

CITY OF DELTA, COLORADO
FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2022

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FINANCIAL SECTION

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**Management's Discussion and Analysis
(Required Supplementary Information)**

Management's Discussion and Analysis

As management of the City of Delta, we offer readers of the City of Delta's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2022.

Financial Highlights

As of the close of the year, the City had \$23,062,108 in combined ending cash and investment balances compared to \$20,574,923 in combined ending cash and investment balances for the previous year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise 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.

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

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City'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.

Both of the government-wide financial statements distinguish functions of the City of Delta that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City include general government, public safety, public works, health and safety and parks & recreation. The business-type activities of the City include the Electric, Sewer, Water, Golf and Refuse 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 City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

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. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, parks & recreation center fund, and the city-wide capital improvement fund, which are considered to be major funds. Data from four other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in the report.

The City adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided for the general fund, parks & recreation center fund, citywide capital improvement fund and the D.U.R.A. fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 6 through 9 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its utility funds and the golf course fund operation. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles and employees' dental insurance benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the funds. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 10 through 12 of this report.

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 on pages 13 through 31 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budgetary comparisons for the general fund, parks & recreation center fund and the city-wide capital improvement fund. Required supplementary information can be found on pages 32 through 35 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, internal service funds and budgetary comparison schedules are presented immediately following the required supplementary information on budgetary comparisons. Combining and individual fund statements and schedules can be found on pages 37 through 53 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. The City's assets exceeded liabilities by \$58,828,357 at the close of the year 2022.

The largest portion of the City's net position reflects its investment in the capital assets (e.g. land, buildings, infrastructure and equipment); less any related debt used to acquire those assets that are still outstanding. The resources needed to repay this

debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Delta's Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2022	2021	2022	2021	2022
Current & other assets	\$10,623,744	\$12,595,572	\$13,155,734	\$15,073,678	\$23,779,478	\$27,669,250
Capital assets	\$36,957,605	\$37,751,593	\$18,755,741	\$20,592,546	\$55,713,346	\$58,344,139
Total assets	\$47,581,349	\$50,347,165	\$31,911,475	\$35,666,224	\$79,492,824	\$86,013,389
Long-term liabilities	\$15,660,453	\$15,159,598	\$3,973,089	\$5,962,325	\$19,633,542	\$21,121,923
Other liabilities	\$1,966,781	\$2,365,424	\$747,830	\$1,733,012	\$2,714,611	\$4,098,436
Total liabilities	\$17,627,234	\$17,525,022	\$4,720,919	\$7,695,337	\$22,348,153	\$25,220,359
Deferred inflows of resources	\$ 2,178,285	\$ 1,964,673	\$ -	\$ -	\$ 2,178,285	\$ 1,964,673
Net position:						
Net investment in capital assets	\$21,122,728	\$22,527,994	\$14,971,666	\$14,773,690	\$36,094,394	\$37,301,684
Restricted	\$6,987,235	\$6,739,701	\$0	\$0	\$6,987,235	\$6,739,701
Unrestricted	(\$334,133)	\$1,589,775	\$12,218,890	\$13,197,197	\$11,884,757	\$14,786,972
Total net position	\$27,775,830	\$30,857,470	\$27,190,556	\$27,970,887	\$54,966,386	\$58,828,357

The restricted portion the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

City of Delta's Changes in Net Position

	Governmental		Business-type		Total	
	Activities		Activities			
	2021	2022	2021	2022	2021	2022
Revenues:						
Program revenues:						
Charges for						
services	\$ 1,855,483	\$ 1,943,861	\$ 11,582,293	\$ 12,454,731	\$ 13,437,776	\$ 14,398,592
Operating Grants	1,118,735	909,774	19,049	2,025	1,137,784	911,799
Capital Grants	609,256	1,833,126	1,019,200	318,900	1,628,456	2,152,026
General revenues:						
Taxes:						
Sales tax	10,055,440	10,373,981	-	-	10,055,440	10,373,981
Property tax	8,331	21,996	-	-	8,331	21,996
Franchise and						
Occupational tax	678,233	720,313	-	-	678,233	720,313
Cigarette	17,843	13,561	-	-	17,843	13,561
Investment	2,005	146,786	5,210	193,922	7,215	340,708
Miscellaneous	125,328	1,664,488	151,017	498,967	276,345	2,163,455
Total revenue	<u>14,470,654</u>	<u>17,627,886</u>	<u>12,776,769</u>	<u>13,468,545</u>	<u>27,247,423</u>	<u>31,096,431</u>
Expenses:						
General government	2,870,780	2,826,897	-	-	2,870,780	2,826,897
Public safety	2,984,081	3,107,629	-	-	2,984,081	3,107,629
Public works	4,445,095	4,517,097	-	-	4,445,095	4,517,097
Parks and recreation	3,361,020	3,738,398	-	-	3,361,020	3,738,398
Interest on Debt	544,274	523,175	-	-	544,274	523,175
Municipal Light & Power	-	-	6,211,896	6,304,771	6,211,896	6,304,771
Sewer	-	-	1,678,859	1,929,348	1,678,859	1,929,348
Water	-	-	2,055,977	2,292,618	2,055,977	2,292,618
Refuse	-	-	729,377	817,450	729,377	817,450
Golf	-	-	1,158,796	1,177,077	1,158,796	1,177,077
Total expenses	<u>14,205,250</u>	<u>14,713,196</u>	<u>11,834,905</u>	<u>12,521,264</u>	<u>26,040,155</u>	<u>27,234,460</u>
Increase in net assets						
before transfers	265,404	2,914,690	941,864	947,281	1,207,268	3,861,971
Transfers	<u>800,000</u>	<u>166,950</u>	<u>(800,000)</u>	<u>(166,950)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	1,065,404	3,081,640	141,864	780,331	1,207,268	3,861,971
Net position - January 1st	<u>26,710,426</u>	<u>27,775,830</u>	<u>27,048,692</u>	<u>27,190,556</u>	<u>53,759,118</u>	<u>54,966,386</u>
Net position - December 31st	<u>\$ 27,775,830</u>	<u>\$ 30,857,470</u>	<u>\$ 27,190,556</u>	<u>\$ 27,970,887</u>	<u>\$ 54,966,386</u>	<u>\$ 58,828,357</u>

General Fund Budgetary Highlights

A positive item to note on page 32 regarding the General Fund variance column is a 5.95% increase in sales and uses taxes received over the amount budgeted.

Financial Analysis of the City's Funds

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

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

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

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business type activities as of December 31, 2022, amounts to \$57,780,540 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, and roads and bridges.

City of Delta Capital Assets

(net of depreciation)

	Governmental		Business-type		Total	
	Activities		Activities			
	2021	2022	2021	2022	2021	2022
Land	\$ 3,534,250	\$ 3,534,250	\$ 952,610	\$ 952,610	\$ 4,486,860	\$ 4,486,860
Construction in Progress	-	3,086,893	73,371	2,618,600	73,371	5,705,493
Improvements other than buildings	3,013,391	2,690,968	-	-	3,013,391	2,690,968
Infrastructures	25,214,759	23,402,670	-	-	25,214,759	23,402,670
Buildings	2,686,429	2,490,256	230,754	198,399	2,917,183	2,688,655
Water rights and storage Treatment and generation facilities	-	-	462,120	456,403	462,120	456,403
Collection, transmission and distribution systems	-	-	2,471,218	2,224,642	2,471,218	2,224,642
Street lighting system	-	-	13,976,528	13,511,553	13,976,528	13,511,553
Vehicles and equipment	-	-	496,734	488,608	496,734	488,608
	1,883,899	1,982,957	92,406	141,731	1,976,305	2,124,688
Total	\$ 36,332,728	\$ 37,187,994	\$ 18,755,741	\$ 20,592,546	\$ 55,088,469	\$ 57,780,540

Additional information on the City of Delta's capital assets can be found in note 3 on pages 22 through 24 of this report.

Long-term debt. At the end of the current fiscal year, the City of Delta had total bonded debt and note payable outstanding of \$20,478,856. Of this amount, \$14,660,000 is backed by Sales and Use Tax Revenue collections and the remaining \$5,818,856 debt is secured by specified revenue sources.

City of Delta's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2021	2022	2021	2022	2021	2022
	Sales & use tax revenue bonds	\$ 15,210,000	\$ 14,660,000	\$ -	\$ -	\$ 15,210,000
Notes payable	-	-	3,783,828	5,818,856	3,783,828	5,818,856
Total	\$ 15,210,000	\$ 14,660,000	\$ 3,783,828	\$ 5,818,856	\$ 18,993,828	\$ 20,478,856

Additional information on the City's long-term debt can be found in note 6 on pages 26 through 28 of this report.

Economic Factors and Future Year's Budgets

The economic condition and outlook for the City in the upcoming year should be stable. The 2023 budget projects a 2% increase for sales tax. The City's 3% sales tax revenue is designated to three funds; 1% General Fund, 1% City Wide Capital Improvement Fund and 1% Parks & Recreation Center Fund. The City Wide Capital Improvement Fund has bond requirements and specific restrictions on how the Sales Tax Revenue can be spent. The Parks & Recreation Center Fund has specific restrictions on how the Sales Tax Revenue can be spent. In 2020 the County of Delta passed a sales tax increase titled Back the Badge which brought in \$1,266,075 for the year ended 12/31/2022. The City is entitled to a percentage of this new tax for its police endeavors. These plus other factors were considered in preparing the City of Delta's budget for the 2023 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City of Delta's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to the City of Delta, Office of the Finance Director, 360 Main Street, Delta, CO 81416.

Mayberry & Company, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

City Council
City of Delta
Delta, Colorado

Independent Auditors' Report

Opinion

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 City of Delta, as of and for the year ended December 31, 2022, and the related notes to the financial statements which collectively comprise City of Delta's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City of Delta 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 Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the City of Delta and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 City of Delta'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.

Auditors' Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on 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 City of Delta'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 City of Delta'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.

Report on Summarized Comparative Information

We have previously audited the City of Delta's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 21, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

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

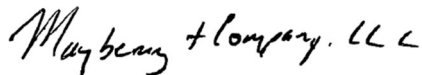
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Delta's basic financial statements. The individual and combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Other Legal and Regulatory Requirements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Local Highway Finance Report is presented for purposes of legal compliance and is 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Englewood, Colorado
June 16, 2023

CITY OF DELTA, COLORADO

STATEMENT OF NET POSITION
DECEMBER 31, 2022

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash	\$ 301,701	\$ 564,510	\$ 866,211
Investments	6,960,926	10,318,965	17,279,891
Restricted Cash and Investments	2,298,135	2,299,666	4,597,801
Receivables			
Accounts Receivable	2,922,249	1,110,205	4,032,454
Other Receivables	8,616	44,755	53,371
Inventory	101,028	732,737	833,765
Prepaid Expenses	2,917	2,840	5,757
Total Current Assets	<u>12,595,572</u>	<u>15,073,678</u>	<u>27,669,250</u>
Noncurrent Assets			
Capital Assets not being Depreciated	3,543,055	3,571,209	7,114,264
Capital Assets being Depreciated	108,049,039	48,526,482	156,575,521
Accumulated Depreciation	<u>(74,404,100)</u>	<u>(31,505,145)</u>	<u>(105,909,245)</u>
Total Noncurrent Assets	<u>37,187,994</u>	<u>20,592,546</u>	<u>57,780,540</u>
TOTAL ASSETS	<u>49,783,566</u>	<u>35,666,224</u>	<u>85,449,790</u>
DEFERRED OUTFLOWS OF FINANCIAL RESOURCES			
Deferred Charge on Refunding	563,599	-	563,599
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 50,347,165</u>	<u>\$ 35,666,224</u>	<u>\$ 86,013,389</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 1,212,618	\$ 1,661,028	\$ 2,873,646
Accrued Salaries and Benefits	154,710	54,583	209,293
Deposits and Escrow	269,896	-	269,896
Accrued Interest Payable	54,192	12,206	66,398
Unearned Revenue	674,008	5,195	679,203
Total Current Liabilities	<u>2,365,424</u>	<u>1,733,012</u>	<u>4,098,436</u>
Noncurrent Liabilities			
Due within one year	575,000	574,717	1,149,717
Due in more than one year	<u>14,584,598</u>	<u>5,387,608</u>	<u>19,972,206</u>
Total Noncurrent Liabilities	<u>15,159,598</u>	<u>5,962,325</u>	<u>21,121,923</u>
TOTAL LIABILITIES	<u>17,525,022</u>	<u>7,695,337</u>	<u>25,220,359</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
Bond Premiums	1,964,673	-	1,964,673
NET POSITION			
Net Investment in Capital Assets	22,527,994	14,773,690	37,301,684
Restricted Net Position	8,087,735	-	8,087,735
Unrestricted Net Position	<u>241,741</u>	<u>13,197,197</u>	<u>13,438,938</u>
TOTAL NET POSITION	<u>30,857,470</u>	<u>27,970,887</u>	<u>58,828,357</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 50,347,165</u>	<u>\$ 35,666,224</u>	<u>\$ 86,013,389</u>

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

CITY OF DELTA

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
FUNCTIONS/PROGRAMS				
GOVERNMENTAL ACTIVITIES				
Current:				
General Government	\$ 2,826,897	\$ 912,070	\$ 326,319	\$ 806,071
Public Safety	3,107,629	49,906	71,253	27,055
Public Works	4,517,097	262,399	394,145	1,000,000
Culture and Recreation	3,738,398	719,486	118,057	-
Interest on Debt	523,175	-	-	-
TOTAL GOVERNMENT ACTIVITIES	14,713,196	1,943,861	909,774	1,833,126
BUSINESS-TYPE ACTIVITIES				
Current:				
Municipal Light & Power	6,304,771	6,878,123	2,025	-
Sewer	1,929,348	1,784,125	-	204,800
Water	2,292,618	2,202,841	-	114,100
Refuse	817,450	803,360	-	-
Golf Course	1,177,077	786,282	-	-
TOTAL BUSINESS-TYPE ACTIVITIES	12,521,264	12,454,731	2,025	318,900
TOTAL GOVERNMENT	\$ 27,234,460	\$ 14,398,592	\$ 911,799	\$ 2,152,026
GENERAL REVENUES				
Property Taxes				
Sales and Use Taxes				
Franchise and In Lieu of Taxes				
Other Taxes				
Interest Income				
Gain (Loss) on Disposal of Capital Assets				
Insurance Proceeds				
Other Revenues				
TOTAL GENERAL REVENUES				
TRANSFERS				
TOTAL GENERAL REVENUES AND TRANSFERS				
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**

GOVERNMENT ACTIVITIES	BUSINESS - TYPE ACTIVITES	TOTAL
\$ (782,437)	\$ -	\$ (782,437)
(2,959,415)	-	(2,959,415)
(2,860,553)	-	(2,860,553)
(2,900,855)	-	(2,900,855)
<u>(523,175)</u>	<u>-</u>	<u>(523,175)</u>
<u>(10,026,435)</u>	<u>-</u>	<u>(10,026,435)</u>
-	575,377	575,377
-	59,577	59,577
-	24,323	24,323
-	(14,090)	(14,090)
-	<u>(390,795)</u>	<u>(390,795)</u>
<u>-</u>	<u>254,392</u>	<u>254,392</u>
<u>(10,026,435)</u>	<u>254,392</u>	<u>(9,772,043)</u>
21,996	-	21,996
10,373,981	-	10,373,981
715,251	-	715,251
18,623	-	18,623
146,786	193,922	340,708
2,096	-	2,096
5,000	498,967	503,967
<u>1,657,392</u>	<u>-</u>	<u>1,657,392</u>
12,941,125	692,889	13,634,014
<u>166,950</u>	<u>(166,950)</u>	<u>-</u>
<u>13,108,075</u>	<u>525,939</u>	<u>13,634,014</u>
3,081,640	780,331	3,861,971
<u>27,775,830</u>	<u>27,190,556</u>	<u>54,966,386</u>
<u>\$ 30,857,470</u>	<u>\$ 27,970,887</u>	<u>\$ 58,828,357</u>

CITY OF DELTA, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

With Comparative Totals for December 31, 2021

	<u>SPECIAL REVENUE FUNDS</u>		
	<u>General</u>	<u>Parks and</u>	<u>Delta Urban</u>
	<u>Fund</u>	<u>Recreation</u>	<u>Renewal</u>
	<u>Fund</u>	<u>Center</u>	<u>Authority</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash	\$ 582,270	\$ 34,794	\$ 36,383
Investments	1,450,011	726,480	-
Restricted Cash and Investments	10,066	-	-
Receivables			
Accounts Receivable	366,401	265,591	-
Other Receivables	-	-	-
Inventory	-	3,378	-
Prepaid Expenses	654	2,063	-
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 2,409,402</u>	<u>\$ 1,032,306</u>	<u>\$ 36,383</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 55,610	\$ 23,893	\$ -
Accrued Salaries and Benefits	107,370	41,484	-
Deposits and Escrow	223,837	30,503	-
Unearned Revenue	1,500	17,656	-
TOTAL LIABILITIES	<u>388,317</u>	<u>113,536</u>	<u>-</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
FUND BALANCE			
Nonspendable Fund Balance	10,719	11,486	-
Restricted Fund Balance	541,912	827,544	36,383
Assigned Fund Balance	104,498	-	-
Unassigned Fund Balance	1,363,956	79,740	-
TOTAL FUND BALANCE	<u>2,021,085</u>	<u>918,770</u>	<u>36,383</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 2,409,402</u>	<u>\$ 1,032,306</u>	<u>\$ 36,383</u>

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

SPECIAL REVENUE FUNDS

City-Wide Capital Improvement Fund	American Rescue Plan Act Fund	Other Funds	Total	
			2022	2021
\$ 737,684	\$ (1,606,033)	\$ 406,593	\$ 191,691	\$ 1,284,821
4,142,464	-	255,197	6,574,152	6,093,829
-	2,288,069	-	2,298,135	1,140,327
2,082,930	-	207,327	2,922,249	1,442,287
-	-	-	-	10,514
-	-	-	3,378	3,259
-	-	-	2,717	2,681
<u>\$ 6,963,078</u>	<u>\$ 682,036</u>	<u>\$ 869,117</u>	<u>\$ 11,992,322</u>	<u>\$ 9,977,718</u>
\$ 1,087,592	\$ -	\$ -	\$ 1,167,095	\$ 280,685
-	-	-	148,854	120,925
15,556	-	-	269,896	309,870
-	654,852	-	674,008	1,157,434
<u>1,103,148</u>	<u>654,852</u>	<u>-</u>	<u>2,259,853</u>	<u>1,868,914</u>
-	-	74,335	96,540	86,128
5,859,930	27,184	794,782	8,087,735	6,987,259
-	-	-	104,498	478,537
-	-	-	1,443,696	556,880
<u>5,859,930</u>	<u>27,184</u>	<u>869,117</u>	<u>9,732,469</u>	<u>8,108,804</u>
<u>\$ 6,963,078</u>	<u>\$ 682,036</u>	<u>\$ 869,117</u>	<u>\$ 11,992,322</u>	<u>\$ 9,977,718</u>

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CITY OF DELTA, COLORADO

**RECONCILIATION OF GOVERNMENTAL FUND BALANCE
TO GOVERNMENTAL ACTIVITIES NET POSITION
DECEMBER 31, 2022**

Fund Balance - Governmental Funds		\$	9,732,469
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds			
Capital assets, not being depreciated	\$	3,534,250	
Capital assets, being depreciated		101,092,432	
Accumulated depreciation		<u>(69,066,726)</u>	35,559,956
Deferred charges related to the issuance of debt that are amortized over the life of the issue, but are not reported in the funds			
Deferred charge (gain) on refunding		563,599	
Bond premiums		<u>(1,964,673)</u>	(1,401,074)
Internal Service operations primarily benefit Governmental Activities			
Internal Service Fund Net Position			2,155,448
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.			
Bonds payable	(14,660,000)		
Accrued interest payable	(54,192)		
Accrued compensated absences	<u>(475,137)</u>		<u>(15,189,329)</u>
Total Net Position - Governmental Activities			\$ <u>30,857,470</u>

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

CITY OF DELTA, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	<u>SPECIAL REVENUE FUNDS</u>		
	General	Parks and	Delta Urban
	Fund	Recreation	Renewal
	Fund	Center	Authority
	Fund	Fund	Fund
REVENUES			
Taxes	\$ 3,411,114	\$ 2,677,260	\$ 21,996
Intergovernmental Revenues	649,997	2,516	6,973
Licenses and Permits	319,252	-	-
Fines and Forfeits	45,556	-	-
Internal Charges	810,925	-	-
Charges for Services	37,570	721,428	-
Investment Earnings	21,868	12,489	-
Other Revenues	78,938	35,470	-
TOTAL REVENUES	5,375,220	3,449,163	28,969
EXPENDITURES			
Current:			
General Government	1,974,435	-	-
Public Safety	3,072,261	-	-
Public Works	980,096	-	15,647
Parks, Recreation and Other	223,210	2,920,888	-
Internal Charges	393,751	305,182	-
Capital Outlay	60,589	20,525	-
Debt Service	-	-	-
TOTAL EXPENDITURES	6,704,342	3,246,595	15,647
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(1,329,122)	202,568	13,322
OTHER FINANCING SOURCES (USES)			
Transfers In	1,737,233	-	-
Transfers (Out)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,737,233	-	-
NET CHANGE IN FUND BALANCE - GAAP BASIS	408,111	202,568	13,322
FUND BALANCE, BEGINNING	1,612,974	716,202	23,061
FUND BALANCE, ENDING	\$ 2,021,085	\$ 918,770	\$ 36,383

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

SPECIAL REVENUE FUNDS

City-Wide Capital Improvement Fund	American Rescue Plan Act Fund	Other Funds	Total	
			2022	2021
\$ 3,753,406	\$ -	\$ 1,266,075	\$ 11,129,851	\$ 10,759,847
359,935	1,606,039	115,541	2,741,001	1,722,778
-	-	-	319,252	433,400
-	-	-	45,556	26,818
-	-	-	810,925	810,925
-	-	9,130	768,128	584,340
75,291	27,162	9,975	146,785	2,005
1,553,659	-	-	1,668,067	130,542
<u>5,742,291</u>	<u>1,633,201</u>	<u>1,400,721</u>	<u>17,629,565</u>	<u>14,470,655</u>
-	-	-	1,974,435	1,998,206
-	-	-	3,072,261	2,951,306
-	-	-	995,743	1,002,974
-	-	5,487	3,149,585	2,738,679
81,399	-	-	780,332	721,996
4,787,352	-	104,228	4,972,694	2,154,513
<u>1,227,800</u>	<u>-</u>	<u>-</u>	<u>1,227,800</u>	<u>1,229,050</u>
<u>6,096,551</u>	<u>-</u>	<u>109,715</u>	<u>16,172,850</u>	<u>12,796,724</u>
<u>(354,260)</u>	<u>1,633,201</u>	<u>1,291,006</u>	<u>1,456,715</u>	<u>1,673,931</u>
1,480,861	-	-	3,218,094	1,172,561
-	(1,606,039)	(1,445,105)	(3,051,144)	(488,061)
<u>1,480,861</u>	<u>(1,606,039)</u>	<u>(1,445,105)</u>	<u>166,950</u>	<u>684,500</u>
1,126,601	27,162	(154,099)	1,623,665	2,358,431
4,733,329	22	1,023,216	8,108,804	5,750,373
<u>\$ 5,859,930</u>	<u>\$ 27,184</u>	<u>\$ 869,117</u>	<u>\$ 9,732,469</u>	<u>\$ 8,108,804</u>

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CITY OF DELTA, COLORADO

**RECONCILIATION OF GOVERNMENTAL FUNDS CHANGE IN FUND BALANCE
TO GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022**

Change in Fund Balance - Governmental Funds			\$ 1,623,665
Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level			
Capitalized Asset Purchases	\$ 4,720,874		
Depreciation Expense	(3,951,546)		
Gain (Loss) on Asset Disposals	<u>(1,679)</u>	767,649	
Internal Service operations primarily benefit Governmental Activities			
Change in net position - Internal Service Funds		33,090	
Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level			
Principal payments on bonds payable	550,000		
Change in accrued interest payable	2,291		
Deferred gain on refunding	(61,278)		
Amortization of premiums and discounts	213,612		
Change in accrued compensated absences	<u>(47,389)</u>	<u>657,236</u>	
Change in Net Position - Governmental Activities			<u>\$ 3,081,640</u>

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

CITY OF DELTA, COLORADO

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

DECEMBER 31, 2022

With Comparative Totals for December 31, 2021

	Business-type Activities			
	Municipal Light & Power	Sewer	Water	Golf Course
	Fund	Fund	Fund	Fund
ASSETS AND DEFERRED OUTFLOWS				
ASSETS				
Current Assets				
Cash and Investments				
Cash	\$ 167,420	\$ 412,060	\$ (53,122)	\$ 23,528
Investments	5,361,222	1,357,819	2,635,237	-
Restricted Cash and Investments	-	2,299,666	-	-
Receivables				
Accounts Receivable	720,681	173,638	134,033	-
Other Receivables	21,402	8,793	13,083	1,477
Inventory	336,035	144,968	240,117	11,617
Prepaid Expenses	-	-	370	2,470
Total Current Assets	<u>6,606,760</u>	<u>4,396,944</u>	<u>2,969,718</u>	<u>39,092</u>
Noncurrent Assets				
Capital Assets not being depreciated	328,166	2,701,786	397,317	143,940
Capital Assets being depreciated	13,894,630	19,320,649	10,610,451	4,700,752
Accumulated Depreciation	<u>(7,281,790)</u>	<u>(12,797,837)</u>	<u>(6,933,134)</u>	<u>(4,492,384)</u>
Total Noncurrent Assets	<u>6,941,006</u>	<u>9,224,598</u>	<u>4,074,634</u>	<u>352,308</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 13,547,766</u>	<u>\$ 13,621,542</u>	<u>\$ 7,044,352</u>	<u>\$ 391,400</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 966,539	\$ 558,827	\$ 101,449	\$ 4,649
Accrued Salaries and Benefits	14,792	13,385	8,616	14,660
Accrued Interest Payable	2,259	8,731	-	1,216
Unearned Revenue	-	-	-	5,195
Total Current Liabilities	<u>983,590</u>	<u>580,943</u>	<u>110,065</u>	<u>25,720</u>
Noncurrent Liabilities				
Due within one year	188,640	284,502	-	101,575
Due in more than one year	<u>1,151,439</u>	<u>3,600,168</u>	<u>20,806</u>	<u>610,777</u>
Total Noncurrent Liabilities	<u>1,340,079</u>	<u>3,884,670</u>	<u>20,806</u>	<u>712,352</u>
TOTAL LIABILITIES	<u>2,323,669</u>	<u>4,465,613</u>	<u>130,871</u>	<u>738,072</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES				
NET POSITION				
Net Investment in Capital Assets	5,659,277	5,378,132	4,074,634	(338,353)
Unrestricted Net Position	<u>5,564,820</u>	<u>3,777,797</u>	<u>2,838,847</u>	<u>(8,319)</u>
TOTAL NET POSITION	<u>11,224,097</u>	<u>9,155,929</u>	<u>6,913,481</u>	<u>(346,672)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 13,547,766</u>	<u>\$ 13,621,542</u>	<u>\$ 7,044,352</u>	<u>\$ 391,400</u>

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

Govt Activities

Other Funds	Total Enterprise Funds	Internal Service Fund	Total	
			2022	2021
\$ 14,624	\$ 564,510	\$ 110,010	\$ 674,520	\$ 490,077
964,687	10,318,965	386,774	10,705,739	11,565,871
-	2,299,666	-	2,299,666	-
81,853	1,110,205	-	1,110,205	1,034,206
-	44,755	8,616	53,371	37,872
-	732,737	97,650	830,387	668,683
-	2,840	200	3,040	5,051
<u>1,061,164</u>	<u>15,073,678</u>	<u>603,250</u>	<u>15,676,928</u>	<u>13,801,760</u>
-	3,571,209	8,805	3,580,014	1,025,981
-	48,526,482	6,956,607	55,483,089	54,569,868
-	(31,505,145)	(5,337,374)	(36,842,519)	(35,299,687)
-	<u>20,592,546</u>	<u>1,628,038</u>	<u>22,220,584</u>	<u>20,296,162</u>
<u>\$ 1,061,164</u>	<u>\$ 35,666,224</u>	<u>\$ 2,231,288</u>	<u>\$ 37,897,512</u>	<u>\$ 34,097,922</u>
\$ 29,564	\$ 1,661,028	\$ 45,523	\$ 1,706,551	\$ 723,912
3,130	54,583	5,856	60,439	49,063
-	12,206	-	12,206	3,115
-	5,195	-	5,195	13,124
<u>32,694</u>	<u>1,733,012</u>	<u>51,379</u>	<u>1,784,391</u>	<u>789,214</u>
-	574,717	-	574,717	413,578
4,418	5,387,608	24,461	5,412,069	3,582,216
<u>4,418</u>	<u>5,962,325</u>	<u>24,461</u>	<u>5,986,786</u>	<u>3,995,794</u>
<u>37,112</u>	<u>7,695,337</u>	<u>75,840</u>	<u>7,771,177</u>	<u>4,785,008</u>
-	14,773,690	1,628,038	16,401,728	16,512,087
<u>1,024,052</u>	<u>13,197,197</u>	<u>527,410</u>	<u>13,724,607</u>	<u>12,800,827</u>
<u>1,024,052</u>	<u>27,970,887</u>	<u>2,155,448</u>	<u>30,126,335</u>	<u>29,312,914</u>
<u>\$ 1,061,164</u>	<u>\$ 35,666,224</u>	<u>\$ 2,231,288</u>	<u>\$ 37,897,512</u>	<u>\$ 34,097,922</u>

CITY OF DELTA, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	Business-type Activities			
	Municipal Light & Power	Sewer	Water	Golf Course
	Fund	Fund	Fund	Fund
Operating Revenues				
Utility Charges	\$ 6,859,850	\$ 1,771,622	\$ 2,197,164	\$ -
Golf Course Charges	-	-	-	786,282
Internal Charges	-	-	-	-
Other Charges for Services	18,273	12,503	5,677	-
Total Revenues	<u>6,878,123</u>	<u>1,784,125</u>	<u>2,202,841</u>	<u>786,282</u>
Operating Expenses				
Commodity Charges	4,489,021	-	812,964	-
Golf Course Pro and Concessions	-	-	-	486,045
Golf Course Maintenance	-	-	-	421,951
Management Fees/Internal Charges	547,721	324,570	333,999	218,526
Collection, Transmission and Distribution	660,643	385,335	610,276	-
Production and Treatment	-	34,125	357,130	-
Claims and Premiums	-	-	-	-
Maintenance	-	548,709	-	-
Administration	166,341	58,948	24,240	-
Depreciation Expense	377,292	510,261	291,792	33,916
Other Capital Outlay	32,851	(32,479)	(137,783)	-
Total Expenditures	<u>6,273,869</u>	<u>1,829,469</u>	<u>2,292,618</u>	<u>1,160,438</u>
Operating Income (Loss)	<u>604,254</u>	<u>(45,344)</u>	<u>(89,777)</u>	<u>(374,156)</u>
Other Income (Expense)				
Intergovernmental Revenue	2,025	-	-	-
Investment Earnings	92,313	39,146	45,918	-
Other Revenue	370,214	54,766	42,703	17,444
Interest Expense	(30,902)	(99,879)	-	(16,639)
Gain (Loss) on Sale of Assets	-	-	-	-
Total Other Income (Expense)	<u>433,650</u>	<u>(5,967)</u>	<u>88,621</u>	<u>805</u>
Net Income (Loss) before Transfers	1,037,904	(51,311)	(1,156)	(373,351)
Transfers				
Transfers In	-	535,350	-	514,000
Transfers (Out)	(790,000)	-	(426,300)	-
Net Income (Loss)	247,904	484,039	(427,456)	140,649
Contributed Capital				
Plant Investment Fees	-	204,800	114,100	-
Change in Net Position	247,904	688,839	(313,356)	140,649
Net Position, Beginning	<u>10,976,193</u>	<u>8,467,090</u>	<u>7,226,837</u>	<u>(487,321)</u>
Net Position, Ending	<u>\$ 11,224,097</u>	<u>\$ 9,155,929</u>	<u>\$ 6,913,481</u>	<u>\$ (346,672)</u>

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

		Govt Activities		
Other Funds	Total Enterprise Funds	Internal Service Fund	Total	
			2022	2021
\$ 803,360	\$ 11,631,996	\$ -	\$ 11,631,996	\$ 10,739,240
-	786,282	-	786,282	781,248
-	-	1,349,998	1,349,998	1,142,619
-	36,453	-	36,453	61,883
<u>803,360</u>	<u>12,454,731</u>	<u>1,349,998</u>	<u>13,804,729</u>	<u>12,724,990</u>
-	5,301,985	-	5,301,985	5,041,587
-	486,045	-	486,045	519,034
-	421,951	-	421,951	387,388
370,510	1,795,326	163,333	1,958,659	1,769,249
441,940	2,098,194	-	2,098,194	1,888,879
-	391,255	-	391,255	369,977
5,000	5,000	37,782	42,782	32,988
-	548,709	878,737	1,427,446	1,224,574
-	249,529	-	249,529	205,119
-	1,213,261	450,109	1,663,370	1,600,264
-	(137,411)	-	(137,411)	25,376
<u>817,450</u>	<u>12,373,844</u>	<u>1,529,961</u>	<u>13,903,805</u>	<u>13,064,435</u>
<u>(14,090)</u>	<u>80,887</u>	<u>(179,963)</u>	<u>(99,076)</u>	<u>(339,445)</u>
-	2,025	-	2,025	19,049
16,545	193,922	6,744	200,666	5,459
13,840	498,967	148,959	647,926	155,417
-	(147,420)	-	(147,420)	(86,260)
-	-	57,350	57,350	51,692
<u>30,385</u>	<u>547,494</u>	<u>213,053</u>	<u>760,547</u>	<u>145,357</u>
16,295	628,381	33,090	661,471	(194,088)
-	1,049,350	-	1,049,350	549,291
-	(1,216,300)	-	(1,216,300)	(1,233,792)
16,295	461,431	33,090	494,521	(878,589)
-	318,900	-	318,900	1,019,200
16,295	780,331	33,090	813,421	140,611
<u>1,007,757</u>	<u>27,190,556</u>	<u>2,122,358</u>	<u>29,312,914</u>	<u>29,172,303</u>
<u>\$ 1,024,052</u>	<u>\$ 27,970,887</u>	<u>\$ 2,155,448</u>	<u>\$ 30,126,335</u>	<u>\$ 29,312,914</u>

CITY OF DELTA

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Business-type Activities			
	Municipal Light & Power	Sewer	Water	Golf Course
	Fund	Fund	Fund	Fund
Cash Flows From Operating Activities:				
Cash Received from Customers	\$ 6,845,574	\$ 1,735,734	\$ 2,198,123	\$ 778,738
Cash Received from Interfund Services Provided	-	-	-	-
Cash Paid to Suppliers	(4,554,155)	(5,478)	(1,422,575)	(431,055)
Cash Paid for Interfund Services	(547,721)	(324,570)	(333,999)	(218,526)
Cash Paid to Employees	(426,333)	(453,226)	(326,391)	(521,782)
Net Cash Provided by Operating Activities	<u>1,317,365</u>	<u>952,460</u>	<u>115,158</u>	<u>(392,625)</u>
Cash Flows From Capital and Related Financing Activities:				
Tap Fees Received	-	204,800	114,100	-
Debt Principal Payments	(188,640)	2,324,997	-	(101,575)
Grant Proceeds	2,025	-	-	-
Interest Payments	(29,537)	(92,887)	-	(15,904)
Proceeds of Capital Asset Sales	(1)	-	-	-
Acquisition of Capital Assets	(376,225)	(2,495,256)	(173,838)	(4,745)
Net Cash Flows Used by Capital and Related Financing Activities	<u>(592,378)</u>	<u>(58,346)</u>	<u>(59,738)</u>	<u>(122,224)</u>
Cash Flows (Uses) From Noncapital Financing Activities:				
Cash from Other Funds	(790,000)	535,350	(426,300)	514,000
Other Revenues (Expense)	370,214	54,766	42,703	17,444
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(419,786)</u>	<u>590,116</u>	<u>(383,597)</u>	<u>531,444</u>
Cash Flows (Uses) From Investing Activities:				
Interest Received	92,313	39,146	45,918	-
Net Increase (Decrease) in Cash	397,514	1,523,376	(282,259)	16,595
Cash - Beginning	5,131,128	2,546,169	2,864,374	6,933
Cash - Ending	<u>\$ 5,528,642</u>	<u>\$ 4,069,545</u>	<u>\$ 2,582,115</u>	<u>\$ 23,528</u>
Cash	\$ 167,420	\$ 412,060	\$ (53,122)	\$ 23,528
Investments	5,361,222	1,357,819	2,635,237	-
Restricted Cash and Investments	-	2,299,666	-	-
Total	<u>\$ 5,528,642</u>	<u>\$ 4,069,545</u>	<u>\$ 2,582,115</u>	<u>\$ 23,528</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:				
Operating Income (Loss)	\$ 604,254	\$ (45,344)	\$ (89,777)	\$ (374,156)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	377,292	510,261	291,792	33,916
Changes in Assets and Liabilities Related to Operations:				
(Increase) Decrease in:				
Accounts Receivable	(32,571)	(41,768)	352	-
Other Receivables	22	(6,623)	(5,070)	385
Inventory	(48,256)	1,200	(99,853)	(5,422)
Prepaid Expenses	-	-	(370)	2,130
(Increase) Decrease in:				
Accounts Payable	410,777	539,334	17,644	(3,236)
Accrued Salaries and Benefits	2,998	1,226	567	4,916
Unearned Revenue	-	-	-	(7,929)
Accrued Compensated Absences	2,849	(5,826)	(127)	(43,229)
Total Adjustments	<u>713,111</u>	<u>997,804</u>	<u>204,935</u>	<u>(18,469)</u>
Net Cash Used for Operating Activities	<u>\$ 1,317,365</u>	<u>\$ 952,460</u>	<u>\$ 115,158</u>	<u>\$ (392,625)</u>

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

		Govt Activities		
Other Funds	Total Enterprise Funds	Internal Service Fund	Total	
			2022	2021
\$ 801,348	\$ 12,359,517	\$ (4,216)	\$ 12,355,301	\$ 11,619,329
-	-	1,349,998	1,349,998	1,142,619
(334,927)	(6,748,190)	(719,303)	(7,467,493)	(8,135,802)
(370,510)	(1,795,326)	(163,333)	(1,958,659)	(1,769,249)
<u>(101,431)</u>	<u>(1,829,163)</u>	<u>(194,587)</u>	<u>(2,023,750)</u>	<u>(1,909,374)</u>
(5,520)	1,986,838	268,559	2,255,397	947,523
-	318,900	-	318,900	1,019,200
-	2,034,782	-	2,034,782	(409,121)
-	2,025	-	2,025	19,049
-	(138,328)	-	(138,328)	(86,903)
-	(1)	80,830	80,829	655,746
-	<u>(3,050,064)</u>	<u>(561,206)</u>	<u>(3,611,270)</u>	<u>(2,187,288)</u>
-	<u>(832,686)</u>	<u>(480,376)</u>	<u>(1,313,062)</u>	<u>(989,317)</u>
-	(166,950)	-	(166,950)	(684,501)
13,840	498,967	148,959	647,926	155,417
<u>13,840</u>	<u>332,017</u>	<u>148,959</u>	<u>480,976</u>	<u>(529,084)</u>
16,545	193,922	6,744	200,666	5,459
24,865	1,680,091	(56,114)	1,623,977	(565,419)
954,446	11,503,050	552,898	12,055,948	12,621,367
<u>\$ 979,311</u>	<u>\$ 13,183,141</u>	<u>\$ 496,784</u>	<u>\$ 13,679,925</u>	<u>\$ 12,055,948</u>
\$ 14,624	\$ 564,510	\$ 110,010	\$ 674,520	\$ 490,077
964,687	10,318,965	386,774	10,705,739	11,565,871
-	2,299,666	-	2,299,666	-
<u>\$ 979,311</u>	<u>\$ 13,183,141</u>	<u>\$ 496,784</u>	<u>\$ 13,679,925</u>	<u>\$ 12,055,948</u>
\$ (14,090)	\$ 80,887	\$ (179,963)	\$ (99,076)	\$ (339,445)
-	1,213,261	450,109	1,663,370	1,600,264
(2,012)	(75,999)	-	(75,999)	24,579
-	(11,286)	(4,216)	(15,502)	7,252
-	(152,331)	(9,373)	(161,704)	(3,539)
-	1,760	250	2,010	(4,425)
8,869	973,388	9,251	982,639	(285,549)
924	10,631	745	11,376	(63,414)
-	(7,929)	-	(7,929)	5,127
<u>789</u>	<u>(45,544)</u>	<u>1,756</u>	<u>(43,788)</u>	<u>6,673</u>
<u>8,570</u>	<u>1,905,951</u>	<u>448,522</u>	<u>2,354,473</u>	<u>1,286,968</u>
<u>\$ (5,520)</u>	<u>\$ 1,986,838</u>	<u>\$ 268,559</u>	<u>\$ 2,255,397</u>	<u>\$ 947,523</u>

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. THE FINANCIAL REPORTING ENTITY

The City of Delta, Colorado (referred to hereafter as the City) is incorporated as a home-rule City under the laws of the State of Colorado with a Council-Manager form of government. The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Blended Component Unit – The Delta Urban Renewal Authority is responsible for downtown beautification projects and is governed by a board comprised of the City’s elected council.

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government (the City). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the *governmental* and *business-type* activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Municipal Light & Power, Sewer, Water, Golf Course, Refuse and the City’s internal service funds are charges to customers for sales and services. The Utility Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service 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.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (continued)

Fund Financial Statements: The fund financial statements provide information about the City's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The City does not have *fiduciary* fund types.

The City reports the following major governmental funds:

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

Parks & Rec. Center Fund. This fund accounts for the revenues and expenditures associated with recreational activities and to account for sales tax revenues collected.

City-Wide Capital Improvement Fund. This fund accounts for sales tax revenues used to improve streets and sidewalks, capital improvements, and to reduce debt incurred for city-wide improvements.

Back the Badge Fund. This fund accounts for sales tax revenues used for law enforcement operations and capital improvements.

American Rescue Plan Act Fund. The fund accounts for Coronavirus relief revenues and expenditures related to the U.S. Department of the Treasury relief guidelines.

The City reports the following major enterprise funds:

Municipal Light & Power Fund. This fund accounts for revenues and expenses associated with providing electric services to City residents.

Sewer Fund. This fund accounts for revenues and expenses associated with the collection and treatment of sewage within the City.

Water Fund. This fund accounts for revenues and expenses associated with providing water services to City residents.

Golf Course Fund. This fund accounts for revenues and expenses associated with the public golf course operated by the City.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (continued)

The City reports the following fund type:

Internal Service Fund. This fund accounts for equipment purchases provided to other departments on a cost-reimbursement basis.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchanges, include sales taxes, grants, entitlements, and donations. On an accrual basis, revenue from sales taxes are recognized in the period for which the taxes are collected by vendors. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

D. ASSETS, LIABILITIES, AND EQUITY

Deposits and investments. The cash balances of substantially all funds are pooled for the purpose of increasing earnings through investment activities. The pool's investments are reported at fair value at December 31, 2022 based on market prices. The individual funds' portions of the pool's fair value are presented as cash and cash equivalents or short-term investments. Earnings on the pooled funds are apportioned and paid or credited to the funds monthly based on the average monthly balance of each participating fund.

Cash and cash equivalents. The City considers all cash on hand, demand deposits and short-term highly liquid investments with an original maturity of three months or less to be cash equivalents.

Property taxes. Property taxes are levied on December 22 and attach as a lien on property the following January 1. They are payable in full by April 30 or in two equal installments due February 28 and June 15. Property taxes levied in the current year and collected in the following year are reported as a receivable at December 31, net of an estimated uncollectible portion.

For the fiscal year 2022, the City did not levy property taxes.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND EQUITY (continued)

Inventories. Inventories of supplies in the proprietary fund types are stated at cost using the first-in/first-out (FIFO) method.

Capital assets. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. General infrastructure assets are reported at estimated historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Assets with a useful life of a year or greater with an acquisition value of at least \$1,000 are capitalized.

Enterprise Fund construction costs are increased by interest incurred on bonds during the construction period and reduced by earnings from investment of the unexpended bond proceeds.

Depreciation is calculated using the straight-line method over the estimated useful lives, and no depreciation is recorded in the year of acquisition or construction of such assets. Capital assets acquired by capital lease are depreciated over the estimated useful lives and are included in depreciation expense in the appropriate fund. The estimated useful lives are as follows:

Infrastructure	15 years
Equipment	5-15 years
Transmission and distribution lines and meters	20-40 years
Treatment and filtration plants	20-50 years
Building	35 years

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 fund type statement of net position.

In the fund financial statements, governmental fund types the face amount of debt issued is reported as other financing sources.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND EQUITY (continued)

Compensated absences. The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The City has a policy to award a one-time cash payment between \$250 and \$1,000 to employees who retire with fifteen or more continuous years of service with the City. For 2018, no employee would be eligible based on this criteria, so no liability has been accrued.

Deferred Inflows of Resources. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises both under the full accrual and modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported in both the governmental activities statement of net position and in the governmental funds balance sheet. The governmental funds report unavailable revenues from recreation center fund prepaid funds plus the city wide capital fund deposits on account. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net Position/Fund Balances. In the government-wide financial statements and for the proprietary fund statements, net position are either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as “nonspendable” include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Fund balance are reported as “restricted” when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority, the City Council, are reported as “committed” fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND EQUITY (continued)

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

All remaining fund balance in the General Fund or deficits in the other governmental funds are presented as unassigned.

Net Position/Fund Equity Flow Assumptions. Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance, if allowed under the terms of the restriction. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

E. BUDGETS AND BUDGETARY ACCOUNTING

The City follows these procedures in establishing budgets:

1. Budgets are required by state law for all governmental and proprietary funds.
2. During September the proposed budget is submitted to the City Council for the fiscal year commencing the following January 1.
3. Prior to December 31, the budget is adopted and appropriations are authorized by ordinance at the fund level for all funds. The legal level of budgetary control is at the individual fund level for all funds.
4. Budgets are adopted on a basis consistent with the accounting basis of all funds except for proprietary-type funds. In the proprietary funds, the City budgets for capital outlays, and bond principal and interest payments and does not budget for depreciation.
5. Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and class and in total by each fund. The total fund level constitutes the legal level of control. Expenditures may not exceed appropriations at this level. Budget revisions at this level are subject to approval by ordinance from the City Council. Within the fund level control basis, management may transfer appropriations without Council approval. Budget amounts included in the budgetary comparison schedules are based on the final legally amended budget.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BUDGETS AND BUDGETARY ACCOUNTING (continued)

6. Appropriations lapse at the end of each year, and the City Council may adopt supplemental appropriations during the year. The City Council may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the City Manager or the revenue estimates must be changed by the City Council when adopting supplemental appropriations.

Originally adopted budgeted and appropriated expenditures for the year ended December 31, 2022 are as follows:

	<u>Original Budget</u>	<u>Supplemental Budget</u>	<u>Final Budget</u>
General Fund	6,936,675	-	6,936,675
Parks & Rec. Center Fund	3,144,944	114,000	3,258,944
City-Wide Capital Improvement Fund	3,792,552	2,605,000	6,397,552
Debt Service Fund	1,227,800	-	1,227,800
Nonmajor Governmental Funds	244,100	-	244,100
Municipal Light & Power Fund	10,818,968	-	10,818,968
Sewer Fund	8,930,708	-	8,930,708
Water Fund	3,073,817	-	3,073,817
Golf Course Fund	1,231,050	84,000	1,315,050
Nonmajor Enterprise Fund	792,797	30,000	822,797
D.U.R.A.	8,025	10,000	18,025
Back the Badge	885,984	560,000	1,445,984
American Rescue Plan Act Fund	155,087	1,460,000	1,615,087
Internal Service Funds	<u>1,363,380</u>	<u>190,000</u>	<u>1,553,380</u>
Total Appropriations	<u>42,605,887</u>	<u>5,053,000</u>	<u>47,658,887</u>

For the year ended December 31, 2022, the City expended amounts in excess of the amounts budgeted for the Internal Service Fund. Such over expenditures may be a violation of Colorado State Law and the City's charter.

F. COMPARATIVE DATA

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

2 - DEPOSITS AND INVESTMENTS

DEPOSITS

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

CUSTODIAL CREDIT RISK - DEPOSITS

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of December 31, 2022, none of the City's bank balances of \$23,130,955 were exposed to custodial credit risk as \$500,000 was insured and \$22,630,955 was collateralized by securities pledged by financial institutions. Book balances of the City's deposits were \$23,062,108. The City also has \$3,400 of cash on hand included as cash and cash equivalents for financial statement presentation.

INVESTMENTS

The following are the major categories of assets measured at fair value on a recurring basis during the year ended December 31, 2022 using quoted market prices in active markets (Level 1), significant observable inputs for similar assets (Level 2) and significant unobservable inputs (Level 3). The City's local government pool investments are not subject to categorization:

<u>Description</u>	<u>Weighted Maturity</u>	<u>Fair Value</u>	<u>Rating</u>
Colotrust Plus +	N/A	10,414,061	AAAm
Csafe	N/A	9,163,967	AAAm
Total Investments		<u>19,578,028</u>	

During the year ended December 31, 2022, the City invested funds in CSAFE & Colotrust. As investments pools, they operate under the Colorado Revised Statutes (24-75-701) and are overseen by the Colorado Securities Commissioner. The pools invest in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pools operate similar to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. The pools are rated AAAM by the Standard and Poor's Corporation. The City values these assets using Amortized Cost Basis.

Interest rate risk. The City does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

2 - DEPOSITS AND INVESTMENTS (continued)

Credit risk. Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest including obligations of the United States and certain U.S. government agency securities; certain international 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; and guaranteed investment contracts.

The City's general investment policy is to apply the prudent-person rule: Prudence and protection of City funds are the primary criteria. All investments and bid requests for investments are predicated on liquidity, yield, safety and interest of the local economy. As of December 31, 2022, the City's investment in Colotrust Plus and Csafe were rated AAAM by Standard & Poor's.

Concentration of credit risk. Investments must be in accordance with Colorado statutes and no more than 80% of the total portfolio may be invested in any single type of investment. Investments in any one financial institution may not exceed 30% of the City's portfolio unless the investments are obligations of the United States Government.

A reconciliation of cash and investment balances is as follows:

Cash & cash equivalents	785,829
Investments	21,867,628
Temporarily restricted investments	10,066
Permanently restricted cash	80,380
Total	<u>22,743,903</u>

Petty Cash	3,400
Cash Deposits	862,809
Money Market Account	2,299,666
Government Pools	19,578,028
	<u>22,743,903</u>

<u>Description</u>	<u>Fair Value</u>
Cash & cash equivalents	785,829
Investments	21,867,628
Restricted governmental pools(police seizure)	10,066
Permanently restricted deposit (perpetual care deposits)	80,380
Total	<u>22,743,903</u>

These balances are allocated in the financial statements as follows:

Government-wide cash	785,829
Government-wide investments	21,867,628
Government-wide restricted investments	10,066
Government-wide permanently restricted cash	80,380
	<u>22,743,903</u>

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

3. - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2022 was as follows:

	<u>Governmental Activities</u>			
	Beginning Balance	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 3,534,250	\$ -	\$ -	\$ 3,534,250
Construction in Progress	-	3,086,893	-	3,086,893
Total Capital assets not being depreciated	<u>3,534,250</u>	<u>3,086,893</u>	<u>-</u>	<u>6,621,143</u>
Capital assets being depreciated:				
Land improvements	9,382,361	51,505	-	9,433,866
Infrastructure - road network	77,798,108	1,496,189	-	79,294,297
Buildings	8,187,140	-	-	8,187,140
Vehicles	2,908,041	338,042	-	3,246,083
Equipment	4,661,232	285,971	137,638	4,809,565
Total capital assets being depreciated	<u>102,936,882</u>	<u>2,171,707</u>	<u>137,638</u>	<u>104,970,951</u>
Less accumulated depreciation for:				
Land improvements	6,368,971	373,927	-	6,742,898
Infrastructure - road network	52,583,349	3,308,278	-	55,891,627
Buildings	5,500,708	196,176	-	5,696,884
Vehicles	2,266,135	192,960	-	2,459,095
Equipment	3,419,241	330,314	135,959	3,613,596
Total accumulated depreciation	<u>70,138,404</u>	<u>4,401,655</u>	<u>135,959</u>	<u>74,404,100</u>
Total capital assets being depreciated, net	<u>32,798,478</u>	<u>(2,229,948)</u>	<u>1,679</u>	<u>30,566,851</u>
Governmental activity capital assets, net	<u>\$ 36,332,728</u>	<u>\$ 856,945</u>	<u>\$ 1,679</u>	<u>\$ 37,187,994</u>

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

3. – CAPITAL ASSETS (continued)

	<u>Business-Type Activities</u>			Ending Balances
	Beginning Balance	Increases	Decreases	
Capital assets not being depreciated:				
Land and Easements	\$ 952,610	\$ -	\$ -	\$ 952,610
Construction in Progress	73,371	2,545,229	-	2,618,600
Total Capital assets not being depreciated	1,025,981	2,545,229	-	3,571,210
Capital assets being depreciated:				
Land improvements	3,625,777	-	-	3,625,777
Water rights and storage reservoirs	607,491	-	-	607,491
Treatment and generation facilities	9,793,435	-	-	9,793,435
Collection, transmission and distribution system	31,503,794	407,382	-	31,911,176
Buildings and improvements	1,174,448	-	-	1,174,448
Street lighting & Fiber Optic system	688,540	23,233	-	711,773
Equipment	628,160	74,220	-	702,380
Total capital assets being depreciated	48,021,645	504,835	-	48,526,480
Less accumulated depreciation for:				
Land improvements	3,625,778	-	-	3,625,778
Water rights and storage reservoirs	145,371	5,717	-	151,088
Treatment and generation facilities	7,322,217	246,576	-	7,568,793
Collection, transmission and distribution system	17,527,266	872,357	-	18,399,623
Buildings and improvements	943,694	32,355	-	976,049
Street lighting system	191,806	31,359	-	223,165
Equipment	535,753	24,895	-	560,648
Total accumulated depreciation	30,291,885	1,213,259	-	31,505,144
Total capital assets being depreciated, net	17,729,760	(708,424)	-	17,021,336
Business-Type activity capital assets, net	\$ 18,755,741	\$ 1,836,805	\$ -	\$ 20,592,546

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

3 - CAPITAL ASSETS (continued)

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

Governmental Activities	
General government	\$ 57,832
Public safety	35,369
Public works, including depreciation of general infrastructure assets	3,308,278
Parks and recreation	550,069
Capital assets held by the City's internal service fund are charged to various functions based on their usage of the assets	<u>450,109</u>
Total Depreciation expense Governmental activities	<u>\$ 4,401,657</u>
Business-Type Activities	
Municipal Light and Power	\$ 377,292
Golf Course	33,916
Sewer	510,261
Water	<u>291,790</u>
Total Depreciation expense Business-Type activities	<u>\$ 1,213,259</u>

4 - EMPLOYEE RETIREMENT PLANS

The City provides pension benefits for all of its full time employees in two separate defined contribution plans. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

All non-police employees are eligible to participate in the plan that is administered by the City six months from the date of employment, police officers participate from the date of hire. City ordinance requires that the City contribute 5% of the non-police employee's base salary and 10% of the police officer's base salary. Non-police employees are required to contribute 3% of their base salary and may elect to contribute up to 10%. Police officers are required to contribute 8% of their base salary. City contributions for all employees become 20% vested after the first year, increasing an additional 20% each year until the employee becomes fully vested after 5 years. Any nonvested City contributions forfeited by an employee who leaves the City's employment are remitted to the City. The City's policy is to use these forfeited contributions to pay the expenses of administering the plan or reduce future contributions to the plan.

The City's total payroll for fiscal year 2022 was \$6,778,307. The City's contributions were calculated using the base salary of \$5,302,008. The City made the required contributions of \$338,410 and the employees made required and elective contribution of \$232,370 for a total amount of \$559,051.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

5 - COMMITMENTS

Raw Water Purchase

The City has entered into a contract with the Tri-County Conservancy District to purchase water from the Dallas Creek Project as follows:

<u>Annual Purchase and Operation and Maintenance Commitment</u>	<u>Calendar Years</u>	<u>Annual Payments</u>
Block One, Two and Three 3,700 acre feet annually	2022-2049	\$ 318,620

The purchase price per acre foot shall not exceed the average cost of all municipal and industrial water for which the Tri-County Water Conservancy District is obligated to pay the United States for such water which is limited to \$38,000,000. The purchase price is currently \$77.61 per acre foot; with potential cost adjustments at no longer than five year intervals. Such annual payments are subject to adjustment as a result of rate adjustments. In addition, the City pays the District a proportionate amount of the operations, maintenance and replacement costs of the project attributable to municipal and industrial uses which were set at \$8.50 per acre foot subject to annual adjustment.

Electricity Purchase

The City has entered into a contract with the Western Area Power Administration (WAPA) through the year 2024 to purchase electrical energy at quantities and rates mutually agreed upon on an annual basis between WAPA and the City.

The City has a contract with the Municipal Energy Agency of Nebraska (MEAN) which shall continue in effect for a period of 25 years to purchase electrical energy needed in excess of the amounts contracted with WAPA as follows:

	<u>Rate</u>
Energy Charge	0.0407

During 2022, the City purchased 62,018,683 kilowatt hours for \$4,489,021.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

6 - LONG-TERM DEBT

A. CITY OF DELTA SALES AND USE TAX REVENUE BONDS PAYABLE FROM GOVERNMENTAL ACTIVITIES:

In November 2019, the City issued 16,230,000 Sales & Use Tax Revenue Refunding Bonds Series 2019. The bonds were issued by the City to fully refund the Series 2020 Sales & Use Tax Revenue Bonds. These Bonds yield interest at 1.26% to 3.215% payable on June 1 and December 1 through 2039. This refunding created a net present value savings of \$2,460,912 for the City. The City purchased a surety bond in lieu of a cash bond reserve.

Total Outstanding Sales and Use Tax Revenue Refunding Bonds as of December 31st, 2022 = \$14,660,000

B. CITY OF DELTA SEWER REVENUE REFUNDING BANK LOANS, GOLF COURSE AND MUNICIPAL LIGHT AND POWER NOTE PAYBLE FROM BUSINESS-TYPE ACTIVITIES:

\$2,509,154 Sewer Revenue Refunding Bank Loan of May 18, 2012 bearing interest of 3.43% until May 18th, 2032 due in monthly principal and interest installments of \$14,526.

Total Outstanding Sewer Revenue Refunding Bank Loan as of December 31st, 2022 = \$1,397,906.

\$2,500,000 Sewer Revenue Bank Loan of August 11, 2022 bearing interest of 5.14% until August 11, 2034 due in monthly principal and interest installments of \$23,394.

Total Outstanding Sewer Revenue Bank Loan as of December 31st, 2022 = \$2,448,560.

\$7,000,000 Golf Course and Municipal Light and Power Note Payable of August 15, 2005 payable in variable monthly installments, including interest at a variable rate currently at 3.85%; matures August 15, 2025, with a balloon payment of approximately \$1,101,748.

Total Outstanding Golf Course and M.L&P. Note Payable as of December 31st, 2022 = \$1,972,390.

Total payable from business-type activities: \$ 5,818,856

C. PRINCIPAL AND INTEREST PAYMENT REQUIREMENTS

Principal and interest payment requirements on the City's General Obligation, Revenue Bonds and Notes payable from governmental and business-type activities are as follows:

<u>Year</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	575,000	650,300	574,717	225,718
2024	610,000	621,550	587,139	204,589
2025	640,000	591,050	601,064	181,957
2026	675,000	559,050	1,426,719	130,067
2027	705,000	525,300	339,760	115,278
2028-2032	4,085,000	2,061,750	1,843,328	329,580
2033-2037	5,055,000	1,085,200	446,129	20,654
2038-2039	2,315,000	139,800		
	<u>14,660,000</u>	<u>6,234,000</u>	<u>5,818,856</u>	<u>1,207,843</u>

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

6 - LONG-TERM DEBT (continued)

D. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2022 was as follows:

	<u>Governmental Activities</u>			Balance 12-31-2022	Due within one year	Interest Expense
	Balance	Additions	Reductions			
	12-31-2021					
2019 Sales & Use Tax Revenue Bonds	15,210,000		550,000	14,660,000	575,000	650,300
Bond Premiums	2,178,285		213,612	1,964,673		
Compensated Absences	450,453	49,145		499,598		
Total	<u>17,838,738</u>	<u>49,145</u>	<u>763,612</u>	<u>17,124,271</u>	<u>575,000</u>	<u>650,300</u>

	<u>Business-Type Activities</u>			Balance 12-31-2022	Due within one year	Interest Expense
	Balance	Additions	Reductions			
	12-31-2021					
2012 Sewer Revenue Bank Loan	1,521,223		123,317	1,397,906	127,722	46,594
2022 Sewer Revenue Bank Loan		2,500,000	51,440	2,448,560	164,812	115,911
Golf Course & M.L.&P. Note Payable	2,262,605		290,215	1,972,390	101,575	19,323
Compensated Absences	189,014		45,545	143,469		
Total	<u>3,972,842</u>	<u>2,500,000</u>	<u>510,517</u>	<u>5,962,325</u>	<u>394,109</u>	<u>181,828</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for those funds are included as part of the above totals for governmental activities. At year end, \$24,461 of accrued costs of compensated absences are included in the above amounts. Also, for the governmental activities, accrued costs of employees' future compensated absences are generally liquidated by the general fund and the parks and recreation center fund.

D. INTEREST EXPENSE

Interest incurred and expensed in the major enterprise funds was as follows:

	<u>Municipal Light & Power</u>	<u>Golf Course</u>	<u>Sewer</u>
Interest Expense	30,902	16,639	99,879

CITY OF DELTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

6 - LONG-TERM DEBT (continued)

F. RATE MAINTENANCE

The loan agreement dated August 15, 2005 and Ordinance No. 5, 2005, dated July 5, 2005, for the Municipal Light & Power Fund (MLP) requires the City to establish, maintain, enforce, and collect rates, fees, and charges for services furnished by, or the use of, the MLP system to create Net Revenue (Gross Revenue after deducting Operation and Maintenance expenses) in an amount equal to not less than 100% of the amount necessary to pay when due the principal of and interest on the loan coming due during such calendar year. In the event that the Net Revenue at any time is not sufficient to make such payments, the City shall promptly increase such rates, fees, and charges to an extent which will ensure the payments and accumulations required by Ordinance No. 5, 2005.

G. INTEREST RATE SWAP

The interest rate swap agreement for the above loan ended on August 15, 2020. The loan is on a variable interest rate for the term of the loan.

7 - INTERFUND TRANSFERS

Interfund Transfers

Interfund transfers to supplement the expenditures/expenses of other funds were as follows:

<u>Transfers Out</u>	<u>Transfers In</u>						<u>Total</u>
	<u>Debt Service</u>	<u>General</u>	<u>CWCI</u>	<u>Golf</u>	<u>Nonmajor</u>	<u>Sewer</u>	
<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	
City-Wide Capital Improvement Fund	1,227,800						1,227,800
ML&P Fund		500,000		290,000			790,000
Sewer Fund		368,650		96,000			464,650
Water Fund		298,300		128,000			426,300
American Rescue Plan Act Fund		159,903	446,136			1,000,000	1,606,039
Back the Badge Fund		410,380	1,034,725				1,445,105
	<u>1,227,800</u>	<u>1,737,233</u>	<u>1,480,861</u>	<u>514,000</u>	<u>0</u>	<u>1,000,000</u>	<u>5,959,894</u>

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

7 – INTERFUND TRANSFERS (Continued)

Interfund Charges

The following amounts represent internal charges for service rendered to the other funds:

Revenue/(Expense)	Franchise Fee Equivalent	Administrative Management Fees	Internal Service Fund Charges	Net Charges
General Fund	578,068	810,925	(335,763)	1,053,230
Parks & Rec Fund		(157,168)	(130,206)	(287,374)
C.W.C.I. Fund		(81,399)		(81,399)
M.L.&P. Fund	(342,276)	(109,549)	(88,172)	(539,997)
Sewer Fund	(86,464)	(114,894)	(115,362)	(316,720)
Water Fund	(109,280)	(96,611)	(111,979)	(317,870)
Refuse Fund	(40,048)	(98,176)	(189,715)	(327,939)
Golf Course Fund		(81,741)	(136,785)	(218,526)
Internal Service Fund		(71,387)	1,107,982	1,036,595
Net Charges	0	0	0	0

8 – JOINTLY GOVERNED ORGANIZATION

Project 7 Water Authority

In 1977, the City along with the City of Montrose, the Town of Olathe, the Tri-County Water Conservancy District and the Menoken Water District entered into a contract to create a separate governmental entity, the Project 7 Water Authority, which owns and operates a water treatment facility. The Authority is governed by a board consisting of appointed representatives from each of the contracting entities. The Authority produces treated water that is purchased by the 5 contracting parties and one other water district that operate water distribution systems. The City is obligated by contract to purchase the treatment of 500 million gallons of water annually from the Authority so long as the Authority has any unpaid debt, other than from operating expenses. The rate for 2022 was \$1.30 per thousand gallons which results in a minimum annual purchase commitment of \$500,000, but the rate charged may be changed by action of the Authority. During 2022 the City was allowed to purchase treatment of 526 million gallons for \$679,431 since the other entities in the joint venture purchased amounts less of their commitments. At December 31, 2022, the City owed the Authority \$33,322. Separate financial statements of Project 7 Water Authority are available from the Authority.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

9 – RISK MANAGEMENT

Participation in Public Entity Risk Pool

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a participant in the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA operates as a common risk management and insurance program for 238 members participating in the Property & Casualty Pool . The City pays an annual premium to CIRSA for its general insurance coverage. The agreement for formation of CIRSA provides that CIRSA will be financed by member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event. The City continues to carry commercial insurance for worker’s compensation, employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Unemployment Benefit Plan

The City does not purchase unemployment insurance and self-insures for unemployment benefits payable to former employees. The City records incurred but not reported unemployment claims liability in the funds based on actual experience of outstanding unemployment claims. Changes in the reported unemployment claims liability since January 1, 2021 resulted from the following:

Year	<u>Unemployment Claims</u>			
	<u>Beginning Balance</u>	<u>Claims & Changes in Estimates</u>	<u>Claim Balance Payments</u>	<u>Ending Balance</u>
2021	-	63,207	63,207	-
2022	-	21,149	21,149	-

10 - TAX, SPENDING AND DEBT LIMITATIONS

The State Constitution, Article X, Section 20, has several limitations regarding revenue raising, spending abilities, and other specific requirements of state and local governments. The Section is complex and subject to judicial interpretation. The City believes it is in compliance with the requirements of the Section. However, the City has made certain interpretations of the Section's language in order to determine its compliance. The emergency reserves required under the Section have been funded in the General Fund.

11 - CONTINGENT LIABILITIES

Under the terms of federal and state grants, costs may be questioned as not being appropriate expenses that could lead to reimbursement to the grantor agencies. City management is not aware of any such expenses that would not be allowed. The City has received notices of claims for damages from one party. The City attorney is not able to make any conclusions as to material loss contingencies not covered by insurance resulting from any potential litigation. No adjustments to the financial statements have been made for such contingencies.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

12 – FUND BALANCE DETAIL

	General Fund	Parks & Recreation Center Fund	DURA	City-wide Capital Improvement Fund	American Rescue Plan Act Fund	Back the Badge Fund	Other Governmental Fund
Fund Balances:							
Nonspendable:							
PD Hold Account	\$ 10,066	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Swim Trust	-	6,045	-	-	-	-	-
Prepays & Inventory	653	5,441	-	-	-	-	-
Perpetual Care	-	-	-	-	-	-	74,335
Restricted for:							
Emergency	470,039	-	-	-	-	-	-
Conservation Trust Fund	-	-	-	-	-	-	266,988
Parks & Recreation Center	38,458	827,544	-	-	-	-	-
C.W.C.I. Fund	-	-	-	5,849,192	-	-	-
Debt Service	-	-	-	10,738	-	-	-
DURA	-	-	36,383	-	-	-	-
American Rescue Plan Act	-	-	-	-	27,184	-	-
Back the Badge	-	-	-	-	-	527,794	-
Police Seizure	33,415	-	-	-	-	-	-
Assigned for:							
Subsequent year's expenditures	104,498	79,740	-	-	-	-	-
Unassigned:							
General Fund	1,363,956	-	-	-	-	-	-
	<u>\$ 2,021,085</u>	<u>\$ 918,770</u>	<u>\$ 36,383</u>	<u>\$ 5,859,930</u>	<u>\$ 27,184</u>	<u>\$ 527,794</u>	<u>\$ 341,323</u>

13 – DEFICIT NET POSITION

The Golf Course Fund has an overall net position deficit of \$(346,672), a deficit net investment in capital assets of \$(338,353) and an unrestricted net position deficit of \$(8,319) as of December 31, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

General Fund

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022				
	Original Budget	Final Budget	Actual	Variance With Final Budget	2021 Actual
REVENUES					
Taxes					
Sales and Use Taxes	\$ 2,526,786	\$ 2,526,786	\$ 2,677,240	\$ 150,454	\$ 2,633,621
Franchise and In Lieu of Taxes	661,000	661,000	715,251	54,251	678,233
Other Taxes	18,000	18,000	18,623	623	17,843
Total Tax Revenue	<u>3,205,786</u>	<u>3,205,786</u>	<u>3,411,114</u>	<u>205,328</u>	<u>3,329,697</u>
Intergovernmental Revenues					
Cigarette Taxes	21,000	21,000	13,561	(7,439)	20,224
Highway Users	344,873	344,873	354,571	9,698	370,807
Road and Bridge	40,000	40,000	39,575	(425)	40,404
Clerk/Motor Vehicle Fees	37,000	37,000	41,210	4,210	41,005
Mineral Lease	-	-	71,598	71,598	47,577
Severance Tax	-	-	32,974	32,974	8,535
Federal Grants	26,850	26,850	26,092	(758)	361,127
State Grants	15,000	15,000	70,416	55,416	31,029
Total Intergovernmental Revenue	<u>484,723</u>	<u>484,723</u>	<u>649,997</u>	<u>165,274</u>	<u>920,708</u>
Licenses and Permits					
Liquor Licenses	4,500	4,500	4,113	(387)	5,364
Building Permits	125,000	125,000	167,694	42,694	266,563
Annexation/Other P&Z Fees	53,000	53,000	94,705	41,705	111,413
Animal Licenses	1,400	1,400	4,350	2,950	2,350
Other Licenses	32,000	32,000	48,390	16,390	47,710
Total Licenses and Permits	<u>215,900</u>	<u>215,900</u>	<u>319,252</u>	<u>103,352</u>	<u>433,400</u>
Fines and Forfeits					
	<u>25,000</u>	<u>25,000</u>	<u>45,556</u>	<u>20,556</u>	<u>26,818</u>
Internal Charges					
Administrative/Management Fees	<u>823,608</u>	<u>823,608</u>	<u>810,925</u>	<u>(12,683)</u>	<u>810,925</u>
Charges for Services					
Utility Charges	-	-	-	-	2,400
Recreation/Comm Ctr Charges	-	-	445	445	-
Sales of Goods	6,500	6,500	15,845	9,345	12,895
Other Charges for Services	13,100	13,100	21,280	8,180	11,154
Total Charges for Services	<u>19,600</u>	<u>19,600</u>	<u>37,570</u>	<u>17,970</u>	<u>26,449</u>
Investment Earnings					
	<u>500</u>	<u>500</u>	<u>21,868</u>	<u>21,368</u>	<u>508</u>
Other Revenues					
Donations	-	-	1,800	1,800	1,014
Insurance Proceeds/Recoveries	-	-	5,000	5,000	-
Other Miscellaneous Revenue	25,000	25,000	72,138	47,138	94,331
Total Other Revenue	<u>25,000</u>	<u>25,000</u>	<u>78,938</u>	<u>53,938</u>	<u>95,345</u>
TOTAL REVENUES	<u>4,800,117</u>	<u>4,800,117</u>	<u>5,375,220</u>	<u>575,103</u>	<u>5,643,850</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

General Fund

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022				
	Original Budget	Final Budget	Actual	Variance With Final Budget	2021 Actual
(Continued)					
EXPENDITURES					
General Government					
Mayor and Council/Board	502,260	502,260	192,902	309,358	444,922
Administrator/Manager	482,696	482,696	493,815	(11,119)	301,531
Clerk	159,622	159,622	141,253	18,369	125,904
Treasurer/Finance	554,878	554,878	560,148	(5,270)	541,388
Attorney	20,000	20,000	59,316	(39,316)	44,254
Economic Development	129,046	129,046	107,069	21,977	99,729
Information Technology	-	-	91,471	91,471	-
Covid-19 Expenses	-	-	-	-	231,669
Other General Government	302,177	302,177	328,461	(26,284)	208,809
Total General Government	<u>2,150,679</u>	<u>2,150,679</u>	<u>1,974,435</u>	<u>359,186</u>	<u>1,998,206</u>
Public Safety					
Police	2,727,684	2,727,684	2,810,628	(82,944)	2,708,398
Animal Control	35,857	35,857	70,382	(34,525)	33,815
Municipal Court	149,362	149,362	141,003	8,359	138,833
Code Enforcement	138,998	138,998	50,248	88,750	70,260
Total Public Safety	<u>3,051,901</u>	<u>3,051,901</u>	<u>3,072,261</u>	<u>(20,360)</u>	<u>2,951,306</u>
Public Works					
Community Development	293,241	293,241	281,688	11,553	284,809
Planning and Zoning	211,152	211,152	186,400	24,752	134,436
Engineering	112,583	112,583	111,962	621	92,771
Streets	463,483	463,483	400,046	63,437	454,159
Total Public Works/Comm Devel	<u>1,080,459</u>	<u>1,080,459</u>	<u>980,096</u>	<u>100,363</u>	<u>966,175</u>
Parks, Recreation and Other					
Culture	38,106	38,106	33,183	4,923	11,646
Cemetery	196,686	196,686	190,027	6,659	183,212
Total Parks, Recreation & Other	<u>234,792</u>	<u>234,792</u>	<u>223,210</u>	<u>11,582</u>	<u>194,858</u>
Internal Charges					
Internal Service Activity	377,080	377,080	393,751	(16,671)	356,626
Capital Outlay					
General Government Capital Outlay	-	-	10,936	(10,936)	88,106
Public Safety Capital Outlay	41,764	41,764	46,793	(5,029)	27,168
Public Works Capital Outlay	-	-	2,860	(2,860)	9,675
Parks, Recreation and Other Capital Outlay	-	-	-	-	5,098
Total Capital Outlay	<u>41,764</u>	<u>41,764</u>	<u>60,589</u>	<u>(18,825)</u>	<u>130,047</u>
Contingency Reserve					
TOTAL EXPENDITURES	<u>6,936,675</u>	<u>6,936,675</u>	<u>6,704,342</u>	<u>415,275</u>	<u>6,597,218</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURE	(2,136,558)	(2,136,558)	(1,329,122)	807,436	(953,368)
OTHER FINANCING SOURCES (USES)					
Transfers In	1,658,021	1,658,021	1,737,233	(79,212)	1,144,511
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ (478,537)</u>	<u>\$ (478,537)</u>	408,111	<u>\$ 728,224</u>	191,143
FUND BALANCE, BEGINNING			1,612,974		1,421,831
FUND BALANCE, ENDING			<u>\$ 2,021,085</u>		<u>\$ 1,612,974</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

Parks and Recreation Center Fund

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022				2021
	Original Budget	Final Budget	Actual	Variance With Final Budget	
REVENUES					
Taxes					
Sales and Use Taxes	\$ 2,526,786	\$ 2,526,786	\$ 2,677,260	\$ 150,474	\$ 2,633,661
Intergovernmental Revenues					
Federal Grants	-	-	-	-	144,169
State Grants	-	-	2,516	2,516	333,476
Other Intergovernmental	-	-	-	-	23,000
Total Intergovernmental Revenue	-	-	2,516	2,516	500,645
Charges for Services					
Recreation/Comm Ctr Charges	615,850	615,850	719,041	103,191	548,887
Rents	1,200	1,200	2,387	1,187	1,099
Total Charges for Services	617,050	617,050	721,428	104,378	549,986
Investment Earnings					
	100	100	12,489	12,389	103
Other Revenues					
Donations	-	-	-	-	700
Sale of Capital Assets	-	-	3,775	3,775	-
Other Miscellaneous Revenue	1,100	1,100	31,695	30,595	14,692
Total Other Revenue	1,100	1,100	35,470	34,370	15,392
TOTAL REVENUES	3,145,036	3,145,036	3,449,163	304,127	3,699,787
EXPENDITURES					
Parks, Recreation and Other					
Parks	868,903	868,903	809,634	59,269	736,744
Recreation	1,339,842	1,403,842	1,448,426	(44,584)	1,167,237
Parks and Recreation Administration	604,489	654,489	645,479	9,010	623,544
Other Parks and Recreation	14,265	14,265	17,349	(3,084)	12,773
Total Parks, Recreation & Other	2,827,499	2,941,499	2,920,888	20,611	2,540,298
Internal Charges					
Administrative/Management Fees	157,168	157,168	157,168	-	157,168
Internal Service Activity	144,177	144,177	148,014	(3,837)	126,803
Total Internal Charges	301,345	301,345	305,182	(3,837)	283,971
Capital Outlay					
Parks, Recreation and Other Capital Outlay	16,100	16,100	20,525	(4,425)	700,403
TOTAL EXPENDITURES	3,144,944	3,258,944	3,246,595	12,349	3,524,672
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	92	(113,908)	202,568	316,476	175,115
OTHER FINANCING SOURCES (USES)					
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ 92	\$ (113,908)	202,568	\$ 316,476	175,115
FUND BALANCE, BEGINNING			716,202		541,087
FUND BALANCE, ENDING			\$ 918,770		\$ 716,202

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

City-Wide Capital Improvement Fund

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022				2021
	Original Budget	Final Budget	Actual	Variance With Final Budget	
REVENUES					
Taxes					
Sales and Use Taxes	\$ 3,488,886	\$ 3,488,886	\$ 3,753,406	\$ 264,520	\$ 3,617,220
Intergovernmental Revenues					
Federal Grants	-	-	73,975	73,975	83,578
State Grants	125,000	125,000	285,960	160,960	97,610
Total Intergovernmental Revenue	125,000	125,000	359,935	234,935	181,188
Investment Earnings	1,000	1,000	75,291	74,291	1,251
Other Revenues					
Donations	-	-	100	100	3,500
Insurance Proceeds/Recoveries	-	-	-	-	16,305
Other Miscellaneous Revenue	-	-	1,553,559	1,553,559	-
Total Other Revenue	-	-	1,553,659	1,553,659	19,805
TOTAL REVENUES	3,614,886	3,614,886	5,742,291	2,127,405	3,819,464
EXPENDITURES					
Public Works					
Other Public Works	-	-	-	-	10,000
Internal Charges					
Administrative/Management Fees	81,399	81,399	81,399	-	81,399
Capital Outlay					
Public Works Capital Outlay	1,175,000	1,175,000	989,811	185,189	78,909
Parks, Recreation and Other Capital Outlay	-	2,605,000	3,078,088	(473,088)	-
Other Capital Outlay	1,308,353	1,308,353	719,453	588,900	1,042,006
Total Capital Outlay	2,483,353	5,088,353	4,787,352	301,001	1,120,915
Debt Service					
Principal	550,000	550,000	550,000	-	525,000
Interest	677,800	677,800	677,800	-	704,050
Total Debt Service	1,227,800	1,227,800	1,227,800	-	1,229,050
TOTAL EXPENDITURES	3,792,552	6,397,552	6,096,551	301,001	2,441,364
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURE	(177,666)	(2,782,666)	(354,260)	2,428,406	1,378,100
OTHER FINANCING SOURCES (USES)					
Transfers In	550,000	550,000	1,480,861	930,861	-
Transfers (Out)	-	-	-	-	(18,420)
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ 372,334	\$ (2,232,666)	1,126,601	\$ 3,359,267	1,359,680
FUND BALANCE, BEGINNING			4,733,329		3,373,649
FUND BALANCE, ENDING			\$ 5,859,930		\$ 4,733,329

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

Delta Urban Renewal Authority Fund

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022				
	Original Budget	Final Budget	Actual	Variance With Final Budget	2021 Actual
REVENUES					
Taxes					
Property Taxes	\$ 8,025	\$ 8,025	\$ 21,996	\$ 13,971	\$ 8,331
Intergovernmental Revenues					
State Grants	-	-	6,973	6,973	10,514
TOTAL REVENUES	<u>8,025</u>	<u>8,025</u>	<u>28,969</u>	<u>20,944</u>	<u>18,845</u>
EXPENDITURES					
Public Works					
Community Development	8,025	18,025	15,647	2,378	26,799
TOTAL EXPENDITURES	<u>8,025</u>	<u>18,025</u>	<u>15,647</u>	<u>2,378</u>	<u>26,799</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	-	(10,000)	13,322	23,322	(7,954)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	28,050
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ -</u>	<u>\$ (10,000)</u>	13,322	<u>\$ 23,322</u>	20,096
FUND BALANCE, BEGINNING			<u>23,061</u>		<u>2,965</u>
FUND BALANCE, ENDING			<u>\$ 36,383</u>		<u>\$ 23,061</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

American Rescue Plan Act Fund

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022			2021
	Original & Final Budget	Actual	Variance With Final Budget	
REVENUES				
Federal Grants	\$ 1,130,446	\$ 1,606,039	\$ 475,593	\$ -
Investment Earnings	<u>45</u>	<u>27,162</u>	<u>27,117</u>	<u>22</u>
TOTAL REVENUES	<u>1,130,491</u>	<u>1,633,201</u>	<u>502,710</u>	<u>22</u>
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	<u>(1,615,087)</u>	<u>(1,606,039)</u>	<u>(9,048)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ (484,596)</u>	<u>27,162</u>	<u>\$ 493,662</u>	<u>22</u>
FUND BALANCE, BEGINNING		<u>22</u>		<u>-</u>
FUND BALANCE, ENDING		<u>\$ 27,184</u>		<u>\$ 22</u>

See accompanying Independent Auditors' Report.

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OTHER SUPPLEMENTARY INFORMATION

CITY OF DELTA, COLORADO

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

With Comparative Totals for December 31, 2021

	<u>SPECIAL REVENUE FUNDS</u>		<u>PERMANENT</u>	<u>Total</u>	
	<u>Conservation Trust</u>	<u>Back The Badge</u>	<u>Perpetual Care</u>	<u>2022</u>	<u>2021</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>		
ASSETS AND DEFERRED OUTFLOWS					
ASSETS					
Current Assets					
Cash and Investments					
Cash	\$ 11,791	\$ 320,467	\$ 74,335	\$ 406,593	\$ 564,048
Investments	255,197	-	-	255,197	250,748
Receivables					
Accounts Receivable	-	207,327	-	207,327	208,632
TOTAL ASSETS	<u>266,988</u>	<u>527,794</u>	<u>74,335</u>	<u>869,117</u>	<u>1,023,428</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION					
LIABILITIES					
Current Liabilities					
Accounts Payable	-	-	-	-	212
FUND BALANCE					
Nonspendable Fund Balance	-	-	74,335	74,335	65,205
Restricted Fund Balance	266,988	527,794	-	794,782	958,011
TOTAL FUND BALANCE	<u>266,988</u>	<u>527,794</u>	<u>74,335</u>	<u>869,117</u>	<u>1,023,216</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 266,988</u>	<u>\$ 527,794</u>	<u>\$ 74,335</u>	<u>\$ 869,117</u>	<u>\$ 1,023,428</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	SPECIAL REVENUE FUNDS		PERMANENT	Total	
	Conservation Trust Fund	Back The Badge Fund	Perpetual Care Fund	2022	2021
REVENUES					
Taxes	\$ -	\$ 1,266,075	\$ -	\$ 1,266,075	\$ 1,170,938
Intergovernmental Revenues	115,541	-	-	115,541	109,722
Charges for Services	-	-	9,130	9,130	7,905
Investment Earnings	4,449	5,526	-	9,975	121
TOTAL REVENUES	119,990	1,271,601	9,130	1,400,721	1,288,686
EXPENDITURES					
Current:					
Parks, Recreation and Other	5,487	-	-	5,487	3,523
Capital Outlay	104,228	-	-	104,228	203,148
TOTAL EXPENDITURES	109,715	-	-	109,715	206,671
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITUR	10,275	1,271,601	9,130	1,291,006	1,082,015
OTHER FINANCING SOURCES (USES)					
Transfers (Out)	-	(1,445,105)	-	(1,445,105)	(469,640)
NET CHANGE IN FUND BALANCE - GAAP BASIS	10,275	(173,504)	9,130	(154,099)	612,375
FUND BALANCE, BEGINNING	256,713	701,298	65,205	1,023,216	410,841
FUND BALANCE, ENDING	\$ 266,988	\$ 527,794	\$ 74,335	\$ 869,117	\$ 1,023,216

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

Conservation Trust Fund

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022			2021
	Original & Final Budget	Actual	Variance With Final Budget	
REVENUES				
Intergovernmental Revenues				
Conservation Trust Fund	\$ 91,000	\$ 115,541	\$ 24,541	\$ 109,722
Investment Earnings				
	<u>50</u>	<u>4,449</u>	<u>4,399</u>	<u>121</u>
TOTAL REVENUES	<u>91,050</u>	<u>119,990</u>	<u>28,940</u>	<u>109,843</u>
EXPENDITURES				
Parks, Recreation and Other				
Parks	6,500	5,487	1,013	2,473
Capital Outlay				
Parks, Recreation and Other Capital Outlay	<u>236,600</u>	<u>104,228</u>	<u>132,372</u>	<u>203,148</u>
TOTAL EXPENDITURES	<u>243,100</u>	<u>109,715</u>	<u>133,385</u>	<u>205,621</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ (152,050)</u>	<u>10,275</u>	<u>\$ 162,325</u>	<u>(95,778)</u>
FUND BALANCE, BEGINNING		<u>256,713</u>		<u>352,491</u>
FUND BALANCE, ENDING		<u>\$ 266,988</u>		<u>\$ 256,713</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

Back The Badge Fund

FOR THE YEAR ENDED DECEMBER 31, 2022

	2022				2021
	Original Budget	Final Budget	Actual	Variance With Final Budget	
REVENUES					
Taxes					
Sales and Use Taxes	\$ 948,611	\$ 948,611	\$ 1,266,075	\$ 317,464	\$ 1,170,938
Investment Earnings	500	500	5,526	5,026	-
TOTAL REVENUES	<u>949,111</u>	<u>949,111</u>	<u>1,271,601</u>	<u>322,490</u>	<u>1,170,938</u>
OTHER FINANCING SOURCES (USES)					
Transfers (Out)	<u>(885,984)</u>	<u>(1,445,984)</u>	<u>(1,445,105)</u>	879	<u>(469,640)</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ 63,127</u>	<u>\$ (496,873)</u>	<u>(173,504)</u>	<u>\$ 323,369</u>	701,298
FUND BALANCE, BEGINNING			701,298		-
FUND BALANCE, ENDING			<u>\$ 527,794</u>		<u>\$ 701,298</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

Perpetual Care Fund

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022			2021 Actual
	Original & Final Budget	Actual	Variance With Final Budget	
REVENUES				
Charges for Services				
Sales of Goods	\$ 3,500	\$ 9,130	\$ 5,630	\$ 7,905
EXPENDITURES				
Parks, Recreation and Other				
Cemetery	1,000	-	1,000	1,050
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ 2,500</u>	9,130	<u>\$ 6,630</u>	6,855
FUND BALANCE, BEGINNING		65,205		58,350
FUND BALANCE, ENDING		<u>\$ 74,335</u>		<u>\$ 65,205</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

COMBINING SCHEDULE OF NET POSITION

NONMAJOR ENTERPRISE FUNDS

DECEMBER 31, 2022

With Comparative Totals for December 31, 2021

	Refuse Fund	Total	
		2022	2021
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash	\$ 14,624	\$ 14,624	\$ 6,304
Investments	964,687	964,687	948,142
Receivables			
Accounts Receivable	<u>81,853</u>	<u>81,853</u>	<u>79,841</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 1,061,164</u>	<u>\$ 1,061,164</u>	<u>\$ 1,034,287</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 29,564	\$ 29,564	\$ 20,695
Accrued Salaries and Benefits	<u>3,130</u>	<u>3,130</u>	<u>2,206</u>
Total Current Liabilities	32,694	32,694	22,901
Noncurrent Liabilities			
Due in more than one year	<u>4,418</u>	<u>4,418</u>	<u>3,629</u>
TOTAL LIABILITIES	37,112	37,112	26,530
NET POSITION			
Unrestricted Net Position	<u>1,024,052</u>	<u>1,024,052</u>	<u>1,007,757</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 1,061,164</u>	<u>\$ 1,061,164</u>	<u>\$ 1,034,287</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
With Comparative Totals for the Year Ended December 31, 2021

	Refuse	Total	
	Fund	2022	2021
Operating Revenues			
Utility Charges	\$ 803,360	\$ 803,360	\$ 789,125
Operating Expenses			
Management Fees/Internal Charges	370,510	370,510	324,353
Collection, Transmission and Distribution	441,940	441,940	405,024
Claims and Premiums	5,000	5,000	-
Total Expenditures	817,450	817,450	729,377
Operating Income (Loss)	(14,090)	(14,090)	59,748
Other Income (Expense)			
Investment Earnings	16,545	16,545	396
Other Revenue	13,840	13,840	8,037
Total Other Income (Expense)	30,385	30,385	8,433
Net Income (Loss) before Transfers	16,295	16,295	68,181
Transfers			
Transfers (Out)	-	-	(100,000)
Change in Net Position	16,295	16,295	(31,819)
Net Position, Beginning	1,007,757	1,007,757	1,039,576
Net Position, Ending	\$ 1,024,052	\$ 1,024,052	\$ 1,007,757

See accompanying Independent Auditors' Report.

CITY OF DELTA

COMBINING SCHEDULE OF CASH FLOWS -

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	Refuse	Total	
	Fund	2022	2021
Cash Flows From Operating Activities:			
Cash Received from Customers	\$ 801,348	\$ 801,348	\$ 788,970
Cash Paid to Suppliers	(334,927)	(334,927)	(309,588)
Cash Paid for Interfund Services	(370,510)	(370,510)	(324,353)
Cash Paid to Employees	(101,431)	(101,431)	(100,542)
Net Cash Provided by Operating Activities	<u>(5,520)</u>	<u>(5,520)</u>	<u>54,487</u>
Cash Flows (Uses) From Noncapital Financing Activities:			
Cash from Other Funds	-	-	(100,000)
Other Revenues (Expense)	13,840	13,840	8,037
Net Cash Provided (Used) by Noncapital Financing Activities	<u>13,840</u>	<u>13,840</u>	<u>(91,963)</u>
Cash Flows (Uses) From Investing Activities:			
Interest Received	16,545	16,545	396
Net Increase (Decrease) in Cash	24,865	24,865	(37,080)
Cash - Beginning	954,446	954,446	991,526
Cash - Ending	<u>\$ 979,311</u>	<u>\$ 979,311</u>	<u>\$ 954,446</u>
Cash	\$ 14,624	\$ 14,624	\$ 6,304
Investments	964,687	964,687	948,142
Total	<u>\$ 979,311</u>	<u>\$ 979,311</u>	<u>\$ 954,446</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for			
Operating Activities:			
Operating Income (Loss)	\$ (14,090)	\$ (14,090)	\$ 59,748
Adjustments to Reconcile Operating Income (Loss)			
to Net Cash Provided by Operating Activities:			
Changes in Assets and Liabilities Related to Operations:			
(Increase) Decrease in:			
Accounts Receivable	(2,012)	(2,012)	(1,664)
Other Receivables	-	-	1,509
(Increase) Decrease in:			
Accounts Payable	8,869	8,869	4,689
Accrued Salaries and Benefits	924	924	(5,363)
Accrued Compensated Absences	789	789	(4,432)
Total Adjustments	<u>8,570</u>	<u>8,570</u>	<u>(5,261)</u>
Net Cash Used for Operating Activities	<u>\$ (5,520)</u>	<u>\$ (5,520)</u>	<u>\$ 54,487</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

BUDGET AND ACTUAL

Municipal Light & Power Fund

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022		Variance with Final Budget	2021	
	Final Budget	Actual		Budget	Actual
Operating Revenues					
Utility Charges	\$ 6,736,300	\$ 6,859,850	\$ 123,550	\$ 6,580,439	
Other Charges for Services	12,000	18,273	6,273	46,649	
Total Revenues	<u>6,748,300</u>	<u>6,878,123</u>	<u>129,823</u>	<u>6,627,088</u>	
Operating Expenses					
Commodity Charges	4,683,000	4,489,021	193,979	4,436,701	
Management Fees/Internal Charges	535,892	547,721	(11,829)	522,775	
Collection, Transmission and Distribution	692,689	660,643	32,046	683,268	
Administration	150,649	166,341	(15,692)	145,757	
Other Capital Outlay	<u>3,733,500</u>	<u>409,076</u>	<u>3,324,424</u>	<u>113,213</u>	
Total Expenditures	<u>9,795,730</u>	<u>6,272,802</u>	<u>3,522,928</u>	<u>5,901,714</u>	
Operating Income (Loss)	<u>(3,047,430)</u>	<u>605,321</u>	<u>3,652,751</u>	<u>725,374</u>	
Other Income (Expense)					
Intergovernmental Revenue	2,668,750	2,025	(2,666,725)	-	
Investment Earnings	1,000	92,313	91,313	2,374	
Other Revenue	54,500	370,214	315,714	99,537	
Debt Service	<u>(223,238)</u>	<u>(219,541)</u>	<u>3,697</u>	<u>(208,986)</u>	
Total Other Income (Expense)	<u>2,501,012</u>	<u>245,011</u>	<u>(2,256,001)</u>	<u>(107,075)</u>	
Net Income (Loss) before Transfers	(546,418)	850,332	1,396,750	618,299	
Transfers					
Transfers In/(Out)	<u>(800,000)</u>	<u>(790,000)</u>	<u>10,000</u>	<u>(560,000)</u>	
Change in Net Position (Budget Basis)	<u>\$ (1,346,418)</u>	60,332	<u>\$ 1,406,750</u>	58,299	
Budget to GAAP Reconciliation					
Principal Paid		188,639		188,640	
Depreciation Expense		(377,292)		(377,673)	
Capital Outlay		<u>376,225</u>		<u>87,837</u>	
Change in Net Position - GAAP Basis		247,904		(42,897)	
Net Position, Beginning		<u>10,976,193</u>		<u>11,019,090</u>	
Net Position, Ending		<u>\$ 11,224,097</u>		<u>\$ 10,976,193</u>	

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL

Sewer Fund

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022			
	Final Budget	Actual	Variance with Final Budget	2021 Actual
Operating Revenues				
Utility Charges	\$ 1,781,250	\$ 1,771,622	\$ (9,628)	\$ 1,361,199
Other Charges for Services	<u>9,000</u>	<u>12,503</u>	<u>3,503</u>	<u>10,447</u>
Total Revenues	<u>1,790,250</u>	<u>1,784,125</u>	<u>(6,125)</u>	<u>1,371,646</u>
Operating Expenses				
Management Fees/Internal Charges	304,283	324,570	(20,287)	281,643
Collection, Transmission and Distribution	326,686	385,335	(58,649)	303,523
Production and Treatment	393,250	34,125	359,125	-
Maintenance	585,841	548,709	37,132	498,441
Administration	33,682	58,948	(25,266)	32,469
Other Capital Outlay	<u>6,584,000</u>	<u>2,462,777</u>	<u>4,121,223</u>	<u>132,229</u>
Total Expenditures	<u>8,227,742</u>	<u>3,814,464</u>	<u>4,413,278</u>	<u>1,248,305</u>
Operating Income (Loss)	<u>(6,437,492)</u>	<u>(2,030,339)</u>	<u>4,407,153</u>	<u>123,341</u>
Other Income (Expense)				
Intergovernmental Revenue	6,000,000	-	(6,000,000)	-
Investment Earnings	100	39,146	39,046	1,046
Other Revenue	27,321	54,766	27,445	18,064
Debt Service	<u>(234,316)</u>	<u>2,225,117</u>	<u>2,459,433</u>	<u>(173,864)</u>
Total Other Income (Expense)	<u>5,793,105</u>	<u>2,319,029</u>	<u>(3,474,076)</u>	<u>(154,754)</u>
Net Income (Loss) before Transfers	(644,387)	288,690	933,077	(31,413)
Transfers				
Transfers In/(Out)	<u>(468,650)</u>	<u>535,350</u>	<u>1,004,000</u>	<u>(321,250)</u>
Net Income (Loss), Budget Basis	(1,113,037)	824,040	1,937,077	(352,663)
Contributed Capital				
Plant Investment Fees	<u>534,100</u>	<u>204,800</u>	<u>(329,300)</u>	<u>595,900</u>
Change in Net Position (Budget Basis)	<u>\$ (578,937)</u>	<u>1,028,840</u>	<u>\$ 1,607,777</u>	<u>243,237</u>
Budget to GAAP Reconciliation				
Principal Paid		(2,324,996)		118,906
Depreciation Expense		(510,261)		(507,825)
Capital Outlay		<u>2,495,256</u>		<u>132,229</u>
Change in Net Position - GAAP Basis		688,839		(13,453)
Net Position, Beginning		<u>8,467,090</u>		<u>8,480,543</u>
Net Position, Ending		<u>\$ 9,155,929</u>		<u>\$ 8,467,090</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

BUDGET AND ACTUAL

Water Fund

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022		Variance with Final Budget	2021 Actual
	Final Budget	Actual		
Operating Revenues				
Utility Charges	\$ 2,129,900	\$ 2,197,164	\$ 67,264	\$ 2,008,477
Other Charges for Services	2,500	5,677	3,177	4,709
Total Revenues	<u>2,132,400</u>	<u>2,202,841</u>	<u>70,441</u>	<u>2,013,186</u>
Operating Expenses				
Commodity Charges	813,100	812,964	136	604,886
Management Fees/Internal Charges	326,880	333,999	(7,119)	300,070
Collection, Transmission and Distribution	629,961	610,276	19,685	497,064
Production and Treatment	391,400	357,130	34,270	369,977
Claims and Premiums	-	-	-	2,500
Administration	32,176	24,240	7,936	26,893
Other Capital Outlay	<u>450,000</u>	<u>36,056</u>	<u>413,944</u>	<u>743,603</u>
Total Expenditures	<u>2,643,517</u>	<u>2,174,665</u>	<u>468,852</u>	<u>2,544,993</u>
Operating Income (Loss)	<u>(511,117)</u>	<u>28,176</u>	<u>539,293</u>	<u>(531,807)</u>
Other Income (Expense)				
Investment Earnings	450	45,918	45,468	1,394
Other Revenue	<u>29,750</u>	<u>42,703</u>	<u>12,953</u>	<u>22,857</u>
Total Other Income (Expense)	<u>30,200</u>	<u>88,621</u>	<u>58,421</u>	<u>24,251</u>
Net Income (Loss) before Transfers	(480,917)	116,797	597,714	(507,556)
Transfers				
Transfers In/(Out)	<u>(430,300)</u>	<u>(426,300)</u>	<u>4,000</u>	<u>(236,250)</u>
Net Income (Loss), Budget Basis	(911,217)	(309,503)	601,714	(743,806)
Contributed Capital				
Plant Investment Fees	<u>237,309</u>	<u>114,100</u>	<u>(123,209)</u>	<u>423,300</u>
Change in Net Position (Budget Basis)	<u>\$ (673,908)</u>	<u>(195,403)</u>	<u>\$ 478,505</u>	<u>(320,506)</u>
Budget to GAAP Reconciliation				
Depreciation Expense		(291,792)		(254,587)
Capital Outlay		<u>173,839</u>		<u>743,603</u>
Change in Net Position - GAAP Basis		(313,356)		168,510
Net Position, Beginning		<u>7,226,837</u>		<u>7,058,327</u>
Net Position, Ending		<u>\$ 6,913,481</u>		<u>\$ 7,226,837</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL

Refuse Fund

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022			2021
	Final Budget	Actual	Variance with Final Budget	
Operating Revenues				
Utility Charges	\$ 731,842	\$ 803,360	\$ 71,518	\$ 789,125
Operating Expenses				
Management Fees/Internal Charges	377,494	370,510	6,984	324,353
Collection, Transmission and Distribution Claims and Premiums	445,303	441,940	3,363	405,024
	-	5,000	(5,000)	-
Total Expenditures	<u>822,797</u>	<u>817,450</u>	<u>5,347</u>	<u>729,377</u>
Operating Income (Loss)	<u>(90,955)</u>	<u>(14,090)</u>	<u>76,865</u>	<u>59,748</u>
Other Income (Expense)				
Investment Earnings	165	16,545	16,380	396
Other Revenue	<u>12,500</u>	<u>13,840</u>	<u>1,340</u>	<u>8,037</u>
Total Other Income (Expense)	<u>12,665</u>	<u>30,385</u>	<u>17,720</u>	<u>8,433</u>
Net Income (Loss) before Transfers	(78,290)	16,295	94,585	68,181
Transfers				
Transfers In/(Out)	-	-	-	(100,000)
Change in Net Position (Budget Basis)	<u>\$ (78,290)</u>	16,295	<u>\$ 94,585</u>	(31,819)
Net Position, Beginning		<u>1,007,757</u>		<u>1,039,576</u>
Net Position, Ending		<u>\$ 1,024,052</u>		<u>\$ 1,007,757</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

BUDGET AND ACTUAL

Golf Course Fund

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	2022			2021
	Final Budget	Actual	Variance with Final Budget	
Operating Revenues				
Golf Course Charges	\$ 682,500	\$ 786,282	\$ 103,782	\$ 781,248
Operating Expenses				
Golf Course Pro and Concessions	483,250	486,045	(2,795)	519,034
Golf Course Maintenance	493,057	421,951	71,106	387,388
Management Fees/Internal Charges	218,526	218,526	-	200,147
Other Capital Outlay	-	4,745	(4,745)	33,099
Total Expenditures	<u>1,194,833</u>	<u>1,131,267</u>	<u>63,566</u>	<u>1,139,668</u>
Operating Income (Loss)	<u>(512,333)</u>	<u>(344,985)</u>	<u>167,348</u>	<u>(358,420)</u>
Other Income (Expense)				
Intergovernmental Revenue	-	-	-	19,049
Other Revenue	2,600	17,444	14,844	2,522
Debt Service	<u>(120,217)</u>	<u>(118,215)</u>	<u>2,002</u>	<u>(112,531)</u>
Total Other Income (Expense)	<u>(117,617)</u>	<u>(100,771)</u>	<u>16,846</u>	<u>(90,960)</u>
Net Income (Loss) before Transfers	(629,950)	(445,756)	184,194	(449,380)
Transfers				
Transfers In/(Out)	<u>532,000</u>	<u>514,000</u>	<u>(18,000)</u>	<u>417,500</u>
Change in Net Position (Budget Basis)	<u>\$ (97,950)</u>	68,244	<u>\$ 166,194</u>	(31,880)
Budget to GAAP Reconciliation				
Principal Paid		101,576		101,575
Depreciation Expense		(33,916)		(41,271)
Capital Outlay		<u>4,745</u>		<u>33,099</u>
Change in Net Position - GAAP Basis		140,649		61,523
Net Position, Beginning		<u>(487,321)</u>		<u>(548,844)</u>
Net Position, Ending		<u>\$ (346,672)</u>		<u>\$ (487,321)</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

COMBINING STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

DECEMBER 31, 2022

With Comparative Totals for December 31, 2021

	Internal Service	Total	
	Fund	2022	2021
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash	\$ 110,010	\$ 110,010	\$ 172,867
Investments	386,774	386,774	380,031
Receivables			
Other Receivables	8,616	8,616	4,400
Inventory	97,650	97,650	88,277
Prepaid Expenses	200	200	451
Total Current Assets	<u>603,250</u>	<u>603,250</u>	<u>646,026</u>
Noncurrent Assets			
Capital Assets not being depreciated	8,805	8,805	-
Capital Assets being depreciated	6,956,607	6,956,607	6,548,223
Accumulated Depreciation	<u>(5,337,374)</u>	<u>(5,337,374)</u>	<u>(5,007,802)</u>
Total Noncurrent Assets	<u>1,628,038</u>	<u>1,628,038</u>	<u>1,540,421</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 2,231,288</u>	<u>\$ 2,231,288</u>	<u>\$ 2,186,447</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 45,523	\$ 45,523	\$ 36,273
Accrued Salaries and Benefits	5,856	5,856	5,111
Total Current Liabilities	<u>51,379</u>	<u>51,379</u>	<u>41,384</u>
Noncurrent Liabilities			
Due in more than one year	<u>24,461</u>	<u>24,461</u>	<u>22,705</u>
TOTAL LIABILITIES	<u>75,840</u>	<u>75,840</u>	<u>64,089</u>
NET POSITION			
Net Investment in Capital Assets	1,628,038	1,628,038	1,540,421
Unrestricted Net Position	<u>527,410</u>	<u>527,410</u>	<u>581,937</u>
TOTAL NET POSITION	<u>2,155,448</u>	<u>2,155,448</u>	<u>2,122,358</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 2,231,288</u>	<u>\$ 2,231,288</u>	<u>\$ 2,186,447</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2022

With Comparative Totals for the Year Ended December 31, 2021

	Internal Service	Employees'	Total	
	Fund	Fund	2022	2021
Operating Revenues				
Internal Charges	\$ 1,349,998	\$ -	\$ 1,349,998	\$ 1,142,619
Other Charges for Services	-	-	-	78
Total Revenues	<u>1,349,998</u>	<u>-</u>	<u>1,349,998</u>	<u>1,142,697</u>
Operating Expenses				
Management Fees/Internal Charges	163,333	-	163,333	140,261
Claims and Premiums	37,782	-	37,782	30,488
Maintenance	878,737	-	878,737	726,133
Depreciation Expense	450,109	-	450,109	418,908
Total Expenditures	<u>1,529,961</u>	<u>-</u>	<u>1,529,961</u>	<u>1,315,790</u>
Operating Income (Loss)	<u>(179,963)</u>	<u>-</u>	<u>(179,963)</u>	<u>(173,093)</u>
Other Income (Expense)				
Investment Earnings	6,744	-	6,744	249
Other Revenue	148,959	-	148,959	4,400
Gain (Loss) on Sale of Assets	57,350	-	57,350	51,692
Total Other Income (Expense)	<u>213,053</u>	<u>-</u>	<u>213,053</u>	<u>56,341</u>
Net Income (Loss) before Transfers	33,090	-	33,090	(116,752)
Transfers				
Transfers In	-	-	-	131,791
Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,292)</u>
Change in Net Position	33,090	-	33,090	(1,253)
Net Position, Beginning	<u>2,122,358</u>	<u>-</u>	<u>2,122,358</u>	<u>2,123,611</u>
Net Position, Ending	<u>\$ 2,155,448</u>	<u>\$ -</u>	<u>\$ 2,155,448</u>	<u>\$ 2,122,358</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA

**COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
With Comparative Totals for the Year Ended December 31, 2021**

	Internal Service Fund	Employees' Dental Fund	Total	
			2022	2021
Cash Flows From Operating Activities:				
Cash Received from Customers	\$ (4,216)	\$ -	\$ (4,216)	\$ 895
Cash Received from Interfund Services Provided	1,349,998	-	1,349,998	1,142,619
Cash Paid to Suppliers	(719,303)	-	(719,303)	(532,836)
Cash Paid for Interfund Services	(163,333)	-	(163,333)	(140,261)
Cash Paid to Employees	(194,587)	-	(194,587)	(192,299)
Net Cash Provided by Operating Activities	<u>268,559</u>	<u>-</u>	<u>268,559</u>	<u>278,118</u>
Cash Flows From Capital and Related Financing Activities:				
Proceeds of Capital Asset Sales	80,830	-	80,830	298,564
Acquisition of Capital Assets	(561,206)	-	(561,206)	(833,338)
Cash Flows Used by Capital and Related Financing Activities	<u>(480,376)</u>	<u>-</u>	<u>(480,376)</u>	<u>(534,774)</u>
Cash Flows (Uses) From Noncapital Financing Activities:				
Cash from Other Funds	-	-	-	115,499
Other Revenues (Expense)	148,959	-	148,959	4,400
Net Cash Provided (Used) by Noncapital Financing Activities	<u>148,959</u>	<u>-</u>	<u>148,959</u>	<u>119,899</u>
Cash Flows (Uses) From Investing Activities:				
Interest Received	6,744	-	6,744	249
Net Increase (Decrease) in Cash	(56,114)	-	(56,114)	(136,508)
Cash - Beginning	552,898	-	552,898	689,406
Cash - Ending	<u>\$ 496,784</u>	<u>\$ -</u>	<u>\$ 496,784</u>	<u>\$ 552,898</u>
Cash	\$ 110,010	\$ -	\$ 110,010	\$ 172,867
Investments	386,774	-	386,774	380,031
Total	<u>\$ 496,784</u>	<u>\$ -</u>	<u>\$ 496,784</u>	<u>\$ 552,898</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for				
Operating Activities:				
Operating Income (Loss)	\$ (179,963)	\$ -	\$ (179,963)	\$ (173,093)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	450,109	-	450,109	418,908
Changes in Assets and Liabilities Related to Operations:				
(Increase) Decrease in:				
Accounts Receivable	-	-	-	78
Other Receivables	(4,216)	-	(4,216)	739
Inventory	(9,373)	-	(9,373)	21,321
Prepaid Expenses	250	-	250	(450)
(Increase) Decrease in:				
Accounts Payable	9,251	-	9,251	13,288
Accrued Salaries and Benefits	745	-	745	(7,692)
Accrued Compensated Absences	1,756	-	1,756	5,019
Total Adjustments	<u>448,522</u>	<u>-</u>	<u>448,522</u>	<u>451,211</u>
Net Cash Used for Operating Activities	<u>\$ 268,559</u>	<u>\$ -</u>	<u>\$ 268,559</u>	<u>\$ 278,118</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
Internal Service Fund
FOR THE YEAR ENDED DECEMBER 31, 2022
With Comparative Totals for the Year Ended December 31, 2021

	2022		Variance with Final Budget	2021
	Final Budget	Actual		Actual
Operating Revenues				
Internal Charges	\$ 1,294,917	\$ 1,349,998	\$ 55,081	\$ 1,142,619
Operating Expenses				
Management Fees/Internal Charges	161,670	163,333	(1,663)	140,261
Claims and Premiums	33,109	37,782	(4,673)	27,618
Maintenance	822,101	878,737	(56,636)	726,133
Other Capital Outlay	536,500	537,725	(1,225)	586,467
Total Expenditures	1,553,380	1,617,577	(64,197)	1,480,479
Operating Income (Loss)	(258,463)	(267,579)	(9,116)	(337,860)
Other Income (Expense)				
Investment Earnings	200	6,744	6,544	249
Other Revenue	-	148,959	148,959	4,400
Gain (Loss) on Sale of Assets	-	57,350	57,350	51,692
Total Other Income (Expense)	200	213,053	212,853	56,341
Transfers				
Transfers In/(Out)	-	-	-	131,791
Change in Net Position (Budget Basis)	\$ (258,263)	(54,526)	\$ 203,737	(149,728)
Budget to GAAP Reconciliation				
Depreciation Expense		(450,109)		(418,908)
Capital Outlay		537,725		586,467
Change in Net Position - GAAP Basis		33,090		17,831
Net Position, Beginning		2,122,358		2,104,527
Net Position, Ending		\$ 2,155,448		\$ 2,122,358

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
Employees' Dental Fund
FOR THE YEAR ENDED DECEMBER 31, 2022
With Comparative Totals for the Year Ended December 31, 2021

	2022			2021
	Final Budget	Actual	Variance with Final Budget	
Operating Revenues				
Other Charges for Services	\$ -	\$ -	\$ -	\$ 78
Operating Expenses				
Claims and Premiums	-	-	-	2,870
Net Income (Loss) before Transfers	-	-	-	(2,792)
Transfers				
Transfers In/(Out)	-	-	-	(16,292)
Change in Net Position (Budget Basis)	\$ -	-	\$ -	(19,084)
Net Position, Beginning		\$ -		\$ 19,084

See accompanying Independent Auditors' Report.

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STATE COMPLIANCE

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

LOCAL HIGHWAY FINANCE REPORT	City or County: City of Delta
	YEAR ENDING : December 2022
This Information From The Records of the City of Delta, CO	Prepared By: Tod DeZeeuw, CPA Phone: 970-874-7908

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)	1,350,627
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	494,772
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	149,544
2. General fund appropriations		b. Snow and ice removal	21,990
3. Other local imposts (from page 2)	3,521,421	c. Other	1,649
4. Miscellaneous local receipts (from page 2)	38,476	d. Total (a. through c.)	173,183
5. Transfers from toll facilities		4. General administration & miscellaneous	31,336
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1,196,354
a. Bonds - Original Issues		6. Total (1 through 5)	3,246,272
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	677,800
7. Total (1 through 6)	3,559,897	b. Redemption	0
B. Private Contributions		c. Total (a. + b.)	677,800
C. Receipts from State government (from page 2)	364,175	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	3,924,072	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	677,800
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	3,924,072

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	15,210,000	0	550,000	14,660,000
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	3,924,072	3,924,072		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		a. Interest on investments	3,124
b. Other local imposts:		b. Traffic Fines & Penalties	35,352
1. Sales Taxes	3,481,849	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	39,572	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other		g. Other Misc. Receipts	
6. Total (1. through 5.)	3,521,421	h. Other	
c. Total (a. + b.)	3,521,421	i. Total (a. through h.)	38,476
	(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	325,689	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	38,486	d. Federal Transit Admin	
d. Other (Specify)	0	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	38,486	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	364,175	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	0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		0	0
(3). System Preservation			0
(4). System Enhancement & Operation		1,350,627	1,350,627
(5). Total Construction (1) + (2) + (3) + (4)		0	1,350,627
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)		0	1,350,627
			(Carry forward to page 1)
Notes and Comments:			

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**SUPPLEMENTAL SCHEDULES REQUIRED
PURSUANT TO BOND AGREEMENTS**

CITY OF DELTA, COLORADO

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2022

TABLE 1
Debt Service Coverage

	2018	2019	2020	2021	2022
City CIF Tax	\$ 1,940,626	\$ 2,076,118	\$ 2,267,082	\$ 2,633,621	\$ 2,591,034
County CIF Tax	652,787	751,499	880,295	893,599	1,076,167
Interest Earnings	12,119	33,862	12,967	1,241	71,256
Total Pledged Revenues	2,605,532	2,861,479	3,160,344	3,528,461	3,738,457
Maximum Annual Debt Service	1,777,855	1,769,368	1,219,678	1,229,050	1,227,800
BAB's Payment	(389,141)	(382,873)	-	-	-
Net Debt Service	\$ 1,388,714	\$ 1,386,495	\$ 1,219,678	\$ 1,229,050	\$ 1,227,800
Coverage	187.62%	206.38%	259.11%	287.09%	304.48%

TABLE 2
History of City CIF Tax

Year	City CIF Sales Tax Collections	City CIF Use Tax Collections	Total City CIF Tax Collections	% Change
2018	\$ 1,896,330	\$ 44,296	\$ 1,940,626	16.12%
2019	2,010,759	65,359	2,076,118	6.98%
2020	2,207,474	59,608	2,267,082	9.20%
2021	2,485,459	148,162	2,633,621	16.17%
2022	2,591,034	86,205	2,677,239	1.66%

TABLE 3
History of County CIF Tax

Year	Total County CIF Sales Tax	% Change
2018	\$ 652,787	3.14%
2019	751,499	15.12%
2020	880,295	17.14%
2021	983,599	11.74%
2022	1,076,167	9.41%

CITY OF DELTA, COLORADO

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2022

TABLE 4
Monthly Comparison of Collections of City CIF Tax

Month	2021	2021	2022	2022	Percent Change
	Current Month	Period To Date	Current Month	Period To Date	
January	\$ 246,269	\$ 246,269	\$ 256,400	\$ 256,400	4.1%
February	162,983	409,252	185,599	441,999	8.0%
March	165,328	574,580	183,041	625,040	8.8%
April	225,616	800,196	232,404	857,444	7.2%
May	206,239	1,006,435	206,158	1,063,602	5.7%
June	206,500	1,212,935	217,003	1,280,605	5.6%
July	225,983	1,438,918	246,300	1,526,905	6.1%
August	209,515	1,648,433	212,489	1,739,394	5.5%
September	195,618	1,844,051	208,418	1,947,812	5.6%
October	230,679	2,074,730	240,940	2,188,752	5.5%
November	208,562	2,283,292	204,844	2,393,596	4.8%
December	202,167	2,485,459	197,438	2,591,034	4.2%

TABLE 5
Monthly Comparison of Collections of County CIF Tax

Month	2021	2021	2022	2022	Percent Change
	Current Month	Period To Date	Current Month	Period To Date	
January	\$ -	\$ -	\$ -	\$ -	0.0%
February	-	-	-	-	0.0%
March	62,277	62,277	78,732	78,732	26.4%
April	68,014	130,291	74,686	153,418	17.8%
May	84,667	214,958	90,435	243,853	13.4%
June	82,956	297,914	86,682	330,535	10.9%
July	84,489	382,403	88,868	419,403	9.7%
August	88,732	471,135	95,122	514,525	9.2%
September	84,062	555,197	92,087	606,612	9.3%
October	78,722	633,919	99,164	705,776	11.3%
November	94,745	728,664	101,239	807,015	10.8%
December	254,935	983,599	269,152	1,076,167	9.4%

CITY OF DELTA, COLORADO

SUPPLEMENTAL SCHEDULES REQUIRED
PURSUANT TO BOND AGREEMENTS
(Continuing Disclosure Undertaking)
December 31, 2022

Table 6
Top 10 Generators of City 3% Sales & Use Tax

<u>Business Type</u>	<u>3% Sales & Use Tax Receipts</u>	<u>% of Total Collections</u>
Retail	\$ 2,044,574	40.8%
Grocery	575,182	11.5%
Government	545,662	10.9%
Grocery	405,392	8.1%
Retail	244,904	4.9%
Retail	201,419	4.0%
Government	170,472	3.4%
Utility	152,501	3.0%
Restaurant	118,589	2.4%
Liquor	113,538	2.3%
Total =	\$ 4,572,233	91.20%

Table 7
City-Wide Capital Improvement Fund
Budget Summary & Comparison

	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Actual</u>
Revenues				
Sales Tax	\$ 2,185,624	\$ 2,485,459	\$ 2,476,786	\$ 2,591,034
Use Tax	50,000	148,162	50,000	86,205
County Sales Tax	826,977	983,599	962,100	1,076,167
Income From Investments	6,786	1,241	1,000	71,256
Grant	-	181,189	125,000	359,934
Miscellaneous	-	29,433	-	5,826
Contributions for Construction	-	-	-	1,547,834
Transfers in	-	-	550,000	1,480,861
Total Revenues	3,069,387	3,829,083	4,164,886	7,219,117
Expenditures				
Miscellaneous Engineering	15,000	-	-	1,458
Sidewalk Projects	85,000	3,777	85,000	20,357
Murals/Public Art	5,000	2,500	-	-
ADA Compliance	15,000	-	15,000	-
Public Facilities	347,500	456,460	500,000	3,090,610
Street Improvement Projects	575,000	633,551	1,677,500	1,041,621
Storm Water System Improvements	500,000	19,966	200,000	627,903
Non-Departmental	86,928	96,060	87,252	86,802
Transfers to Other Funds	1,204,050	1,232,100	1,227,800	1,227,800
Total Expenditures	\$ 2,833,478	\$ 2,444,414	\$ 3,792,552	\$ 6,096,551
Fund Balance - Beginning	\$ 3,037,918	\$ 3,341,957	\$ 3,037,918	\$ 3,341,957
Fund Balance - Ending	\$ 3,273,827	\$ 4,726,626	\$ 3,410,252	\$ 4,464,523

CITY OF DELTA, COLORADO
SUPPLEMENTAL SCHEDULES REQUIRED
PURSUANT TO BOND AGREEMENTS
(Continuing Disclosure Undertaking)
December 31, 2022

Table 8
Capital Improvements Plan Summary

Project Categories	2023	2024	2025	2026	2027
General Government	\$ 69,959	\$ 92,000	\$ -	\$ -	\$ -
Parks	135,500	25,000	5,000	-	-
Recreation Center	42,300	35,000	168,000	50,000	-
City-Wide Improvements	12,249,500	1,725,000	1,630,000	100,000	100,000
Electrical	1,763,189	931,689	697,185	-	-
Sewer	5,638,498	-	390,000	-	-
Water	565,000	785,000	575,000	-	-
Golf	40,000	20,000	20,000	20,000	20,000
Internal Service	243,000	50,000	50,000	-	-
Total	\$ 20,746,946	\$ 3,663,689	\$ 3,535,185	\$ 170,000	\$ 120,000

Table 9
History of General Fund Revenues
Expenditures & Changes in Fund Balances

	2018	2019	2020	2021	2022
Revenues					
Taxes	\$ 1,978,126	\$ 2,112,737	\$ 2,307,278	\$ 2,671,688	\$ 2,709,424
Franchise Tax Equivalents	672,879	675,483	679,030	678,233	715,252
Licenses & Permits	88,138	129,696	147,659	321,987	224,547
Intergovernmental	592,665	754,040	567,888	900,484	636,435
Charges for Services	60,558	61,925	67,565	135,462	121,221
Fines & Forfeitures	39,875	25,824	15,828	26,818	45,556
Miscellaneous	49,944	91,571	336,280	97,745	89,991
Accounting & Adm. Charges	801,613	818,560	810,925	810,925	810,925
Investment Earnings	22,633	29,159	7,655	508	21,868
Other Financing Sources	230,000	500,000	250,000	1,144,511	1,737,233
Total Revenues	4,536,431	5,198,995	5,190,108	6,788,361	7,112,452
Expenditures					
General Government	1,105,802	1,239,454	1,626,081	2,158,004	1,889,929
Public Safety	1,971,484	2,282,129	2,474,890	2,903,312	3,054,726
Community Development	406,211	380,242	416,948	518,795	587,841
Public Works	632,455	601,987	579,042	615,035	557,373
Animal & Code Enforcement	105,298	115,112	123,498	108,141	126,252
Cemetery	142,724	142,833	183,380	216,110	213,099
IT	22,578	27,913	28,244	34,635	131,595
Non-Departmental	47,829	77,413	126,982	43,188	143,526
	4,434,381	4,867,083	5,559,065	6,597,220	6,704,341
Revenues Over (Under)					
Expenditures	102,050	331,912	(368,957)	191,141	408,111
Fund Balance - Beginning	1,356,828	1,458,878	1,790,790	1,421,833	1,612,974
Fund Balance - Ending	\$ 1,458,878	\$ 1,790,790	\$ 1,421,833	\$ 1,612,974	\$ 2,021,085

CITY OF DELTA, COLORADO

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2022

Table 10
General Fund Budget Summary & Comparison

	2021 Budget	2021 Actual	2022 Budget	2022 Actual
Revenues				
Taxes	\$ 2,274,624	\$ 2,671,688	\$ 2,565,786	\$ 2,709,424
Franchise Tax Equivalent	661,000	678,233	661,000	715,252
Licenses & Permits	85,400	321,987	162,900	224,547
Intergovernmental	515,142	900,484	463,723	636,435
Charges for Services	43,500	135,462	63,500	121,221
Fines & Forfeitures	25,000	26,818	25,000	45,556
Miscellaneous	63,621	98,253	34,600	111,859
Accounting & Adm. Charges	823,608	810,925	823,608	810,925
Other Financing Sources	806,741	1,144,511	1,658,021	1,737,233
Total Revenues	5,298,636	6,788,361	6,458,138	7,112,452
Expenditures				
Personnel	4,148,563	4,381,488	4,847,287	4,859,363
Charges & Services	1,466,606	2,171,597	2,008,124	1,768,357
Capital Outlay	71,500	44,135	81,264	76,621
Total Expenditures	5,686,669	6,597,220	6,936,675	6,704,341
Fund Balance - Beginning	1,679,402	1,421,833	1,679,402	1,421,833
Fund Balance - Ending	\$ 1,291,369	\$ 1,612,974	\$ 1,200,865	\$ 1,829,944

Table 11
Revenue Obligations of the City

Revenue Obligation	Principal Amount Outstanding
Municipal Light & Power Revenue Notes, Series 2000	\$ 2,262,605
Sewer Note, Series 2012	1,521,223
Sales & Use Tax Revenue Bonds, Series 2019	15,210,000
Total Revenue Obligations Outstanding	<u>\$ 18,993,828</u>

CITY OF DELTA, COLORADO

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2022

Table 12

History of City -Wide Capital Improvement Fund & Debt Service Fund
Revenues, Expenditures & Changes in Fund Balances

Revenues	2018	2019	2020	2021	2022
Sales & Use Tax	\$ 2,593,413	\$ 2,827,617	\$ 3,147,377	\$ 3,617,220	\$ 3,753,406
Intergovernmental	402,849	384,013	7,122	181,189	1,907,769
Charges for Services	-	-	-	-	-
Investment Earnings	47,976	73,032	13,580	1,252	75,291
Miscellaneous	5	185,586	51,678	29,433	5,825
Other Financing Sources	-	-	-	-	1,480,861
Total Revenues	3,044,243	3,470,248	3,219,757	3,829,094	7,223,152
Expenditures					
General Government	-	-	-	-	-
Public Works	-	221,037	111,058	6,277	21,815
Accounting & Administration	71,925	73,972	85,881	96,060	87,252
Capital Outlay	656,351	685,882	649,418	1,109,977	4,760,135
Debt Service	1,777,855	1,769,442	1,219,679	1,229,050	1,227,800
Other Financing Uses	-	-	117,000	28,050	-
Total Expenditures	2,506,131	2,750,333	2,183,036	2,469,414	6,097,002
Revenues Over (Under)					
Expenditures	538,112	719,915	1,036,721	1,359,680	1,126,150
Other Financing Sources (Uses)					
Debt Proceeds	-	18,858,578	-	-	-
Escrow Payments	-	(20,419,372)	-	-	-
Total Under Financing Sourced (Uses)	-	(1,560,794)	-	-	-
Fund Balance - Beginning	2,639,695	3,177,807	2,336,928	3,373,649	4,733,329
Fund Balance - Ending	\$ 3,177,807	\$ 2,336,928	\$ 3,373,649	\$ 4,733,329	\$ 5,859,479

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FEDERAL COMPLIANCE

Mayberry & Company, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

Report on Compliance for the U.S. Department of Treasury Coronavirus State and Local Fiscal Recovery Funds Program (CSLFRF) Requirements for an Alternative CSLFRF Compliance Examination Engagement

City Council
City of Delta
Delta, Colorado

Independent Accountant's Report

We have examined the City of Delta's (the "City") compliance with the compliance requirements "activities allowed or unallowed" and "allowable cost/cost principles" (the specified requirements) as described in Part IV "Requirements for an Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds" of the CSLFRF section of the *2022 OMB Compliance Supplement* (referred to herein as "Requirements for an Alternative CSLFRF Compliance Examination Engagement") during the year ended December 31, 2022.

Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination. Our examination was conducted in accordance with attestation standards established by the AICPA; the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in the "Requirements for an Alternative CSLFRF Compliance Examination Engagement." Those standards and requirements require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether City of Delta complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on *City of Delta's* compliance with specified requirements.

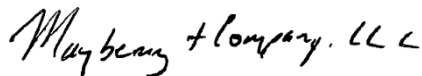
In our opinion, the City complied, in all material respects, with the specified requirements referenced above during the year ended December 31, 2022.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud, and noncompliance with provisions of laws, regulations, contracts, or grant agreements that have a material effect on City of Delta’s compliance with the specified requirements and any other instances that warrant the attention of those charged with governance. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on the City’s compliance with the specified requirements and not for the purpose of expressing an opinion on the internal control over the specified requirements or on compliance and other matters; accordingly, we express no such opinions. The results of our tests disclosed no matters that are required to be reported under *Government Auditing Standards*.

Intended Purpose

The purpose of this examination report is solely to express an opinion on whether the City of Delta complied, in all material respects with the specified requirements referenced above during the year ended December 31, 2022. Accordingly, this report is not suitable for any other purpose.



Englewood, Colorado
June 16, 2023