	6,388	10,474	131,945
Total Depreciation	<u>886,647</u>	<u>83,698</u>	<u>19,046</u>	<u>951,299</u>
Capital Assets, Depreciated Net	<u>986,186</u>	<u>(45,047)</u>	<u>428</u>	<u>940,711</u>
Net Capital Assets	<u>\$ 2,288,624</u>	<u>\$ 15,192</u>	<u>\$ 428</u>	<u>\$ 2,303,388</u>

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

Governmental Activities	
General Government	\$ 13,049
Public Safety	5,621
Public Works	35,601
Parks and Recreation	<u>29,427</u>
Total	<u>\$ 83,698</u>

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 4: **CAPITAL ASSETS** (Continued)

	Balance <u>12/31/2021</u>	Additions	Deletions	Balance <u>12/31/2022</u>
Business-Type Activities				
Capital Assets, Not Depreciated				
Land	\$ 1,483,209	\$ -	\$ -	\$ 1,483,209
Water Rights	5,022,202	-	-	5,022,202
Construction in Progress	<u>109,083</u>	<u>80,212</u>	<u>-</u>	<u>189,295</u>
Total Capital Assets, Not Depreciated	<u>6,614,494</u>	<u>80,212</u>	<u>-</u>	<u>6,694,706</u>
Capital Asset, Being Depreciated				
Water System	7,382,696	-	-	7,382,696
Sewer System	2,118,489	-	-	2,118,489
Buildings	130,310	-	-	130,310
Equipment	<u>53,932</u>	<u>-</u>	<u>-</u>	<u>53,932</u>
Total Capital Assets, Being Depreciated	<u>9,685,427</u>	<u>-</u>	<u>-</u>	<u>9,685,427</u>
Accumulated Depreciation				
Water System	1,775,284	150,614	-	1,925,898
Sewer System	739,053	43,886	-	782,939
Buildings	11,944	2,606	-	14,550
Equipment	<u>39,051</u>	<u>8,438</u>	<u>-</u>	<u>47,489</u>
Total Depreciation	<u>2,565,332</u>	<u>205,544</u>	<u>-</u>	<u>2,770,876</u>
Capital Assets, Depreciated Net	<u>7,120,095</u>	<u>(205,544)</u>	<u>-</u>	<u>6,914,551</u>
Net Capital Assets	<u><u>\$13,734,589</u></u>	<u><u>\$ (125,332)</u></u>	<u><u>\$ -</u></u>	<u><u>\$13,609,257</u></u>

Depreciation expense in the amount of \$154,705 and \$50,839 was charged to the Water Fund and Sewer Fund, respectively.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 5: LONG-TERM DEBT

The following is a summary of the Town’s long-term debt transactions for the year ended December 31, 2022:

Governmental Activities

	12/31/2021 Balance	Additions	Payments	12/31/2022 Balance	Due Within One Year
Leases	\$ 6,997	\$ -	\$ 1,908	\$ 5,089	\$ 1,908
Compensated Absences	30,394	-	448	29,946	5,989
Total	\$ 37,391	\$ -	\$ 2,356	\$ 35,035	\$ 7,897

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

Leases

In August 2020, the Town entered into a lease agreement for a copier. The lease carries no interest. Monthly lease payments in the amount of \$159 are due beginning in September 2020 through August 2025.

Future annual payments on the capital lease are as follows:

Year Ended December 31,	Principal	Interest	Total
2023	1,908	-	1,908
2024	1,908	-	1,908
2025	1,273	-	1,273
Total	5,089	-	5,089

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 5: LONG-TERM DEBT (Continued)

Business-Type Activities

Business-Type Activities	12/31/2021			12/31/2022	
	Balance	Additions	Payments	Balance	Due Within One Year
2020 BOTW Loan	\$2,890,620	\$ -	\$ -	\$2,890,620	\$ -
2017 CWCB Note	2,408,850	-	-	2,408,850	-
2013 USDA Loan	471,062	-	10,491	460,571	10,659
2011 USDA Loan	2,719,372	-	64,272	2,655,100	66,913
Capital Lease	239,932	-	29,088	210,844	30,512
Compensated Absences	17,754	1,881	-	19,635	3,927
Total	\$8,747,590	\$ 1,881	\$ 103,851	\$8,645,620	\$ 112,011

Bank of the West (BOTW) Loan

In 2017, the Town entered into a loan agreement in the amount of \$2,850,000 with Bank of the West (BOTW). Proceeds of the loan were used to purchase land and water rights. The loan is split between the Water Fund (63.23%) and Sewer Fund (36.77%) based on the estimated value of the underlying assets acquired with the proceeds. The loan principal became due on December 31, 2019.

In March of 2020, the Town entered into an amended and restated loan agreement with BOTW in the amount of \$2,890,620. Proceeds were used to refinance the outstanding 2017 loan and closing costs. The amended loan agreement carries an interest rate equivalent to one month LIBOR plus 2.5%. However, in no event shall the interest rate exceed 8% or be less than 4%. At December 31, 2022, the interest rate on the loan was 6.62%. Interest payments on the loan are due quarterly beginning on July 1, 2020 through April 1, 2030.

The Town is required to make quarterly payments in the amount of \$72,266 into a sinking fund beginning on July 1, 2020 through April 1, 2030. The outstanding loan balance will be paid in full out of the sinking fund on April 1, 2030.

On December 31, 2022, the Town has deposited \$502,578 and \$292,263 in the Water Fund and Sewer Fund, respectively, to comply with the sinking fund requirements.

The Town is required to maintain a reserve fund in the amount of \$404,687. On December 31, 2022, the Town maintains \$255,884 and \$148,803 in the Water Fund and Sewer Fund, respectively, to comply with the reserve fund requirements.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 5: **LONG-TERM DEBT** (Continued)

Bank of the West (BOTW) Loan (Continued)

The Town is also required to fund the next maturing installment of interest on a monthly basis in a separate interest payment fund. On December 31, 2022, the Water Fund and Sewer Fund report \$30,327 and \$17,636, respectively, as restricted cash and investments for interest payments on the loan.

The annual debt service requirements on the outstanding BOTW loan are as follows based on an estimated interest rate of 6.62%:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ -	\$ 162,655	\$ 162,655
2024	-	143,519	143,519
2025	-	124,383	124,383
2026	-	105,247	105,247
2027	-	86,112	86,112
2028-2030	2,890,620	143,520	3,034,140
Total	<u>\$2,890,620</u>	<u>\$ 765,436</u>	<u>\$3,656,056</u>

2017 Colorado Water Conservation Board (CWCB) Note

In July 2017, the Town entered into a loan agreement with the Colorado Water Conservation Board (CWCB) in the amount of \$2,408,850. Proceeds were used to purchase land and create the Wiggins Recharge Facility at Glassey Farms. The original loan carried an interest rate of 2.40% and required annual payments of \$113,560 through 2047. The Town received a three-year extension to repay the loan in 2019.

In June 2020, the loan contract was amended again due to the Town requiring additional time to complete the construction project. During the construction phase of the loan, interest accrues on the outstanding principal, but no payment is due at this time. Repayment of principal and interest will begin after completion of the project. At that time, the payment schedule will be calculated by CWCB based on a 30-year term and an annual interest rate of 2.4%. As of December 31, 2022, the total amount of accrued but unpaid interest on the loan is \$162,076.

On December 31, 2022, the Town reports \$1,133,776 held in Escrow for unspent loan proceeds.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 5: **LONG-TERM DEBT** (Continued)

2013 United States Department of Agriculture (USDA) Loan

In 2013, the Town entered into a loan agreement with the United States Department of Agriculture (USDA) in the amount of \$549,000. Proceeds of the loan were used to fund cost overruns on the water project. The loan carries an interest rate of 2.125% and requires semi-annual principal and interest payments in the amount of \$10,223 due on February 1 and August 1 through 2053.

The Town is required to fund and maintain an operations and maintenance reserve account. The balance in the account must be sufficient pay the annual debt service requirement and to make up any deficiencies in the Town’s net revenue amount to comply with the agreements’ rate maintenance covenant. On December 31, 2022, the Town has funded the reserve in the amount of \$154,719 reported as restricted cash and investments in the Water Fund.

The annual debt service requirements on the outstanding 2013 USDA loan are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 10,659	\$ 9,787	\$ 20,446
2024	10,885	9,561	20,446
2025	11,117	9,329	20,446
2026	11,353	9,093	20,446
2027	11,594	8,852	20,446
2028-2032	61,774	40,456	102,230
2033-2037	68,621	33,609	102,230
2038-2042	76,229	26,001	102,230
2043-2047	84,679	17,551	102,230
2048-2052	94,064	8,166	102,230
2053	19,596	519	20,115
Total	<u>\$ 460,571</u>	<u>\$ 172,924</u>	<u>\$ 633,495</u>

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 5: **LONG-TERM DEBT** (Continued)

2011 United States Department of Agriculture (USDA) Loan

In 2011, the Town entered into a loan agreement with the United States Department of Agriculture (USDA) in the amount of \$3,327,000. Proceeds of the loan, along with a USDA Rural Utilities Grant in the amount of \$2,252,000 were used to fund a \$5,700,000 project to improve the Town’s water system. The loan carries an interest rate of 2.25% and requires semi-annual principal and interest payments in the amount of \$63,113 due on May 1 and November 1 through 2051.

The Town is required to fund and maintain an operations and maintenance reserve account. The balance in the account must be sufficient pay the annual debt service requirement and to make up any deficiencies in the Town’s net revenue amount to comply with the agreements’ rate maintenance covenant. On December 31, 2022, the Town has funded the reserve in the amount of \$101,355 reported as restricted cash and investments in the Water Fund.

The Town is also required to fund and maintain a short- lived assets reserve account which is to be used for operations and maintenance of short- lived assets (assets having a proposed useful life significantly less than 40 years). Annual funding of the short lived in the amount of \$1,952 is required beginning in 2012. On December 31, 2022, the Town has funded the reserve in the amount of \$21,295.

The annual debt service requirements on the outstanding 2011 USDA loan are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 66,913	\$ 59,713	\$ 126,626
2024	68,392	58,234	126,626
2025	69,931	56,695	126,626
2026	71,504	55,122	126,626
2027	73,113	53,513	126,626
2028-2032	390,993	242,137	633,130
2033-2037	437,004	196,126	633,130
2038-2042	488,430	144,700	633,130
2043-2047	545,907	87,223	633,130
2048-2051	442,913	23,876	466,789
Total	<u>\$2,655,100</u>	<u>\$ 977,339</u>	<u>\$3,632,439</u>

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 5: LONG-TERM DEBT (Continued)

Rate Maintenance

The Town's USDA loan agreements, as well as the BOTW and CWCB loans require the Town to maintain, enforce, and collect fees and charges for services to create gross revenues sufficient to pay operation and maintenance expenses and to create net revenue in an amount equal to but no less than 120% of the amount necessary to pay when due the principal and interest on the outstanding debt, and to pay any deficiencies in the reserve account.

The Town believes that it has complied with the rate maintenance requirements as of December 31, 2022.

	<u>Water Fund</u>	<u>Sewer Fund</u>
Operating Revenues	\$ 961,804	\$ 330,605
Capital Contributions	<u>553,000</u>	<u>252,000</u>
Total	<u>1,514,804</u>	<u>582,605</u>
Operating Expenses	736,494	276,790
Less Depreciation	<u>(154,705)</u>	<u>(50,839)</u>
Total	<u>581,789</u>	<u>225,951</u>
Net Revenues	<u>\$ 933,015</u>	<u>\$ 356,654</u>
<u>Debt Service Requirements</u>		
2011 USDA Loan	\$ 126,626	\$ -
2013 USDA Loan	20,446	-
2020 BOTW Loan	270,579	157,349
2020 CWCB Loan	<u>-</u>	<u>-</u>
Total	<u>417,651</u>	<u>157,349</u>
Required Coverage	120%	120%
Debt Service Coverage Amount	<u>501,181</u>	<u>188,819</u>
Net Revenue Excess (Shortfall)	<u>\$ 431,834</u>	<u>\$ 167,835</u>

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 5: LONG-TERM DEBT (Continued)

Lease

In 2009, the Town entered into a lease/purchase agreement in the amount of \$500,000 to finance the purchase of land and water rights from a private party. The lease carries an interest rate of 5.75% per annum. Monthly principal and interest payments in the amount of \$3,510 are due beginning February 1, 2009 through January 2029.

Future annual payments on the lease are as follows:

<u>Year Ended December 31,</u>	<u>Prrincipal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 30,512	\$ 11,613	\$ 42,125
2024	32,313	9,812	42,125
2025	34,221	7,904	42,125
2026	36,241	5,884	42,125
2027	38,381	3,744	42,125
2028-2029	39,176	44,164	83,340
Total	<u>210,844</u>	<u>83,121</u>	<u>293,965</u>

NOTE 6: STATEWIDE DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

Pensions. The Town participates in the Statewide Defined Benefit Plan (SWDBP), a cost-sharing multiple-employer defined benefit pension fund administered by the Fire and Police Pension Association of Colorado (“FPPA”). The net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the

SWDBP have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 6: **STATEWIDE DEFINED BENEFIT PENSION PLAN** (Continued)

General Information about the SWDBP

Plan description. The SWDBP covers substantially all full-time firefighter and police officer employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. As of August 1, 2003, the SWDBP may include fire department clerical and other personnel whose services are auxiliary to fire protection. Plan benefits are specified in Title 31, Articles 30, 30.5 and 31 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth in the FPPA Rules and Regulations, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. FPPA issues a publicly available comprehensive annual financial report that can be obtained at www.fppaco.org.

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

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

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

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 6: **STATEWIDE DEFINED BENEFIT PENSION PLAN** (Continued)

General Information about the SWDBP (Continued)

Contributions. Contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates increased 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13.0 percent of pensionable earnings.

In 2021, members of the SWDB plan and their employers are contributing at the rate of 11.5 percent and 8.5 percent, respectively, of pensionable earnings for a total contribution rate of 20.0 percent. Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments.

Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reflect the actual cost of reentry by department. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution. The contribution rate for members and employers of affiliated social security employers is 5.75 percent and 4.25 percent, respectively, of pensionable earnings for a total contribution rate of 10.0 percent in 2021.

Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of pensionable earnings. Employer contributions will increase 0.25 percent annually beginning in 2021 through 2030 to a total of 6.5 percent of pensionable earnings.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 6: **STATEWIDE DEFINED BENEFIT PENSION PLAN** (Continued)

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

On December 31, 2022, the Town reported a net pension asset of \$94,730 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021.

The Town’s proportion of the net pension asset was based on Town contributions to the SWDBP for the calendar year 2021 relative to the total contributions of participating employers to the SWDBP.

On December 31, 2021, the Town’s proportion was 0.0175 percent, which was an increase of 0.00498 percent over the previous year. For the year ended December 31, 2022, the Town recognized pension expense of (\$38,642). On December 31, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$22,068	\$1,904
Changes of assumptions or other inputs	\$10,878	N/A
Net difference between projected and actual earnings on pension plan investments	N/A	\$47,461
Changes in proportion and differences between contributions recognized and proportionate share of contributions	\$24,041	\$25,586
Contributions subsequent to the measurement date	\$16,390	N/A
Total	\$73,377	\$74,951

\$16,390 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an increase of the net pension asset in the year ending December 31, 2023.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 6: STATEWIDE DEFINED BENEFIT PENSION PLAN (Continued)

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

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

Year ended December 31,	
2023	(\$15,108)
2024	(\$8,477)
2025	(\$2,380)
2026	\$5,649
2027	\$4,356
Thereafter	(\$2,004)

Actuarial assumptions. The total pension liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Total Pension Liability

Actuarial Valuation Date	January 1, 2022
Actuarial Method	Entry Age Normal
Amortization Method	N/A
Amortization Period	N/A
Long-term Investment Rate of Return *	7.0%
Projected Salary Increases	4.25%-11.25%
Cost of Living Adjustments (COLA)	0.0%
* Includes Inflation at	2.5%

Actuarial Determined Contributions

Actuarial Valuation Date	January 1, 2021
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 years
Long-term Investment Rate of Return *	7.0%
Projected Salary Increases	4.25%-11.25%
Cost of Living Adjustments (COLA)	0.0%
* Includes Inflation at	2.5%

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 6: **STATEWIDE DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The actuarial assumption changes were effective January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The SWDBP's long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation (assumed at 2.5 percent).

The SWDBP's long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent).

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 6: **STATEWIDE DEFINED BENEFIT PENSION PLAN** (Continued)

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

Best estimates of arithmetic real rates of return for each major asset class included in the Fund target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	39.00%	8.23%
Equity Long/Short	8.00%	6.87%
Private Markets	26.00%	10.63%
Fixed Income – Rates	10.00%	4.01%
Fixed Income – Credit	5.00%	5.25%
Absolute Return	10.00%	5.60%
Cash	2.00%	2.32%
Total	100.00%	

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

The expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 2.00 percent (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release.); and the resulting Single Discount rate is 7.00 percent.

Sensitivity of the Town’s proportionate share of the net pension asset (liability) to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 6: **STATEWIDE DEFINED BENEFIT PENSION PLAN** (Continued)

	1% Decrease (6.00%)	Single Discount Rate Assumption (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability/(asset)	(\$13,064)	(\$94,730)	(\$162,386)

Pension plan fiduciary net position. Detailed information about the SWDBP’s fiduciary net position is available in FPPA’s comprehensive annual financial report which can be obtained at www.fppaco.org.

Statewide Retirement Plan

During 2022, House Bill 22-1034 was signed into law. This legislation combines the assets and liabilities of the Statewide Defined Benefit Plan and Statewide Hybrid Plan to form the Statewide Retirement Plan effective January 1, 2023. The merger will result in increased longer-term stability for both plans in addition to simplification of administration, operation, and communication of benefits. The financial impact of the merger of plans is being determined.

Actuarial Experience Study

During 2022, FPPA engaged Gabriel, Roeder Smith & Co. to complete the actuarial experience study. The FPPA Board of Directors accepted the findings of the study at its July 29, 2022 meeting. These assumptions will be included in the Statewide Retirement Plan valuation as of January 1, 2023.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 7: OTHER RETIREMENT COMMITMENTS

Statewide Death and Disability Plan

Plan Description – The Town participates in the Statewide Death and Disability Plan, a cost-sharing multiple-employer defined benefit death and disability plan administered by the Fire & Police Pension Association of Colorado (FPPA). Contributions to the plan are used solely for the payment of death and disability benefits. Benefits are established by State statutes and generally allow for benefits upon the death or disability of a plan member prior to retirement. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by contacting FPPA at www.fppaco.org.

Funding Policy - The contribution requirements are established by State statutes. The Town Board of Trustees determines the contribution split between employees and the City. The Town and employees contributed 1.4% of base salaries during the year ended December 31, 2021 and 2020. The Town’s contributions to the plan for the years ended December 31, 2022, and 2021 were \$1,552, and \$2,110, respectively, equal to the required contributions for the years.

Deferred 457 Compensation Plan

The Town’s employees participate in a deferred compensation plan created in accordance with Internal Revenue Code 457. Contribution to the deferred compensation plan is optional for employees. The contribution requirements of the plan members and the Town are established and may be amended by the Town Board of Trustees.

During the year ended December 31, 2022 and 2021, the Town and its employees contributed \$21,480 and \$9,218 respectively, to the plan.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 8: **COMMITMENTS AND CONTINGENCIES**

Central Colorado Water Conservancy District Intergovernmental Agreement

In December 2019, the Town entered into an Intergovernmental Agreement with the Central Colorado Water Conservancy District (the “District”) for the construction and operation of the Walker Recharge Project Facilities. Under the terms of the agreement, the Town is required to make payment to the District for its proportionate share of the facilities. During the year ended December 31, 2020, the Town paid \$610,000 to the District under the terms of the agreement. No payments were due during the years ended December 31, 2021 and 2022.

Town of Castle Rock Water Lease Agreement

In January 2016, the Town entered into a water lease agreement with the Town of Castle Rock. Under the terms of the agreement, the Town leases excess Recharge Credits beginning in July 2016 through June 2022. In March 2017, the agreement was amended to increase the leased quantity from 180 acre feet to 600 acre feet. The amendment also increased the lease rate from \$50 per acre foot to \$100 per acre foot. During the year ended December 31, 2022, the Town paid \$40,675 to the Town of Castle Rock under the terms of the agreement.

Claims and Judgments

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

Tabor Amendment

In November 1992, Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the “Tabor Amendment”), which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. The Tabor Amendment is complex and subject to judicial interpretations. The Town believes it has complied with the Amendment.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022

NOTE 8: **COMMITMENTS AND CONTINGENCIES** (Continued)

Tabor Amendment (Continued)

In November 1999, the citizens of the Town approved a ballot question which authorized the Town to collect, retain, and expend the full proceeds generated by any revenue source of the Town notwithstanding any limitation contained in Article X, Section 20, of the Colorado Constitution and without limiting in any year the amount of other revenues that may be collected and spent by the Town under Article X, Section 20.

The Town has established a reserve, representing 3% of qualifying expenditures, as required by the amendment. On December 31, 2022, the emergency reserve of \$56,500 was reported as a restriction of net position and fund balance in the Statement of Net Position and General Fund.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Year Ended December 31, 2022

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES				
Property Taxes	\$ 499,772	\$ 501,355	\$ 1,583	\$ 405,515
Specific Ownership Taxes	25,000	40,413	15,413	34,786
Sales and Use Taxes	320,000	495,808	175,808	424,276
Franchise Fees	18,750	39,178	20,428	21,512
Intergovernmental	90,300	180,301	90,001	121,980
Grants	228,660	47,010	(181,650)	9,021
Donations	-	1,815	1,815	860
Charges for Services	23,750	83,122	59,372	30,518
Licenses and Permits	55,925	155,320	99,395	143,926
Fines and Forfeitures	30,000	44,054	14,054	47,847
Earnings on Investments	10	24	14	19
Miscellaneous	6,000	19,201	13,201	75,304
TOTAL REVENUES	1,298,167	1,607,601	309,434	1,315,564
EXPENDITURES				
Current				
General Government	463,465	287,850	175,615	275,949
Public Safety	376,473	324,488	51,985	267,302
Public Works	192,354	232,899	(40,545)	194,010
Community Programs & Development	139,540	174,235	(34,695)	51,980
Parks and Recreation	101,529	79,669	21,860	64,871
Capital Outlay	72,250	77,654	(5,404)	26,654
Debt Service				
Principal	-	1,908	(1,908)	17,642
Interest	-	-	-	1,548
TOTAL EXPENDITURES	1,345,611	1,178,703	166,908	899,956
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(47,444)	428,898	476,342	415,608
OTHER FINANCING SOURCES				
Sale of Assets	-	22,512	22,512	-
Transfers In	50,000	-	(50,000)	-
TOTAL OTHER FINANCING SOURCES	50,000	22,512	(27,488)	-
CHANGE IN FUND BALANCE	2,556	451,410	448,854	415,608
FUND BALANCES, Beginning	1,664,103	1,178,653	(485,450)	763,045
FUND BALANCES, Ending	\$ 1,666,659	\$ 1,630,063	\$ (36,596)	\$ 1,178,653

See the accompanying independent auditor's report

TOWN OF WIGGINS, COLORADO

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FPPA STATEWIDE DEFINED BENEFIT PENSION PLAN

Years Ended December 31,

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Proportion of the Net Pension Liability (Asset)	0.01750%	0.01250%	0.01696%	0.01772%
Proportionate Share of the Net Pension Liability (Asset)	\$ (94,730)	\$ (27,127)	\$ (9,590)	\$ 22,408
Covered payroll	\$ 140,990	\$ 100,356	\$ 127,996	\$ 121,188
Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	67.19%	-27.03%	-7.49%	18.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	116.20%	106.70%	101.90%	95.20%

NOTE: Information for the prior one year is not available for this report

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
0.01169%	0.01234%	0.01501%	0.01348%	0.01575%
\$ (16,817)	\$ 4,460	\$ (265)	\$ (15,211)	\$ (14,084)
\$ 68,375	\$ 63,163	\$ 72,750	\$ 60,613	\$ 68,413
-24.60%	7.06%	-0.36%	-25.10%	-20.59%
106.30%	98.20%	100.10%	105.80%	106.80%

TOWN OF WIGGINS, COLORADO

SCHEDULE OF THE TOWN'S CONTRIBUTIONS
 FPPA STATEWIDE DEFINED BENEFIT PENSION PLAN

Years Ended December 31,

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contributions	\$ 16,390	\$ 11,961	\$ 8,029	\$ 9,998
Contributions in Relation to the Contractually Required Contributions	<u>16,390</u>	<u>11,961</u>	<u>8,029</u>	<u>9,998</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 182,111	\$ 140,990	\$ 100,356	\$ 127,996
Contributions as a Percentage of Covered Payroll	9.00%	8.48%	8.00%	7.81%

See the accompanying independent auditor's report

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 9,498	\$ 5,470	\$ 5,053	\$ 5,820	\$ 4,849	\$ 5,473
<u>9,498</u>	<u>5,470</u>	<u>5,053</u>	<u>5,820</u>	<u>4,849</u>	<u>5,473</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 121,188	\$ 68,375	\$ 63,163	\$ 72,750	\$ 60,613	\$ 68,413
7.84%	8.00%	8.00%	8.00%	8.00%	8.00%

INDIVIDUAL FUND SCHEDULES

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE
 SALES TAX CAPITAL IMPROVEMENT FUND
 Year Ended December 31, 2022

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES				
Sales Tax	\$ 200,000	\$ 294,633	\$ 94,633	\$ 256,680
Earnings on Investments	5	18	13	7
TOTAL REVENUES	200,005	294,651	94,646	256,687
EXPENDITURES				
Current				
Public Works	-	552	(552)	-
Capital Outlay	220,000	17,636	202,364	-
TOTAL EXPENDITURES	220,000	18,188	202,364	-
CHANGE IN FUND BALANCE	(19,995)	276,463	297,010	256,687
FUND BALANCES, Beginning	604,164	620,845	16,681	364,158
FUND BALANCES, Ending	\$ 584,169	\$ 897,308	\$ 313,691	\$ 620,845

See the accompanying independent auditor's report

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE

CONSERVATION TRUST FUND

Year Ended December 31, 2022

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES				
Intergovernmental Revenue	\$ 10,000	\$ 18,443	\$ 8,443	\$ 14,210
Earnings on Investments	10	18	8	14
TOTAL REVENUES	10,010	18,461	8,451	14,224
EXPENDITURES				
Parks and Recreation	8,994	-	8,994	-
Capital Outlay	-	3,600	(3,600)	-
TOTAL EXPENDITURES	8,994	3,600	5,394	-
CHANGE IN FUND BALANCE	1,016	14,861	13,845	14,224
FUND BALANCES, Beginning	21,288	24,873	3,585	10,649
FUND BALANCES, Ending	<u>\$ 22,304</u>	<u>\$ 39,734</u>	<u>\$ 17,430</u>	<u>\$ 24,873</u>

See the accompanying independent auditor's report

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE

WATER FUND

Year Ended December 31, 2022

	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES				
Charges for Services	\$ 885,000	\$ 935,870	\$ 50,870	\$ 808,022
Tap Fees	800,000	553,000	(247,000)	655,500
Earnings on Investments	-	537	537	438
Other Revenues	62,000	25,934	(36,066)	34,461
	<u>1,747,000</u>	<u>1,515,341</u>	<u>(231,659)</u>	<u>1,498,421</u>
TOTAL REVENUES				
EXPENDITURES				
Current				
Professional Services	216,105	240,305	(24,200)	169,358
Water Administration	89,709	91,170	(1,461)	104,185
Public Works Administration	44,354	20,702	23,652	44,467
Operations	270,056	229,612	40,444	173,630
Capital Outlay	100,000	80,212	19,788	141,783
Debt Service	369,125	273,663	95,462	319,841
	<u>1,089,349</u>	<u>935,664</u>	<u>153,685</u>	<u>953,264</u>
TOTAL EXPENDITURES				
CHANGE IN NET POSITION, Budgetary Basis	<u>\$ 657,651</u>	579,677	<u>\$ (77,974)</u>	545,157
Adjustments to GAAP Basis				
Debt Principal Payments		103,851		97,625
Capital Outlay		80,212		141,783
Depreciation		(154,705)		(154,344)
		<u>609,035</u>		<u>630,221</u>
CHANGE IN NET POSITION, GAAP Basis				
NET POSITION, Beginning		<u>6,464,469</u>		<u>5,834,248</u>
NET POSITION, Ending		<u>\$ 7,073,504</u>		<u>\$ 6,464,469</u>

See the accompanying independent auditors' report

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE

SEWER FUND

Year Ended December 31, 2022

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2021 ACTUAL
REVENUES				
Charges for Services	\$ 248,400	\$ 330,156	\$ 81,756	\$ 243,071
Tap Fees	320,000	252,000	(68,000)	328,000
Grants and Contributions	155,000	-	(155,000)	-
Earnings on Investments	-	123	123	233
Other Revenues	35,000	449	(34,551)	710
Transfer In	85,000	-	(85,000)	-
TOTAL REVENUES	843,400	582,728	(260,672)	572,014
EXPENDITURES				
Current				
Professional Services	28,482	26,621	1,861	25,066
Sewer Administration	63,231	89,560	(26,329)	103,756
Public Works Administration	41,158	21,952	19,206	60,470
Treatment Plant Operations	65,776	17,442	48,334	33,915
Capital Outlay	439,669	70,376	369,293	69,722
Debt Service	-	-	-	40,215
	80,000	101,033	(21,033)	53,542
TOTAL EXPENDITURES	718,316	326,984	391,332	386,686
CHANGE IN NET POSITION, Budgetary Basis	\$ 125,084	255,744	\$ 130,660	185,328
Adjustments to GAAP Basis				
Capital Outlay		-		40,215
Depreciation		(50,839)		(50,839)
CHANGE IN NET POSITION, GAAP Basis		204,905		174,704
NET POSITION, Beginning		2,830,714		2,656,010
NET POSITION, Ending		\$ 3,035,619		\$ 2,830,714

See the accompanying independent auditors' report

COMPLIANCE

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Town of Wiggins
		YEAR ENDING : December 2022
This Information From The Records Of Town of Wiggins	Prepared By: Phone:	Lorraine Trotter, Prof'l Mgmt Solutions 303-910-9197

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:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	134,859
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	14,739
2. General fund appropriations	40,792	b. Snow and ice removal	39,423
3. Other local imposts (from page 2)	40,413	c. Other	
4. Miscellaneous local receipts (from page 2)	57,188	d. Total (a. through c.)	54,162
5. Transfers from toll facilities		4. General administration & miscellaneous	17,801
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	206,822
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest & Costs of Issuance	
7. Total (1 through 6)	138,393	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	68,429	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	206,822	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	206,822

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)	0	0	0	0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	206,822	206,822	0	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	0	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	0	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	40,413	g. Other Misc. Receipts Co. Rd & Bridge	57,188
6. Total (1. through 5.)	40,413	h. Other General Sales Taxes	0
c. Total (a. + b.)	40,413	i. Total (a. through h.)	57,188
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	58,887	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	9,542	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	9,542	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	68,429	3. Total (1. + 2.g)	
			(Carry forward to page 1)
		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			
(3). System Preservation			0
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)		0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)		0	0
			(Carry forward to page 1)
Notes and Comments:			