

CITY OF LA JUNTA, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2022

CITY OF LA JUNTA, COLORADO

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of La Junta, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of La Junta, Colorado, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise City of La Junta, Colorado basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of La Junta, Colorado, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of La Junta, Colorado's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of La Junta, Colorado's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and other post-employment benefit schedules and the budgetary comparison information on pages 3-11 and 49-54 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of La Junta, Colorado's basic financial statements. The combining and individual fund financial statements, budget schedules, local highway finance report and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, budget schedules, the local highway finance report and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 3, 2023, on our consideration of the City of La Junta, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of La Junta, Colorado's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of La Junta, Colorado's internal control over financial reporting and compliance

Hancock Froese & Company LLC

Hancock Froese & Company LLC

Rocky Ford, Colorado
May 3, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of The City of La Junta, Colorado (the "City") offers readers of the City's annual financial report this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2022. Readers are encouraged to consider the information presented here in conjunction with the financial statement information.

FINANCIAL HIGHLIGHTS

1. Assets of the City exceed its liabilities by \$62,749,399 in 2022 compared to \$64,131,065 in 2021. Of these amounts, the City's Business-type Activities were \$40,004,779 in 2022 compared to \$40,076,029 in 2021 and the City's Governmental Activities were \$22,744,620 in 2022 compared to \$24,055,036 in 2021. Unrestricted net position total was \$11,541,567 in 2022 compared to \$12,933,869 in 2021 and may be used to meet the City's on-going obligations.
2. By far, the largest portion of the City's net position is its net investment in capital assets. Net investment in capital assets was \$49,046,901 in 2022 compared to \$49,312,185 in 2021. The infrastructure consists of streets, bridges, and storm sewers. Estimated historical cost was used to initially value the infrastructure.
3. The City's debt for the enterprise funds is for the construction of a waste-water treatment facility, the construction of a reverse osmosis water treatment plant with associated raw water mains and water main across the Arkansas River and the construction of new water tanks. The City has outstanding loans with Colorado Water Resource and Power Development Authority of \$14,998,119 as of December 31, 2022. Also included in enterprise fund debt are post closure costs on landfill and compensated absences for a total liability balance reported of \$16,201,584 in 2022 compared to \$17,497,822 in 2021. Otero County Landfill Inc. (OCLI) required the City to fund post closure costs for the Sanitation Fund of \$504,000.
4. The Restricted Net Position includes 1) \$318,000 required by TABOR, the emergency contingency required by Article X, Section 20 of the Colorado Constitution, 2) \$391,713 restricted for endowments of the library and cemetery, 3) \$121,954 restricted for capital projects, 4) \$234,464 for conservation trust, and 5) \$1,094,800 of cash restricted for operations and maintenance.
5. The City's **governmental funds** reported a combined ending fund balance of \$5,299,402 in 2022 compared to \$6,107,381 in 2021 including the General Fund with \$3,205,240 in 2022 compared to \$4,252,669 in 2021 and other non-major Governmental Funds with \$2,094,162 in 2022 compared to \$1,854,712 in 2021.
6. The **governmental funds** reported total assigned and unassigned fund balances of \$4,229,333 in 2022 compared to \$5,092,345 in 2021. The combined assigned and unassigned fund balance is made up of \$2,765,286 in 2022 compared to \$3,864,894 in 2021 from the General Fund and \$1,464,047 in 2022 compared to \$1,227,451 in 2021 from other non-major funds.
7. The City's **proprietary funds** reported a combined Total Net Position of \$39,529,973 in 2022 compared to \$39,220,243 in 2021 of which \$6,868,127 in 2022 compared to \$6,714,288 in 2021 is unrestricted.
8. The City's **proprietary funds** reported combined cash or equivalents and of \$3,340,378 in 2022 compared to \$3,621,297 in 2021.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – management discussion and analysis (this section), the basic financial statements, required supplementary information, and a section that presents combining statements for nonmajor governmental funds, internal service funds and budget statements. This discussion and analysis serves as an introduction to La Junta's basic financial statements. The City's basic financial statements consist of three components:

1. City-wide financial statements that provide both short-term and long-term information about the City's overall financial status.

2. Fund financial statements that focus on individual parts of the City government, reporting in more detail than the City-wide statements.
3. Notes to the financial statements that explain some of the information in the financial statements and provide detailed data.

This report also contains required and other additional 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 private-sector business. These statements use the accrual basis of accounting with the measurement focus on that of economic resources. All assets, deferred outflows of resources, liabilities and deferred inflows of resources, both financial and capital, short-term and long-term, are included. All revenues and expenses during the year, regardless of when cash is received, are reported. The government-wide financial statements consist of two statements:

1. The **Statement of Net Position** presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as "*net position*". Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.
2. The **Statement of Activities** presents information reporting 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 result in cash flows in future fiscal periods. Earned but unused paid time off and accrued interest expense are examples of these types of items.

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include General Government, Public Safety, Public Works, Health and Welfare, Culture and Recreation, Economic Development, and Interest on Long Term Debt. The business-type activities of the City include Electric, Water, Sewer, Sanitation, and Property Management.

Fund Financial Statements:

A *Fund* is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All City funds can be divided into three categories:

- Governmental funds
- Proprietary funds
- Internal service funds

Governmental funds: Governmental funds account for essentially the same functions reported as governmental activities in the Government-wide financial statements. Unlike the Government-wide financial statements, however, governmental fund financial statements focus on how money flows into and out of those funds and the balances at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information provides a detailed *short-term* view of the City's general government operations and may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the City-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the City-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. To facilitate this comparison between governmental funds and governmental activities, reconciliations are provided for both the *governmental fund* Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance.

The City maintains 9 individual governmental funds. Information is presented separately in the *governmental fund* Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance for the Governmental Funds. Individual fund information is presented for the General, which is a major fund. Information for the remaining governmental funds are combined into a single "other governmental funds" column. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements presented in the Supplemental Information portion of the report. Data from other governmental funds are combined into a single aggregated presentation.

Proprietary funds: The City maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the Government-wide financial statements. These include activities that the City operates similar to a private business. Proprietary funds use the accrual basis of accounting and focus on the accumulation and use of economic resources. Proprietary fund financial statements include the Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows. All assets and liabilities, both financial and capital, and short-term and long-term, are included with these statements. All revenues earned and expenses incurred during the year are also included regardless of when cash is received or paid. The City uses Enterprise Funds to account for the Electric, Water, Sewer, Sanitation, and Property Management activities.

Internal service funds: Internal service funds are used to accumulate and allocate costs internally among the City's functions. The City uses an Internal Services Fund to account for the provision of equipment provided by the City for its various departments known as the City Service Fund. Departments utilize a rental charge reimbursement rate to provide the resources necessary to fund future acquisitions. In addition, an Employee Benefit Fund is utilized to provide health coverage for its employees. Because these two internal service funds predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the Government-wide financial statements.

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

Notes to the Basic Financial Statements:

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

Required Supplementary Information:

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City. The City adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for all major funds to demonstrate compliance with the budget requirement.

Other Information:

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

Financial Analysis of the City as a Whole

Net Position

Net position may serve as a useful indicator of a government's financial position. In the case of the City of La Junta, assets exceeded liabilities by \$62,749,399 in 2022 compared to \$64,131,065 in 2021. By far the largest portion of the City's net position (78%) reflects the net investment in capital assets (e.g. land, buildings, machinery, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Restricted net position is designed to reflect the net position that is subject to restrictions beyond the City's control. Unrestricted net position may be used to meet the government's ongoing obligations to the citizens and creditors. The City is able to report positive balances in all three categories of net positions, both for the government as a whole, as well as for its separate governmental and business-type activities.

The City's combined net position was:

City of La Junta - Combined Net Position as of December 31,

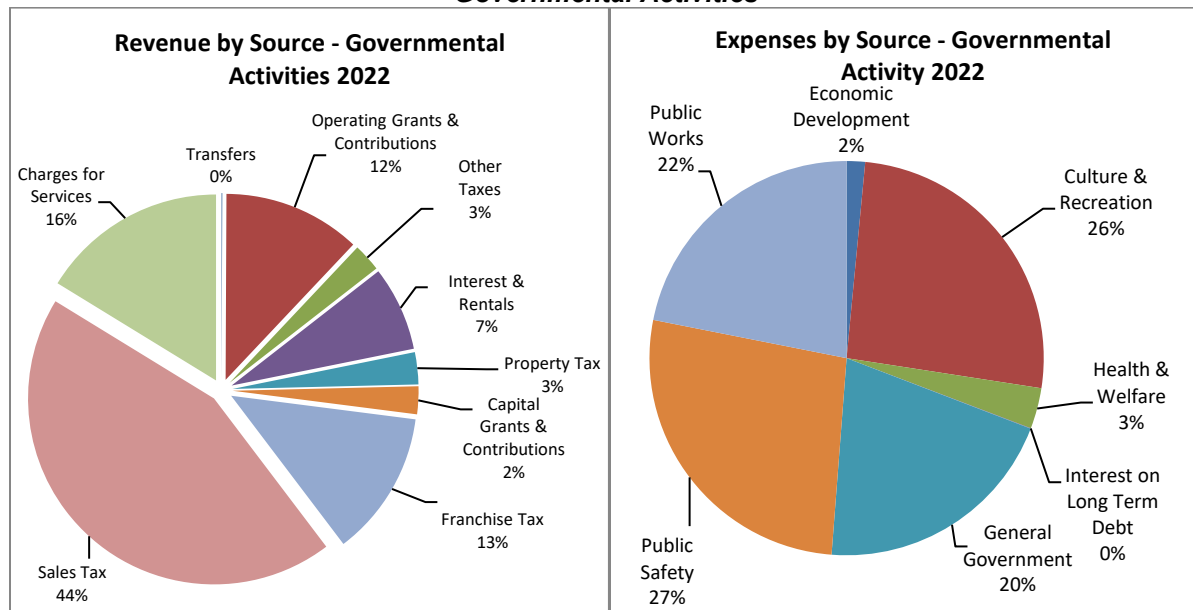
	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2022	2021	2022	2021	2022	2021
Assets:						
Current and other	\$ 8,511,037	\$10,046,252	\$15,882,235	\$15,422,249	\$24,393,272	\$25,468,501
Capital assets	<u>18,439,728</u>	<u>17,779,531</u>	<u>46,565,165</u>	<u>48,148,267</u>	<u>65,004,893</u>	<u>65,927,798</u>
Total Assets	26,950,765	27,825,783	62,447,400	63,570,516	89,398,165	91,396,299
Deferred Outflows	<u>203,302</u>	<u>181,616</u>	-	-	<u>203,302</u>	<u>181,616</u>
Total Assets and Deferred Outflow	<u>\$27,154,067</u>	<u>\$28,007,399</u>	<u>\$62,447,400</u>	<u>\$63,570,516</u>	<u>\$89,601,467</u>	<u>\$91,577,915</u>

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2022	2021	2022	2021	2022	2021
Liabilities:						
Other Liabilities	\$ 791,204	\$ 1,387,152	\$ 3,757,684	\$ 2,921,939	\$ 4,548,888	\$ 4,309,091
Long-term debt-current	100,220	31,325	880,589	1,552,487	980,809	1,583,812
Long-term debt	<u>3,359,317</u>	<u>2,332,906</u>	<u>15,320,995</u>	<u>15,945,335</u>	<u>18,680,312</u>	<u>18,278,241</u>
Total Liabilities	<u>4,250,741</u>	<u>3,751,383</u>	<u>19,959,268</u>	<u>20,419,761</u>	<u>24,210,009</u>	<u>24,171,144</u>
Deferred Inflows	<u>158,706</u>	<u>200,980</u>	<u>2,483,353</u>	<u>3,074,726</u>	<u>2,642,059</u>	<u>3,275,706</u>
Net Position:						
Net investment in capital assets	17,479,855	17,682,230	31,567,046	31,629,955	49,046,901	49,312,185
Restricted	1,066,131	1,009,011	1,094,800	976,000	2,160,931	1,885,011
Unrestricted	<u>4,198,634</u>	<u>5,363,795</u>	<u>7,342,933</u>	<u>7,470,074</u>	<u>11,541,567</u>	<u>12,933,869</u>
Total Net Position	<u>22,744,620</u>	<u>24,055,036</u>	<u>40,004,779</u>	<u>40,076,029</u>	<u>62,749,399</u>	<u>64,131,065</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$27,154,067</u>	<u>\$28,007,399</u>	<u>\$62,447,400</u>	<u>\$63,570,516</u>	<u>\$89,601,467</u>	<u>\$91,577,915</u>

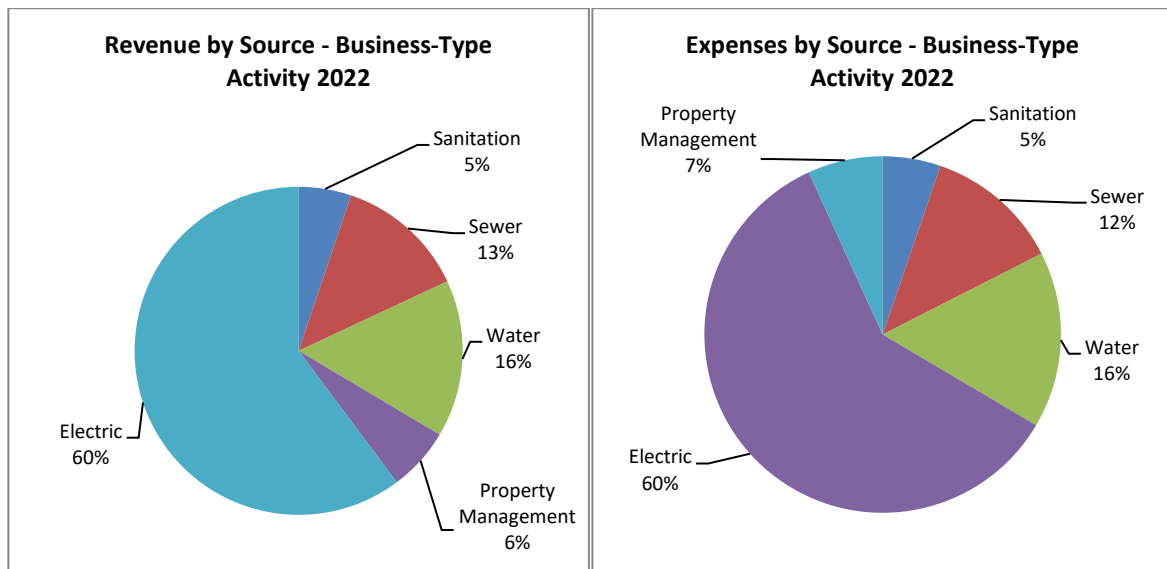
Restrictions in the governmental activities include \$318,000 for statutory reserves for emergencies by TABOR.

Changes in Net Position

Governmental Activities



- Governmental activities decreased the City of La Junta's net position by \$1,310,416 in 2022 compared to a decrease of \$199,477 in 2021. This was due to an increase in operating expenses.
- Tax revenues are comprised of property tax, sales and use tax, franchise tax, and other taxes. Sales tax totaled 72% of all taxes and 44% of all governmental activity revenue. The property tax rate is 3.104 mills. It has remained unchanged for over 34 years. Property tax is 5% of all taxes and 3% of the governmental activity revenue.

Business-type activities

- The business-type activities include the Electric, Water, Sewer, Sanitation, and Property Management Funds.
- In the business-type activities, the net position change after transfers and special items was (\$71,250) in 2022 compared to \$1,225,344 in 2021.

Charges for services for the business-type activities for 2022 and 2021 are as follows:

	2022	2021
Electric	\$ 11,588,060	\$ 11,489,088
Water	2,982,676	3,033,749
Sewer	2,477,022	2,491,744
Sanitation	995,964	975,464
Property Management	1,152,826	1,284,202
Total Charges for Services	\$ 19,196,548	\$ 19,274,247

The following table reflects a condensed summary of activities and changes in net position:

City of La Junta - Changes in Net Position as of December 31,

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Program Revenues						
Charges for Services	\$ 1,812,626	\$ 1,723,716	\$19,196,548	\$19,274,247	\$21,009,174	\$20,997,963
Operating Grants & Contributions	1,138,903	1,269,585	-	-	1,138,903	1,269,585
Capital Grants & Contributions	13,759	256,106	82,098	113,732	95,857	369,838
General Revenues						
Property Tax	305,843	295,806	-	-	305,843	295,806
Sales Tax	4,855,990	4,675,962	-	-	4,855,990	4,675,962
Franchise Tax	1,350,994	1,342,452	-	-	1,350,994	1,342,452
Other Taxes	266,506	258,118	-	-	266,506	258,118
Interest	48,835	15,823	116,980	77,743	165,815	93,566
Other & Rentals	768,903	764,477	1,133,530	724,330	1,902,433	1,488,807
Total Revenues	\$10,562,359	\$10,602,045	\$20,529,156	\$20,190,052	\$31,091,515	\$30,792,097

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Expenses						
General Government	\$ 2,207,963	\$ 2,204,641	\$ -	\$ -	\$ 2,207,963	\$ 2,204,641
Public Safety	4,022,671	2,907,094	-	-	4,022,671	2,907,094
Public Works	2,653,865	2,365,890	-	-	2,653,865	2,365,890
Health & Welfare	413,221	361,656	-	-	413,221	361,656
Culture & Recreation	2,472,895	2,802,692	-	-	2,472,895	2,802,692
Economic Development	107,042	163,348	-	-	107,042	163,348
Interest-Long Term Debt	2,718	3,801	-	-	2,718	3,801
Electric	-	-	11,740,829	11,291,559	11,740,829	11,291,559
Water	-	-	3,367,563	3,024,683	3,367,563	3,024,683
Sewer	-	-	2,604,583	2,316,902	2,604,583	2,316,902
Sanitation	-	-	1,210,591	994,216	1,210,591	994,216
Property Management	-	-	1,491,240	1,287,148	1,491,240	1,287,148
Total Expenses	<u>11,880,375</u>	<u>\$10,809,122</u>	<u>20,414,806</u>	<u>18,914,508</u>	<u>32,295,181</u>	<u>29,723,630</u>
Excess (Deficiency) Before Transfers and Special Items	(1,318,016)	\$ (207,077)	114,350	1,275,544	(1,203,666)	1,068,467
Transfers In (Out)	7,600	7,600	(7,600)	(7,600)	-	-
Special Items	-	-	(178,000)	(42,600)	(178,000)	(42,600)
Change in Net Position	(1,310,416)	(199,477)	(71,250)	1,225,344	(1,381,666)	1,025,867
Net Position - Beginning	<u>24,055,036</u>	<u>24,254,513</u>	<u>40,076,029</u>	<u>38,850,685</u>	<u>64,131,065</u>	<u>63,105,198</u>
Net Position Ending	<u>\$22,744,620</u>	<u>\$24,055,036</u>	<u>\$40,004,779</u>	<u>\$40,076,029</u>	<u>\$62,749,399</u>	<u>\$64,131,065</u>

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City of La Junta uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

GOVERNMENTAL FUNDS

The focus of the City of La Junta's governmental funds is to provide information on current year revenue, expenditures, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of government's net resources available for spending at the end of the fiscal year. As of the end of the year, the City's governmental funds reported a combined fund balance of \$5,299,402 in 2022 compared to \$6,107,381 in 2021. This is a decrease of \$807,979. Of that fund balance, \$0 in 2022 compared to \$2,428,794 in 2021 constitutes unassigned fund balance, which is available for spending at the government's discretion. This is a decrease of \$2,428,794. Restricted and Nonspendable fund balances increased to \$1,070,069 in 2022 from \$1,015,036 in 2021.

A portion of the fund balance is restricted for permanent endowments in the amount of \$391,713, for a state constitution mandated emergency reserve-TABOR of \$318,000, conservation trust of \$234,464 and capital projects of \$121,954.

The **General Fund** is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$0 in 2022 compared to \$2,428,794 in 2021, while the total fund balance was \$3,205,240 in 2022 compared to \$4,252,669 in 2021. The General Fund had revenues under expenditures and other financing uses in the amount of \$1,047,429 in 2022 compared to revenues over expenditures in 2021 in the amount of \$339,506.

Individual fund data for each of the **non-major** governmental funds is provided in the form of **combining statements** elsewhere in the report. The non-major governmental funds include the Special Revenue and Permanent Funds. The Special Revenue Funds are the Conservation Trust, Economic Development Fund, Urban Renewal Authority, La Junta Capital Inc., Moving Violation Surcharge, and Lodging Tax Tourism Fund. The Permanent Funds are the Library and Cemetery Endowments.

PROPRIETARY FUNDS

The City's proprietary funds provide the same type of information found in the government-wide financial statements. All of the City's proprietary funds are major funds. The funds include Electric, Water, Sewer, Sanitation, and Property Management.

The unrestricted net position balances and the change in net positions of the City's proprietary funds are reflected in the following table:

	<u>Change in Net Position – Proprietary Funds</u>			
	Unrestricted Net Position		Change in Net Position	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Major Enterprise Funds</u>				
Electric	\$ 5,361,107	\$ 4,721,855	\$ 221,128	\$ 336,029
Water	(634,191)	(33,591)	840,021	160,298
Sewer	(37,518)	286,319	(40,839)	230,812
Sanitation	1,036,411	1,341,505	(319,421)	(32,994)
Property Management	<u>1,142,318</u>	<u>398,200</u>	<u>(391,159)</u>	<u>721,340</u>
Total Enterprise Funds	<u>\$ 6,868,127</u>	<u>\$ 6,714,288</u>	<u>\$ 309,730</u>	<u>\$ 1,415,485</u>

INTERNAL SERVICES FUNDS

Internal services funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis. The City's internal service funds are used to account for a self-insured health benefit plan and a capital equipment acquisition program.

The **Employee Benefit Fund** is an internal service fund used to account for the City's self-insured health benefit program. Revenues to support the program originate from two primary sources:

1. Employee contributions toward the cost of the health benefit program premiums,
2. City contributions toward the cost of the health benefit program premiums.

Expenses include claims, stop-loss premiums and plan administration for a health benefit program for employees and their families.

Reserves, as they relate to the health benefit program, should be increased to provide financial stability for the self-funded risk program.

In 2022, operating revenues in the Employee Benefit Fund increased by \$432,025 due to an increase in premiums. Operating expenses for the Employee Benefit fund increased \$703,599 due to an increase in claims.

The **City Services Fund** is used as a resource base to purchase requested equipment (over \$5,000) for the various departments. Assets are purchased through the fund; amortized costs are then charged to each department as a "rental charge." When an item need replaced, adequate funds have been generated through the on-going rental fees to make a replacement purchase. Revenues totaled \$1,424,900 in 2022 compared to \$1,306,349 in 2021. Increases are due to the adjustments in maintenance, fuel prices, and computer services that are paid by the city departments. The change in net position was \$(242,120) in 2022 compared to \$(45,019) in 2021.

BUDGETARY HIGHLIGHTS

The General Fund's original and final budget was \$8,371,700 in Revenues (not including transfers in). Compared to actual revenues of \$9,540,004, this was a positive variance of \$1,168,304 from the original budget and final budget.

The General Fund's final budget was \$11,118,100 in Expenditures. Compared to actual expenditures of \$10,597,433, this was a positive variance of \$520,667 from the final budget.

Other budgetary highlights for the City of La Junta as a whole include:

- When Main Street Open for Business grant was offered by Department of Local Affairs (DOLA) we applied for it and received it. We were one of the 13 cities in Colorado that received it. It made a difference for 6 of our downtown businesses. This is the first time the State helped private sector and it worked.
- We also received grants for Livewell Park on Santa Fe making a difference in our downtown. And this year, Livewell was used for a play as well as for Tarantula Fest.
- We also became a Creative District that we combined with Main Street to create RISE to assist our creative organizations like SECCP, Picketwire Theater and dance clubs as well as Children's theater to name a few. We will be working on creating an inventory of creatives as well as create linkages to murals and public art. The ART project was a great start. Activate buildings that are currently not used.
- The Certified Local government (CLG) performed a grant on 20 of our historic properties downtown. This history is a great asset for the buildings.
- We have been working with the Southeast Workforce Housing which is our 6-county region where we pooled some of the ARPA funds that everyone received from the Federal Government to build 61 units within our region. This program is being touted by the State as a way to build housing within a region.
- The airport has seen an increase of air traffic and in need for more hangers, which we built two hangars over the last few years with the demand still rising.
- We have CDM Smith helping us apply for grants through the Infrastructure Bill/State and Local Fiscal Recovery Funds in order to help us replace our aging water distribution system. We anticipate that funds will be available for the next 4-5 years unless the Federal Government changes it. We replaced the main between 2100 and 22nd St. of Belleview Ave. and repaved the street.
- We have purchased a crack filling machine in order for our street crew to perform vs contracting out.
- We held a tarantula festival in the downtown that was a great success. The LA Times wrote a great article on the festival. Our businesses were involved and made items to sell.
- We increased City workers wages by \$5 in order to stop other entities from taking our skilled employees. While the timing was not ideal, we had to do it. We are in a period of our long-term employees aging out and are starting to replace them over the next couple of years.
- Law Enforcement agencies within the Southeast Region take full advantage of the range. The main three are La Junta Police Department, Otero County Sheriff's office and Colorado State Patrol. The range also hosts several training classes through the years and is the facility for our annual Citizen's Academy. We are asking our partners for funding assistance for use of facility. To date we have utilized half a million grant dollars. The range includes an electronic gate to access the property. There is a chain link in barbwire fence that was already in place prior to 2016. You will notice there is a concrete sidewalk and yard markers around the 50-yard rifle and pistol range with a 400-yard rifle range. To the west of the property there are three buildings that consist of a simulation shoot house, an arrest control room and classroom with a kitchen.
- The City is working to build an intergenerational park and trail along the Anderson Arroyo which will be completed in 2023.
- Working to make sure the City has a future water supply with the conversion of water rights along the Holbrook Canal.

Supplemental Budget Appropriations were made for the following funds:

- General Fund
- Internal Services Fund
- Property Management Fund
- Electric Utility Fund
- Water Utility Fund
- Waste Water Utility Fund
- Sanitation Utility Fund

CAPITAL ASSET AND DEBT ADMINISTRATION**Capital Assets**

At the end of 2022, the City had invested \$65,004,893 compared to \$65,927,798 in 2021, in a broad range of capital assets, including land, equipment, buildings, electric, water, and sewer lines. See Note-4 for additional information. The change is due asset disposals in the Electric Fund.

Long-term Debt

The City has long-term debt for the water lines and treatment facility as well as sewer lagoons and sewer facility. More detailed information is presented in Note 8.

**ECONOMIC FACTORS
AFFECTING FUTURE FINANCIAL CONDITIONS**

- Factors, which have the potential to significantly impact the City's 2022 budget, include the on-going world-wide economic conditions and federal appropriations with new administration that concerns us as well as the nation. Rising costs of health insurance, increasing fuel costs, subsequent reductions in funding, rising cost of purchasing electricity, wages increasing, and increasingly restrictive EPA regulations on water and wastewater. Also, the additional water loss from farms to the Front Range as well as the drought conditions of the Colorado River.
- Water conservation began in 2003 and shortage of water has been a factor. The City purchased 887.70 shares of Holbrook Canal. The City is currently working on converting these water rights for beneficial use.
- The Lamar Repowering project will have long term effect to our customers through the electric rates charged to ARPA member cities until 2042.
- The replacement of water mains that are nearing 100 years old in the edges of the Community and in key places that is affecting us.
- We see growth with our industries and the housing market is booming as we see people from the Front Range relocating here.

REQUESTS FOR INFORMATION

This financial report is designed to provide the City's citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions about this report and requests for additional financial information can be obtained by contacting the City Manager at P.O. Box 489, 601 Colorado Avenue, La Junta, CO 81050.

BASIC FINANCIAL STATEMENTS

CITY OF LA JUNTA, COLORADO

STATEMENT OF NET POSITION

DECEMBER 31, 2022

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
CASH OR EQUIVALENTS	\$ 2,315,535	\$ 3,340,378	\$ 5,655,913
RESTRICTED CASH	121,954	1,026,929	1,148,883
CASH WITH TRUSTEE	4,783	-	4,783
INVESTMENTS	4,160,706	4,753,153	8,913,859
RECEIVABLES - NET			
ACCOUNTS	147,738	2,026,310	2,174,048
GRANTS	368,610	-	368,610
TAXES	1,001,565	-	1,001,565
NOTES	3,938	-	3,938
LEASES	-	2,545,998	2,545,998
OTHER	132,338	-	132,338
DUE FROM (TO) OTHER FUNDS	647,383	(647,383)	-
INTERNAL BALANCES	(474,806)	474,806	-
INVENTORIES	81,293	2,273,349	2,354,642
DEPOSITS	-	88,695	88,695
CAPITAL ASSETS			
LAND AND WATER RIGHTS	1,135,355	3,120,856	4,256,211
CONSTRUCTION IN PROGRESS	1,129,450	1,154,639	2,284,089
BUILDINGS	7,943,026	34,104,998	42,048,024
SYSTEMS	-	38,416,861	38,416,861
IMPROVEMENTS	8,418,685	-	8,418,685
EQUIPMENT	7,853,600	4,725,206	12,578,806
INFRASTRUCTURE	32,699,401	-	32,699,401
ACCUMULATED DEPRECIATION	(40,739,789)	(34,957,395)	(75,697,184)
TOTAL ASSETS	26,950,765	62,447,400	89,398,165
DEFERRED OUTFLOWS OF RESOURCES			
PENSION RELATED	203,302	-	203,302
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 27,154,067	\$ 62,447,400	\$ 89,601,467
LIABILITIES			
ACCOUNTS PAYABLE	\$ 494,005	\$ 1,296,248	\$ 1,790,253
ACCRUED EXPENSES	1,449	131,665	133,114
CUSTOMERS DEPOSITS	-	181,949	181,949
UNEARNED REVENUES	295,750	2,147,822	2,443,572
NON CURRENT LIABILITIES:			
DUE WITHIN ONE YEAR	100,220	880,589	980,809
DUE IN MORE THAN ONE YEAR	3,359,317	15,320,995	18,680,312
TOTAL LIABILITIES	4,250,741	19,959,268	24,210,009
DEFERRED INFLOWS OF RESOURCES			
DEFERRED REVENUES - PENSION RELATED	52,506	-	52,506
DEFERRED REVENUES - LEASES	-	2,483,353	2,483,353
DEFERRED REVENUES - PROPERTY TAXES	106,200	-	106,200
TOTAL DEFERRED INFLOW OF RESOURCES	158,706	2,483,353	2,642,059
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	17,479,855	31,567,046	49,046,901
RESTRICTED FOR:			
EMERGENCIES - TABOR	318,000	-	318,000
CAPITAL PROJECTS	121,954	-	121,954
ENDOWMENTS - NONEXPENDABLE	391,713	-	391,713
CONSERVATION TRUST	234,464	-	234,464
OPERATIONS & MAINTENANCE	-	1,094,800	1,094,800
UNRESTRICTED	4,198,634	7,342,933	11,541,567
TOTAL NET POSITION	22,744,620	40,004,779	62,749,399
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 27,154,067	\$ 62,447,400	\$ 89,601,467

CITY OF LA JUNTA, COLORADO
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT		TOTAL
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
GOVERNMENTAL ACTIVITIES:							
GENERAL GOVERNMENT	\$ 2,207,963	\$ 693,800	\$ 183,646	\$ -	\$ (1,330,517)	\$ -	\$ (1,330,517)
PUBLIC SAFETY	4,022,671	461,613	127,362	-	(3,433,696)	-	(3,433,696)
PUBLIC WORKS	2,653,865	264,647	428,760	-	(1,960,458)	-	(1,960,458)
HEALTH AND WELFARE	413,221	82,188	-	-	(331,033)	-	(331,033)
CULTURE AND RECREATION	2,472,895	310,378	399,135	13,759	(1,749,623)	-	(1,749,623)
ECONOMIC DEVELOPMENT	107,042	-	-	-	(107,042)	-	(107,042)
INTEREST ON LONG TERM DEBT	2,718	-	-	-	(2,718)	-	(2,718)
TOTAL GOVERNMENTAL ACTIVITIES	11,880,375	1,812,626	1,138,903	13,759	(8,915,087)	-	(8,915,087)
BUSINESS-TYPE ACTIVITIES:							
ELECTRIC	11,740,829	11,588,060	-	-	-	(152,769)	(152,769)
WATER	3,367,563	2,982,676	-	77,359	-	(307,528)	(307,528)
SEWER	2,604,583	2,477,022	-	4,739	-	(122,822)	(122,822)
SANITATION	1,210,591	995,964	-	-	-	(214,627)	(214,627)
PROPERTY MANAGEMENT	1,491,240	1,152,826	-	-	-	(338,414)	(338,414)
TOTAL BUSINESS-TYPE ACTIVITIES	20,414,806	19,196,548	-	82,098	-	(1,136,160)	(1,136,160)
TOTAL PRIMARY GOVERNMENT	\$ 32,295,181	\$ 21,009,174	\$ 1,138,903	\$ 95,857	(8,915,087)	(1,136,160)	(10,051,247)
GENERAL REVENUES:							
PROPERTY TAXES					305,843	-	305,843
SALES TAXES					4,855,990	-	4,855,990
FRANCHISE TAXES					1,350,994	-	1,350,994
OTHER TAXES					266,506	-	266,506
INTEREST					48,835	116,980	165,815
MISCELLANEOUS					768,903	1,133,530	1,902,433
TOTAL GENERAL REVENUES					7,597,071	1,250,510	8,847,581
TRANSFERS					7,600	(7,600)	-
SPECIAL ITEM					-	(178,000)	(178,000)
TOTAL GENERAL REVENUES, TRANSFERS, AND SPECIAL ITEM					7,604,671	1,064,910	8,669,581
CHANGE IN NET POSITION					(1,310,416)	(71,250)	(1,381,666)
NET POSITION JANUARY 1					24,055,036	40,076,029	64,131,065
NET POSITION DECEMBER 31					\$ 22,744,620	\$ 40,004,779	\$ 62,749,399

CITY OF LA JUNTA, COLORADO

GOVERNMENTAL FUNDS

BALANCE SHEET

DECEMBER 31, 2022

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS			
CASH OR EQUIVALENTS	\$ -	\$ 809,039	\$ 809,039
CASH WITH TRUSTEE	4,783	-	4,783
RESTRICTED CASH	121,954	-	121,954
INVESTMENTS	2,286,241	1,181,904	3,468,145
RECEIVABLES:			
ACCOUNTS RECEIVABLE	76,810	-	76,810
GRANTS RECEIVABLE	18,721	349,889	368,610
TAXES RECEIVABLE	952,130	49,435	1,001,565
NOTES RECEIVABLE	-	3,938	3,938
OTHER RECEIVABLE	132,338	-	132,338
TOTAL ASSETS	<u>\$ 3,592,977</u>	<u>\$ 2,394,205</u>	<u>\$ 5,987,182</u>
LIABILITIES			
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	\$ 276,073	\$ 9,757	\$ 285,830
UNEARNED REVENUE	5,464	290,286	295,750
TOTAL LIABILITIES	<u>281,537</u>	<u>300,043</u>	<u>581,580</u>
DEFERRED INFLOWS OF RESOURCES			
DEFERRED REVENUES - PROPERTY TAXES	106,200	-	106,200
FUND BALANCE			
NONSPENDABLE FOR NOTES	-	3,938	3,938
RESTRICTED FOR			
EMERGENCIES - TABOR	318,000	-	318,000
CAPITAL PROJECTS	121,954	-	121,954
CONSERVATION TRUST	-	234,464	234,464
ENDOWMENTS - NONEXPENDABLE	-	391,713	391,713
ASSIGNED			
SUBSEQUENT YEARS' EXPENDITURES	2,765,286	-	2,765,286
COMMUNITY AND ECONOMIC DEVELOPMENT	-	1,463,404	1,463,404
SURCHARGE	-	643	643
UNASSIGNED	-	-	-
TOTAL FUND BALANCES	<u>3,205,240</u>	<u>2,094,162</u>	<u>5,299,402</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 3,592,977</u>	<u>\$ 2,394,205</u>	<u>\$ 5,987,182</u>

CITY OF LA JUNTA, COLORADO

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

DECEMBER 31, 2022

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

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS		\$	5,299,402
ASSETS NOT AVAILABLE FOR CURRENT PERIOD EXPENDITURES AND THEREFORE ARE NOT REPORTED IN FUNDS			
LONG TERM RECEIVABLES	\$	65,572	
DEFERRED OUTFLOWS - PENSION RELATED AMOUNTS		<u>203,302</u>	
			268,874
CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES ARE NOT FINANCIAL RESOURCES AND THEREFORE ARE NOT REPORTED IN FUNDS.			
THE COST OF CAPITAL ASSETS IS		52,653,221	
ACCUMULATED DEPRECIATION IS		<u>(36,608,565)</u>	
			16,044,656
INVENTORIES ARE EXPENSED IN THE GOVERNMENTAL FUNDS UPON ACQUISITION BUT RECOGNIZED AS AN ASSET IN THE GOVERNMENT WIDE FINANCIAL STATEMENTS			50,350
INTERNAL SERVICE FUNDS ARE USED BY MANAGEMENT TO CHARGE THE COSTS OF CERTAIN INFORMATION SYSTEMS, OTHER EQUIPMENT AND MEDICAL BENEFIT COSTS TO INDIVIDUAL FUNDS. THE ASSETS AND LIABILITIES OF THE INTERNAL SERVICES FUNDS ARE INCLUDED IN GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION.			3,625,905
LONG-TERM LIABILITIES ARE NOT DUE AND PAYABLE IN THE CURRENT PERIOD AND THEREFORE ARE NOT REPORTED IN THE FUNDS.			
COMPENSATED ABSENCES		(559,467)	
LOAN PAYABLE DEVELOPER		(65,976)	
ACCRUED INTEREST ON THE LOAN		(1,449)	
NET PENSION LIABILITIES		(1,865,169)	
DEFERRED INFLOWS - PENSION RELATED AMOUNTS		<u>(52,506)</u>	
			<u>(2,544,567)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES		\$	<u><u>22,744,620</u></u>

CITY OF LA JUNTA, COLORADO

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2022

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES			
TAXES	\$ 6,357,869	\$ 421,822	\$ 6,779,691
LICENSES AND PERMITS	25,474	-	25,474
INTERGOVERNMENTAL	1,059,144	93,518	1,152,662
CHARGES FOR SERVICES	1,812,626	-	1,812,626
FINES	61,449	-	61,449
INTEREST	17,874	16,292	34,166
MISCELLANEOUS AND RENTALS	205,568	476,414	681,982
TOTAL REVENUES	9,540,004	1,008,046	10,548,050
EXPENDITURES			
GENERAL GOVERNMENT	1,816,780	117,879	1,934,659
PUBLIC SAFETY	3,711,607	-	3,711,607
PUBLIC WORKS	2,061,948	-	2,061,948
HEALTH AND WELFARE	398,905	-	398,905
CULTURE AND RECREATION	2,608,193	506,545	3,114,738
ECONOMIC DEVELOPMENT	-	107,042	107,042
DEBT SERVICE	-	34,730	34,730
TOTAL EXPENDITURES	10,597,433	766,196	11,363,629
REVENUES OVER (UNDER) EXPENDITURES	(1,057,429)	241,850	(815,579)
OTHER FINANCING SOURCES (USES)			
TRANSFERS IN	10,000	10,000	20,000
TRANSFERS OUT	-	(12,400)	(12,400)
TOTAL OTHER FINANCING SOURCES (USES)	10,000	(2,400)	7,600
NET CHANGE IN FUND BALANCE	(1,047,429)	239,450	(807,979)
FUND BALANCE JANUARY 1	4,252,669	1,854,712	6,107,381
FUND BALANCE DECEMBER 31	\$ 3,205,240	\$ 2,094,162	\$ 5,299,402

SEE NOTES TO FINANCIAL STATEMENTS

CITY OF LA JUNTA, COLORADO

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

YEAR ENDED DECEMBER 31, 2022

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

NET CHANGE IN FUND BALANCE	\$ (807,979)
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REVENUES IN THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES THAT DO NOT PROVIDE
CURRENT FINANCIAL RESOURCES ARE NOT REPORTED AS REVENUES IN THE FUNDS

CHANGE IN RECEIVABLE FOR FRANCHISE TAX - NOT CURRENT	(359)
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GOVERNMENTAL FUNDS REPORT CAPITAL OUTLAYS AS EXPENDITURES. HOWEVER, IN
THE STATEMENT OF ACTIVITIES THE COST OF THOSE ASSETS IS ALLOCATED OVER THEIR
ESTIMATED USEFUL LIVES AND REPORTED AS DEPRECIATION EXPENSE. THIS IS THE
AMOUNT BY WHICH CAPITAL OUTLAYS DIFFER FROM DEPRECIATION IN THE CURRENT PERIOD.

CAPITAL OUTLAY	1,299,163	
DEPRECIATION EXPENSE AND LOSS ON DISPOSITION	<u>(1,117,042)</u>	182,121

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

COMPENSATED ABSENCES	(68,805)	
PAYMENTS ON NOTE TO DEVELOPER FOR ELIGIBLE REIMBURSEMENT COSTS	31,325	
ACCRUED INTEREST EXPENSE ON LOAN	688	
PENSION RELATED AMOUNTS	<u>(107,630)</u>	(144,422)

INVENTORIES ARE EXPENSED AT ACQUISITION IN THE GOVERNMENTAL FUNDS AND REPORTED AS EXPENSES WHEN USED IN THE GOVERNMENT WIDE STATEMENTS	415
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INTERNAL SERVICE FUNDS ARE USED BY MANAGEMENT TO CHARGE THE COSTS OF
CERTAIN INFORMATION SYSTEMS, OTHER EQUIPMENT AND MEDICAL BENEFIT COSTS
TO INDIVIDUAL FUNDS.

THE NET REVENUE OF CERTAIN ACTIVITIES OF THE INTERNAL SERVICE FUNDS IS REPORTED WITH THE GOVERNMENTAL ACTIVITIES.	<u>(540,192)</u>
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CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (1,310,416)</u></u>
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CITY OF LA JUNTA, COLORADO
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 DECEMBER 31, 2022

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITY INTERNAL SERVICE FUNDS
	ELECTRIC	WATER	SEWER	SANITATION	PROPERTY MANAGEMENT	TOTAL	
CURRENT ASSETS							
CASH OR EQUIVALENTS	\$ 2,122,529	\$ -	\$ 307,629	\$ 192,414	\$ 717,806	\$ 3,340,378	\$ 1,506,496
RESTRICTED CASH	-	1,026,929	-	-	-	1,026,929	-
INVESTMENTS	1,314,911	-	73,304	1,347,491	2,017,447	4,753,153	692,561
ACCOUNTS RECEIVABLE	1,352,894	278,466	286,475	108,475	-	2,026,310	5,354
LEASE RECEIVABLES	-	-	-	-	649,971	649,971	-
INVENTORIES	1,730,366	519,887	23,096	-	-	2,273,349	30,943
PREPAIDS AND ACCRUALS	682	88,013	-	-	-	88,695	-
TOTAL CURRENT ASSETS	6,521,382	1,913,295	690,504	1,648,380	3,385,224	14,158,785	2,235,354
NONCURRENT ASSETS							
LEASE RECEIVABLES	-	-	-	-	1,896,027	1,896,027	-
PROPERTY AND EQUIPMENT							
LAND, SYSTEMS, AND EQUIPMENT	12,309,381	22,769,494	27,499,818	954,578	17,989,289	81,522,560	6,526,298
ACCUMULATED DEPRECIATION	(7,635,402)	(10,457,021)	(6,136,496)	(714,448)	(10,014,028)	(34,957,395)	(4,131,224)
NET PROPERTY AND EQUIPMENT	4,673,979	12,312,473	21,363,322	240,130	7,975,261	46,565,165	2,395,074
TOTAL ASSETS	\$ 11,195,361	\$ 14,225,768	\$ 22,053,826	\$ 1,888,510	\$ 13,256,512	\$ 62,619,977	\$ 4,630,428
CURRENT LIABILITIES							
ACCOUNTS PAYABLE	\$ 783,231	\$ 428,683	\$ 33,625	\$ 32,977	\$ 17,732	\$ 1,296,248	\$ 208,175
ACCRUED EXPENSES	-	-	88,665	-	43,000	131,665	-
CUSTOMERS DEPOSITS	181,949	-	-	-	-	181,949	-
UNEARNED REVENUE	-	638,465	-	-	184,862	823,327	-
DUE TO (FROM) OTHER FUNDS	-	647,383	-	-	-	647,383	(647,383)
LANDFILL COSTS	-	-	-	50,400	-	50,400	-
LOANS/LEASE PAYABLES	-	91,500	738,689	-	-	830,189	67,799
TOTAL CURRENT LIABILITIES	965,180	1,806,031	860,979	83,377	245,594	3,961,161	(371,409)
NONCURRENT LIABILITIES							
ACCRUED PAID TIME OFF	195,095	164,655	179,232	74,992	85,491	699,465	75,028
UNEARNED REVENUE	-	-	-	-	1,324,495	1,324,495	-
LANDFILL COSTS	-	-	-	453,600	-	453,600	-
LOANS/LEASE PAYABLES	-	594,750	13,573,180	-	-	14,167,930	826,098
TOTAL NONCURRENT LIABILITIES	195,095	759,405	13,752,412	528,592	1,409,986	16,645,490	901,126
TOTAL LIABILITIES	1,160,275	2,565,436	14,613,391	611,969	1,655,580	20,606,651	529,717
DEFERRED INFLOW OF RESOURCES							
LEASES	-	-	-	-	2,483,353	2,483,353	-
NET POSITION							
NET INVESTMENT IN CAPITAL ASSETS	4,673,979	11,626,223	7,051,453	240,130	7,975,261	31,567,046	1,501,177
RESTRICTED FOR:							
OPERATIONS & MAINTENANCE	-	668,300	426,500	-	-	1,094,800	-
UNRESTRICTED	5,361,107	(634,191)	(37,518)	1,036,411	1,142,318	6,868,127	2,599,534
TOTAL NET POSITION	10,035,086	11,660,332	7,440,435	1,276,541	9,117,579	39,529,973	4,100,711
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION	\$ 11,195,361	\$ 14,225,768	\$ 22,053,826	\$ 1,888,510	\$ 13,256,512	\$ 62,619,977	\$ 4,630,428

CITY OF LA JUNTA, COLORADO
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 YEAR ENDED DECEMBER 31, 2022

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITY INTERNAL SERVICE FUNDS
	ELECTRIC	WATER	SEWER	SANITATION	PROPERTY MANAGEMENT	TOTAL	
OPERATING REVENUES							
CHARGES FOR SERVICES	\$ 11,588,060	\$ 2,782,440	\$ 2,477,022	\$ 945,297	\$ 1,152,826	\$ 18,945,645	\$ 3,646,044
OTHER BILLINGS	-	200,236	-	50,667	-	250,903	-
TOTAL OPERATING REVENUES	11,588,060	2,982,676	2,477,022	995,964	1,152,826	19,196,548	3,646,044
OPERATING EXPENSES							
PERSONAL SERVICES, MATERIALS AND SUPPLIES	11,118,726	2,673,132	1,705,822	1,109,258	1,006,147	17,613,085	4,124,658
DEPRECIATION	453,652	597,911	600,066	46,493	480,320	2,178,442	418,371
TOTAL OPERATING EXPENSES	11,572,378	3,271,043	2,305,888	1,155,751	1,486,467	19,791,527	4,543,029
OPERATING INCOME (LOSS)	15,682	(288,367)	171,134	(159,787)	(333,641)	(594,979)	(896,985)
NONOPERATING REVENUES (EXPENSES)							
INTEREST INCOME	17,830	1,027	1,344	18,366	78,413	116,980	14,668
GRANTS AND OTHER	187,616	1,068,099	6,146	-	16,951	1,278,812	-
GAIN (LOSS) ON SALE OF ASSETS	-	-	-	-	(145,282)	(145,282)	(38,854)
INTEREST EXPENSE	-	(18,097)	(224,202)	-	-	(242,299)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	205,446	1,051,029	(216,712)	18,366	(49,918)	1,008,211	(24,186)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS, TRANSFERS AND SPECIAL ITEM	221,128	762,662	(45,578)	(141,421)	(383,559)	413,232	(921,171)
CAPITAL CONTRIBUTIONS	-	77,359	4,739	-	-	82,098	-
TRANSFERS IN (OUT)	-	-	-	-	(7,600)	(7,600)	-
SPECIAL ITEM	-	-	-	(178,000)	-	(178,000)	-
CHANGE IN NET POSITION	221,128	840,021	(40,839)	(319,421)	(391,159)	309,730	(921,171)
NET POSITION JANUARY 1	9,813,958	10,820,311	7,481,274	1,595,962	9,508,738	39,220,243	5,021,882
NET POSITION DECEMBER 31	\$ 10,035,086	\$ 11,660,332	\$ 7,440,435	\$ 1,276,541	\$ 9,117,579	\$ 39,529,973	\$ 4,100,711

CITY OF LA JUNTA, COLORADO

RECONCILIATION OF THE PROPRIETARY FUNDS NET POSITION
TO THE GOVERNMENT WIDE STATEMENT OF NET POSITION

DECEMBER 31, 2022

AMOUNTS REPORTED FOR BUSINESS-TYPE ACTIVITIES IN THE STATEMENT OF NET POSITION
ARE DIFFERENT BECAUSE:

TOTAL NET POSITION - PROPRIETARY FUNDS	\$ 39,529,973
ADJUSTMENT TO REFLECT CONSOLIDATION OF INTERNAL SERVICE FUND ACTIVITIES RELATED TO ENTERPRISE FUNDS	<u>474,806</u>
NET POSITION OF BUSINESS-TYPE ACTIVITIES	<u>\$ 40,004,779</u>

RECONCILIATION OF THE STATEMENT OF REVENUES , EXPENSES AND CHANGE
IN NET POSITION OF PROPRIETARY FUNDS TO THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2022

AMOUNTS REPORTED FOR BUSINESS-TYPE ACTIVITIES IN THE STATEMENT OF ACTIVITIES
ARE DIFFERENT BECAUSE:

CHANGE IN NET POSITION	\$ 309,730
ADJUSTMENT TO REFLECT CONSOLIDATION OF INTERNAL SERVICE FUND ACTIVITIES RELATED TO ENTERPRISE FUNDS	<u>(380,980)</u>
CHANGES IN NET POSITION OF BUSINESS-TYPE ACTIVITIES	<u>\$ (71,250)</u>

CITY OF LA JUNTA, COLORADO
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2022

	BUSINESS-TYPE		ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITY
	ELECTRIC	WATER	SEWER	SANITATION	PROPERTY MANAGEMENT	TOTAL	INTERNAL SERVICE FUND
CASH FLOWS FROM OPERATING ACTIVITIES							
CASH RECEIVED FROM CUSTOMERS	\$ 11,494,823	\$ 2,776,701	\$ 2,475,439	\$ 940,531	\$ 990,874	\$ 18,678,368	\$ 3,644,688
CASH PAYMENTS TO SUPPLIERS FOR GOODS & SERVICES	(9,742,327)	(1,792,210)	(978,420)	(582,687)	(643,429)	(13,739,073)	(3,720,499)
CASH PAYMENTS TO EMPLOYEES SERVICES	(1,218,563)	(1,028,303)	(694,617)	(514,817)	(351,149)	(3,807,449)	(345,943)
OTHER OPERATING REVENUES	-	159,293	-	50,667	-	209,960	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	533,933	115,481	802,402	(106,306)	(3,704)	1,341,806	(421,754)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
RENTS RECEIVED AND OTHER	155,608	19,852	6,146	-	16,951	198,557	-
DUE TO (FROM) OTHER FUNDS	-	647,383	-	-	-	647,383	(647,383)
TRANSFER IN (OUT)	-	-	-	-	(7,600)	(7,600)	-
GRANT PROCEEDS	-	1,686,712	-	-	-	1,686,712	-
CUSTOMER DEPOSITS	(16,463)	-	-	-	-	(16,463)	-
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	139,145	2,353,947	6,146	-	9,351	2,508,589	(647,383)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
ACQUISITION OF CAPITAL ASSETS	(35,528)	(805,970)	(84,743)	(32,166)	(166,262)	(1,124,669)	(1,075,302)
CASH PROCEEDS FROM INSURANCE , SALE OF ASSETS AND OTHER	-	-	-	-	675,936	675,936	140,000
CAPITAL CONTRIBUTED	-	77,359	4,739	-	-	82,098	-
LEASE PROCEEDS	-	-	-	-	-	-	893,897
PRINCIPAL PAID ON LOANS PAYABLE	-	(751,428)	(727,821)	-	-	(1,479,249)	-
INTEREST PAID ON LOANS PAYABLE AND OTHER	-	(18,097)	(230,254)	-	-	(248,351)	-
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(35,528)	(1,498,136)	(1,038,079)	(32,166)	509,674	(2,094,235)	(41,405)
CASH FLOWS FROM INVESTING ACTIVITIES							
INTEREST ON INVESTMENTS AND LOANS	3,333	1,027	1,522	6,997	75,647	88,526	8,491
PURCHASE OF INVESTMENTS	(500,000)	-	(222,281)	(2,179,370)	(1,194,346)	(4,095,997)	(1,636,725)
CASH PROCEEDS FROM SALE OF INVESTMENTS	-	-	223,937	2,193,583	579,801	2,997,321	1,801,063
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(496,667)	1,027	3,178	21,210	(538,898)	(1,010,150)	172,829
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	140,883	972,319	(226,353)	(117,262)	(23,577)	746,010	(937,713)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	1,981,646	54,610	533,982	309,676	741,383	3,621,297	2,444,209
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	<u>\$ 2,122,529</u>	<u>\$ 1,026,929</u>	<u>\$ 307,629</u>	<u>\$ 192,414</u>	<u>\$ 717,806</u>	<u>\$ 4,367,307</u>	<u>\$ 1,506,496</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
OPERATING INCOME (LOSS)	\$ 15,682	\$ (288,367)	\$ 171,134	\$ (159,787)	\$ (333,641)	\$ (594,979)	\$ (896,985)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:							
DEPRECIATION AND OTHER	453,652	556,968	600,066	46,493	480,320	2,137,499	418,371
CHANGE IN ASSETS AND LIABILITIES							
(INCREASE) DECREASE IN ASSET ACCOUNTS	(86,831)	(123,295)	(3,884)	(4,766)	603,567	384,791	1,948
INCREASE (DECREASE) IN LIABILITY ACCOUNTS	151,430	(29,825)	35,086	11,754	(162,577)	5,868	54,912
INCREASE (DECREASE) IN DEFERRED INFLOW OF RESOURCES	-	-	-	-	(591,373)	(591,373)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 533,933</u>	<u>\$ 115,481</u>	<u>\$ 802,402</u>	<u>\$ (106,306)</u>	<u>\$ (3,704)</u>	<u>\$ 1,341,806</u>	<u>\$ (421,754)</u>
SUPPLEMENTAL SCHEDULE OF NONCASH ACTIVITIES							
EQUIPMENT ACQUISITION COSTS IN ACCOUNTS PAYABLE	<u>\$ -</u>	<u>\$ 388,464</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 388,464</u>	<u>\$ -</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of La Junta (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America as applicable to governmental entities.

THE FINANCIAL REPORTING ENTITY

The City of La Junta is a Home Rule City governed by an elected seven-member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of La Junta (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

Blended component units included within the reporting entity:

La Junta Urban Renewal Authority ("URA")

The La Junta Urban Renewal Authority Board is appointed by Council. Although it is legally separate from the City, the URA is reported as if it were part of the primary government because its main purpose is to apply for and administer State and Federal grants, which are in the name of the City. Separately issued financial statements may be obtained from the Finance Director at the City of La Junta.

La Junta Capital Inc.

La Junta Capital, Inc. is a nonprofit organization with a Council appointed board created to provide loan funds for businesses in exchange for a commitment to hire low- and moderate-income employees and for the creation of new primary jobs. It is reported as if it were part of the primary government because its main purpose is for the benefit of the City and all assets revert back to the City upon termination of the agreement between the City and La Junta Capital, Inc. Separately issued financial statements may be obtained from the Finance Director at the City of La Junta.

Joint Venture:

Otero County Landfill Inc. ("OCLI")

The City of La Junta is a participant along with six other entities within the County in a joint venture known as the Otero County Landfill Inc. As a participant, the City is responsible for a portion of closure and post closure costs of the landfill. As of December 31, 2022, the City's share of the cost is estimated at \$504,000 or approximately 19% of the total. A complete financial report may be obtained from the administrative offices of Otero County.

Related organizations:

La Junta Housing Authority

The La Junta Housing Authority is governed by a five-member board appointed by the La Junta City Council. The Authority provides housing to certain qualified residents and is principally funded through Federal grants and rental charges. Because these appointments are administrative in nature and control over the organization is at the Federal Government level, the Authority is treated as a related organization of the City rather than a component unit.

Jointly Governed Organizations:

Arkansas River Power Authority ("ARPA")

ARPA was created by an intergovernmental agreement between the cities of La Junta, Lamar, Las Animas, Trinidad, Springfield and Holly to supply their wholesale electric power and energy requirements. Each of the participating municipalities has a residual interest in ARPA's assets upon dissolution that is proportional to total revenue received from each since ARPA was organized.

Based on electric revenues billed from inception to December 31, 2022, the City of La Junta has a residual equity interest in ARPA of approximately 30%. The governing Board of ARPA consists of two members from each municipality. Because it is felt that the City cannot significantly influence the operations of ARPA it is considered a jointly governed organization and not part of the City's reporting entity.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

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

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant awards are recorded as revenue when earned. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The City reports the following major governmental funds:

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

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major proprietary funds:

Electric Utility Fund - Accounts for the operations of the City's electric utility. Activities of the fund include administration, operation and maintenance, and distribution of the electric utility system. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary.

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

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

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

Property Management Fund - Accounts for rental activities related to City property, most of which is located within the Industrial Park. Activities of the fund include administration and the operation and maintenance of commercial rental units.

Additionally, the government reports the following fund types:

Internal Service Funds - Accounts for the financing of goods or services provided by one department or agency of the City to other departments or agencies of the City, generally on a cost reimbursement basis. The internal service funds of the City provide data processing and fleet management services as well as medical benefits to the other City departments and agencies.

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 City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for the 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.

ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

Cash, Cash Equivalents and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and highly liquid investments held in banks.

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 be at least equal to 102% of the uninsured deposits.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City may invest in, bonds or other interest-bearing obligations issued by or unconditionally guaranteed by the United States, bonds that are the direct obligation of the State of Colorado, or any county, city or school district in the State. The City may also invest in repurchase agreements of any marketable security otherwise authorized by law, where the market value of such security is at all times at least equal to the moneys involved and there is assignment of such security pursuant to current depository regulations.

In accordance with generally accepted accounting principles, the City, as well as its component units, record investments at fair value with any unrealized gain or loss recognized in interest revenue.

For purposes of the statement of cash flows, the City considers cash, cash equivalents, and cash with trustee to be cash on hand, demand deposits and, if any held, all highly liquid investments with original maturities of three months or less when acquired.

Restricted Cash

Governmental Funds – The cash represents tax revenue received from the State of Colorado that is restricted for airport improvements.

Proprietary Funds – The cash represents money received for a specific project.

Receivables/Payables

Outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectibles if required.

The City recognizes as receivable amounts due from utility customers as of year-end but not billed due to cycle billings. Recognition is based upon a direct ratio of days in the current period to the total days in each individual billing cycle.

Property Tax Receivable

Property taxes are not due and payable until after the assessment year has ended, and are not included in the budgets or statements of revenues, expenditures and fund balance of the assessment year. Property taxes levied are recorded in the governmental funds as taxes receivable and deferred revenues as of December 31, 2022 since the amounts are measurable but not available until 2023. Property tax abatements are recorded as an offset to property tax revenues when they are paid. An allowance for uncollectible property taxes is not provided as the uncollectible amounts were determined to be negligible based on an analysis of historical trends. Property taxes are levied before December 22nd each year and attach as an enforceable lien on the property as of January 1 of the following year. Taxes are payable in full on April 30th or in two installments due on February 28th and June 15th.

Inventories

Inventories are valued at average cost. Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

Water Inventory

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

Capital Assets

Capital assets, which include property, plant, equipment, and current infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure assets have been capitalized on a prospective basis, from 2003. The City defines capital assets as assets with an estimated useful life in excess of two years and an initial, individual cost of more than \$5,000. Such assets are recorded at estimated historical cost or historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The City has included its infrastructure in capital assets.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Building, improvements, utility systems, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Assets	
Building and improvements	10-40
Utility systems	20-50
Public domain infrastructure	40-50
Equipment	3-10

Leased Assets – Lease Receivables

Leased assets are recorded at the amount of the initial measurement of the lease liabilities and modified by any lease payments made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service.

All leases were administered and compiled by the City Clerk. Leases entered into by the City had an agreement that conveyed the right to use the asset, whether it be a building, land, vehicle, or equipment. The lease agreements were analyzed to determine the recognition of GASB statement No. 87 “Leases”. Leases that met the guidelines of the lease standard were at least over a 12-month period and were over the City’s defined threshold of \$5,000. If there is no stated rate in the lease contract (or if the stated rate is not the rate the City charges the lessee) and the implicit rate cannot be determined, the City uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables.

The lease receivables balance was \$2,538,846 for the year ended December 31, 2022. See Note 3 – Lease Receivables for further details. The deferred inflow of resources balance as of December 31, 2022 was \$2,483,353. See Note 4 – Property Taxes Receivable and Deferred Revenues / Unearned revenues along with Note 17 – New Accounting Pronouncements for further details.

Deferred Outflows of Resources

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

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

Difference Between Expected and Actual Experience	\$ -
Changes of Assumptions or Other Inputs	-
Net Difference Between Projected and Actual Investment	
Earnings on Pension Plan Investments	63,300
Contributions Made Subsequent to the Measurement Date	<u>140,002</u>
Total Pension Related Deferred Outflows	<u>\$ 203,302</u>

More information on pension related items is included in Note 9.

Deferred Inflows of Resources

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

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows of Resources (Continued)

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

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

Difference Between Expected and Actual Experience	\$ -
Changes of Assumptions or Other Inputs	-
Net Difference Between Projected and Actual Investment	
Earnings on Pension Plan Investments	<u>52,506</u>
Total Pension Related Deferred Inflows	<u>\$ 52,506</u>

More information on pension related items is included in Note 9.

Deferred Revenue – Leases – Lease-related amounts are recognized at the inception of leases in which the City is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

Unearned Revenues

In proprietary funds, unearned revenues represent lease payments received, but not yet earned as the related services have not yet been provided.

Compensated Absences

It is the City's policy to permit full-time employees to accumulate earned but unused paid time off benefits. Paid time off leave shall be allowed to accrue to a ceiling not to exceed 1,200 hours. All paid time off pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

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

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

Net pension liabilities, associated with the Old Hire Fire and Old Hire Police Pension Funds administered by FPPA, represent the City's total pension liabilities less the fiduciary net position. Amounts have been determined using the economic resources measurement focus and the accrual basis of accounting.

Fund Balance/Net Position

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

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

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance/Net Position (Continued)

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

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

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

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

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

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

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

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

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

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

Interfund Transactions

Interfund transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Estimates

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

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

Prior to September 12, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted to obtain taxpayer comments. Prior to November 1, the budget is legally enacted through passage of an ordinance.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revisions that alter the total expenditures of any fund generally must be approved by City Council. Budgeted amounts in the accompanying financial statements include revisions to the original appropriation ordinance.

Appropriations lapse at year end and any open purchase items must be reappropriated in the following year.

Expenditures may not legally exceed appropriations at the fund level. For the year ended December 31, 2022, the Conservation Trust Fund, Economic Development Fund, Moving Violation Surcharge, Water Utility Fund, City Services Fund, and the Employee Benefit Claim Fund were in violation.

A legal operating budget is not required for certain special revenue funds. Spending in funds which are not subject to legal annual operating budget requirements are controlled by federal regulations, other statutes or by the use of internal spending limits established by the governing body. The special revenue fund controlled by spending limits established by the governing body includes the Southwest Amtrak Improvement Fund.

NOTE -2 DEPOSITS AND INVESTMENTS

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, \$7,871,939 of the City's bank balance of \$8,621,939 was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institution through PDPA.

INVESTMENTS:

In accordance with generally accepted accounting principles, the City records certain investments at fair value with any unrealized gain or loss being included as part of investment earnings. As of December 31, 2022, the City held the following investments:

U.S. Treasuries	\$ 8,540,058
ColoTrust	<u>373,801</u>
Total Investments	<u>\$ 8,913,859</u>

Investments - U.S. Treasuries - The City categorizes its fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in the active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At December 31, 2022, the City had the following investments and maturities:

Investment Type	Level 1	Level 2	Level 3	Total	Investment Maturities (in years)	
					Less Than One Year	1-5 Years
U.S. Treasuries	\$ -	\$ 8,540,058	\$ -	\$ 8,540,058	\$ 8,540,058	\$ -

ColoTrust - During the year, the City invested in ColoTrust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The state Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as the safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. As of December 31, 2022, the City had invested \$373,801 in COLOTRUST PRIME, an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -2 DEPOSITS AND INVESTMENTS (Continued)

At year-end, the City had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>		
		<u>Less than 1</u>	<u>1 - 5</u>	<u>6-10</u>
State investment pool	\$ 373,801	\$ 373,801	\$ -	\$ -

The City's investments in ColoTrust and money market funds are measured at net asset value. These investments are not subject to the fair value hierarchy. ColoTrust issues a publicly available annual financial report that includes the assets of the City of La Junta. That report may be obtained at the ColoTrust website www.colotrust.com.

Interest Rate Risk - The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value loss resulting from increasing interest rates. The Colorado revised statute 24-75-601 limits investment maturities to five years or less without governing board approval. This law, among other things, outlines the types of securities that public entities in Colorado may acquire and hold as investments. These include U.S. government and agency securities, certain bonds of political subdivisions, bankers' acceptances, commercial paper, local government investment pools, repurchase agreements, money market funds, guaranteed insurance contracts and U.S. dollar-denominated corporate or bank debt.

Credit Risk - State law limits investments for local governments to U.S. treasury issues, other federally backed notes and credits, and other agency offerings (not based on derivatives) without limitation. Other investment instruments including bank obligations, general obligation bonds, and commercial paper are limited to at least one of the highest rating categories of at least one nationally recognized rating agency. State law further limits investments in money market funds that are organized according to the Federal Investment Company Act of 1940, as specified in rule 2a-7, as amended, as long as such rule does not increase remaining maturities beyond a maximum of three years. Investments in these funds require that the institution have assets in excess of \$1 billion or the highest credit rating from one or more of a nationally recognized rating agency.

NOTE -3 LEASE RECEIVABLES

The City, as a lessor, has entered into long-term lease agreements for retail space, facilities, rental homes and cell sites, which expire at various dates through 2030. During the year ended December 31, 2022, the City recognized \$587,261 and \$54,862 in lease revenue and interest revenue, respectively, pursuant to these contracts. The future minimum lease receipts to be received from the aforementioned leases is as follows:

<u>YEAR ENDING</u>	<u>PRINCIPAL / RECEIVABLE</u>	<u>INTEREST</u>
2023	\$ 649,971	\$ 43,213
2024	668,756	56,286
2025	310,404	37,382
2026	219,520	28,733
2027	188,574	21,541
2028 – 2030	508,773	25,784
TOTAL	\$ 2,545,998	\$ 212,939

NOTE -4 PROPERTY TAXES RECEIVABLE AND DEFERRED REVENUES / UNEARNED REVENUES

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned.

Proprietary funds report unearned revenue in connection with payments received, but not yet earned as the related service has not yet been provided.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -4 PROPERTY TAXES RECEIVABLE AND DEFERRED REVENUES / UNEARNED REVENUES (Continued)

At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the funds were as follows:

	<u>DEFERRED</u>	<u>UNEARNED</u>
<u>Governmental Funds:</u>		
General Fund	\$ 106,200	\$ 5,464
Conservation Trust Fund	-	270,000
Economic Development Fund	-	12,786
Conservation Trust Fund	-	7,500
	<u>\$ 106,200</u>	<u>\$ 295,750</u>
<u>Proprietary Funds:</u>		
Water Utility Fund	\$ -	\$ 638,465
Property Management Fund	<u>2,483,353</u>	<u>1,509,357</u>
	<u>\$ 2,483,353</u>	<u>\$ 2,147,822</u>

NOTE -5 CAPITAL ASSETS

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

	<u>BEGINNING BALANCE</u>	<u>TRANSFERS/ INCREASES</u>	<u>TRANSFERS/ DECREASES</u>	<u>ENDING BALANCE</u>
<u>Governmental Activities:</u>				
Capital assets, not being depreciated				
Land	\$ 1,135,355	\$ -	\$ -	\$ 1,135,355
Construction in progress	<u>243,252</u>	<u>995,700</u>	<u>(109,502)</u>	<u>1,129,450</u>
	<u>1,378,607</u>	<u>995,700</u>	<u>(109,502)</u>	<u>2,264,805</u>
Capital assets being depreciated				
Buildings	7,895,579	47,447	-	7,943,026
Improvements	8,355,315	128,252	(64,882)	8,418,685
Infrastructure	32,699,401	-	-	32,699,401
Equipment	<u>7,008,747</u>	<u>1,312,565</u>	<u>(467,712)</u>	<u>7,853,600</u>
	<u>55,959,042</u>	<u>1,488,264</u>	<u>(532,594)</u>	<u>56,914,712</u>
Less accumulated depreciation for				
Buildings	(5,266,291)	(198,273)	-	(5,464,564)
Improvements	(3,993,908)	(342,608)	64,882	(4,271,634)
Infrastructure	(25,452,543)	(415,586)	-	(25,868,129)
Equipment	<u>(4,845,376)</u>	<u>(531,221)</u>	<u>241,135</u>	<u>(5,135,462)</u>
	<u>(39,558,118)</u>	<u>(1,487,688)</u>	<u>306,017</u>	<u>(40,739,789)</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS - NET	<u>\$ 17,779,531</u>	<u>\$ 996,276</u>	<u>\$ (336,079)</u>	<u>\$ 18,439,728</u>
<u>Business-Type Activities:</u>				
Capital assets, not being depreciated				
Land	\$ 1,008,222	\$ -	\$ -	\$ 1,008,222
Water rights	2,112,634	-	-	2,112,634
Construction in progress	<u>116,832</u>	<u>1,079,769</u>	<u>(41,962)</u>	<u>1,154,639</u>
	<u>3,237,688</u>	<u>1,079,769</u>	<u>(41,962)</u>	<u>4,275,495</u>
Capital assets being depreciated				
Buildings	34,863,013	186,264	(944,279)	34,104,998
Systems	38,296,587	152,746	(32,472)	38,416,861
Equipment	<u>4,689,673</u>	<u>39,743</u>	<u>(4,210)</u>	<u>4,725,206</u>
	<u>77,849,273</u>	<u>378,753</u>	<u>(980,961)</u>	<u>77,247,065</u>

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -5 CAPITAL ASSETS (Continued)

	<u>BEGINNING BALANCE</u>	<u>TRANSFERS/ INCREASES</u>	<u>TRANSFERS/ DECREASES</u>	<u>ENDING BALANCE</u>
<u>Business-Type Activities (Continued):</u>				
Less accumulated depreciation for				
Buildings	(16,644,332)	(945,000)	123,059	(17,466,273)
Systems	(12,676,984)	(953,913)	32,471	(13,598,426)
Equipment	<u>(3,617,378)</u>	<u>(279,529)</u>	<u>4,211</u>	<u>(3,892,696)</u>
	<u>(32,938,694)</u>	<u>(2,178,442)</u>	<u>159,741</u>	<u>(34,957,395)</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS - NET	<u>\$ 48,148,267</u>	<u>\$ (719,920)</u>	<u>\$ (863,182)</u>	<u>\$ 46,565,165</u>

Depreciation expense was charged to functions as follows:

Governmental Activities:

General government	\$ 83,498
Public safety	92,092
Public works	599,349
Public health and welfare	3,851
Culture and recreation	290,527
Capital assets held by the government's internal service funds are charged to various functions based on their usage of the assets	<u>418,371</u>
Total depreciation expense – governmental activities	<u>\$ 1,487,688</u>

Business-Type Activities:

Electric	\$ 453,652
Water	597,911
Sewer	600,066
Sanitation	46,493
Property Management	<u>480,320</u>
Total depreciation expense – business-type activities	<u>\$ 2,178,442</u>

NOTE -6 NOTES AND LOANS RECEIVABLE

Governmental Activities

As part of a grant, La Junta Urban Renewal has taken non-interest bearing, unsecured note receivables from downtown businesses, for store front improvements, due in monthly installments over 36 months.

NOTES/LOAN
RECEIVABLE

\$ 3,938

NOTE -7 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Receivables and Payables:

During the course of operations, numerous transactions occur between the City's funds for the reimbursement of expenditures. Related interfund receivables and payables are classified as "due from other funds" and "due to other funds" on the balance sheet and statement of net position and will be settled within one year. The composition of due to / from other funds as of December 31, 2022 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
City Services Fund	Water Utility Fund	<u>\$ 647,383</u>

Interfund Transfers:

Transfers are for the use of unrestricted revenues collected in the property management fund to finance various programs accounted for in other funds in accordance with council authorizations.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -8 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

The composition of interfund transfers as of December 31, 2022 is as follows:

<u>Transfer To</u>	<u>Transfer From</u>	<u>Amount Transferred</u>
Property Management	Urban Renewal Authority	\$ 12,400
General Fund	Property Management	\$ 10,000
Economic Development	Property Management	\$ 10,000

NOTE -8 LONG -TERM DEBT

GOVERNMENTAL ACTIVITIES

The City issued a redevelopment and reimbursement agreement to a developer for building a hotel within the City. The agreement states that the City will reimburse the developer for eligible costs incurred by the developer in the amount of \$400,000. The loan is payable in yearly installments of \$34,730, including interest at 3.5% per annum, maturing May 16, 2024. As of December 31, 2022, \$65,976 is outstanding and \$32,421 is due within one year. For the year ended December 31, 2022, interest incurred and expensed was \$2,718.

The Internal Services Fund entered into a Master Equipment Lease Purchase Agreement with Community First National Bank in the amount of \$893,897 with a variable interest rate. The lease proceeds were used to finance the purchase of a 70' Sutphen Platform Truck. The lease is payable in annual installments of \$104,590 that includes principal and interest beginning February 1, 2023 and maturing February 1, 2032. The lease is collateralized by the equipment. As of December 31, 2022, \$893,897 is outstanding and \$67,799 is due within one year.

BUSINESS-TYPE ACTIVITIES

The Water Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of \$9,812,211 with an interest rate of 4.0%. The loan proceeds were used to finance construction of a water treatment facility. The loan is payable in varying semi-annual installments of principal and interest beginning August 1, 2002 and maturing August 1, 2022. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Water Utility Fund revenues. As of December 31, 2022, the loan was paid in full.

The Water Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of \$1,830,000, with a 0% interest rate. The loan proceeds were used to finance construction of water tanks. The loan is payable in semi-annual installments of \$47,500, beginning November 1, 2010 and maturing May 1, 2030. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Water Utility Fund revenues. As of December 31, 2022, \$686,250 is outstanding and \$91,500 is due within one year.

The Sewer Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of \$13,348,899. The loan proceeds are being used to finance construction of a waste water treatment facility. The loan is payable in varying semi-annual installments including interest at 2.17% per annum beginning August 1, 2015 and maturing August 1, 2037. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Sewer Utility Fund revenues. As of December 31, 2022, \$9,630,636 is outstanding and \$566,506 is due within one year.

The Sewer Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of \$3,000,000, with a 0% interest rate. The loan proceeds are being used to finance construction of a waste water treatment facility. The loan is payable in semi-annual installments of \$50,000, beginning May 1, 2019 and maturing November 1, 2048. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Sewer Utility Fund revenues. As of December 31, 2022, \$2,600,000 is outstanding and \$100,000 is due within one year.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -8 LONG –TERM DEBT (Continued)

The Sewer Utility Fund entered into a loan agreement and a Governmental Agency Bond Agreement with Colorado Water Resources and Power Development Authority in the amount of \$3,000,000. The loan proceeds are being used to finance construction of a waste water treatment facility. The loan is payable in semi-annual installments of \$54,612, including interest at 4.5% per annum beginning May 1, 2020 and maturing November 1, 2049. The loan is collateralized by a first lien (but not necessarily an exclusive lien) on the Sewer Utility Fund revenues. As of December 31, 2022, \$2,081,233 is outstanding and \$72,183 is due within one year.

In connection with the above loan payables, the City is subject to various covenants with the Colorado Water Resources and Power Development Authority. The City is also required to maintain an operating and maintenance reserve fund in an amount equal to three months of operation and maintenance expenses, excluding depreciation. Said reserve may be in the form of unobligated fund balances or other unobligated cash or securities. As of December 31, 2022, the City reported a restricted fund balance for operations and maintenance of \$668,300 and \$426,500 in the Water Utility Fund and Sewer Utility Fund, respectively. As of December 31, 2022, the City was in compliance with all loan covenants except the rate covenant in the Water Utility Fund and the Sewer Utility Fund.

Annual debt service requirements to maturity are as follows:

YEAR ENDING	BUSINESS-TYPE ACTIVITIES		GOVERNMENTAL ACTIVITIES	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2023	\$ 830,189	\$ 218,950	\$ 100,220	\$ 39,100
2024	845,568	207,588	115,891	23,430
2025	857,168	196,475	84,553	20,037
2026	863,173	185,610	86,831	17,759
2027	874,419	177,443	89,171	15,420
2028 - 2032	4,239,033	791,619	483,207	39,745
2033 - 2037	4,428,857	373,561	-	-
2038 - 2042	892,902	19,593	-	-
2043 - 2047	902,836	9,659	-	-
2048 - 2049	263,972	1,026	-	-
TOTAL	<u>\$ 14,998,117</u>	<u>\$ 2,181,524</u>	<u>\$ 959,873</u>	<u>\$ 155,491</u>

The following is a summary of activity for long-term liabilities for the year ended December 31, 2022:

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE	DUE WITHIN ONE YEAR
<u>Governmental activities:</u>					
Reimbursement amt	\$ 97,301	\$ -	\$ (31,325)	\$ 65,976	\$ 32,421
Lease purchase	-	893,897	-	893,897	67,799
Compensated absences	570,751	63,744	-	634,495	-
Net pension liabilities	<u>1,696,179</u>	<u>168,990</u>	<u>-</u>	<u>1,865,169</u>	<u>-</u>
Governmental activity Long-term liabilities	<u>\$ 2,364,231</u>	<u>\$ 1,126,631</u>	<u>\$ (31,325)</u>	<u>\$ 3,459,537</u>	<u>\$ 100,220</u>
<u>Business-type activities:</u>					
Loans payable	\$16,518,312	\$ -	\$(1,520,193)	\$14,998,119	\$ 830,189
Estimated closure and post-closure costs	326,000	178,000	-	504,000	50,400
Compensated absences	<u>653,510</u>	<u>45,955</u>	<u>-</u>	<u>699,465</u>	<u>-</u>
Business-type activities Long-term liabilities	<u>\$17,497,822</u>	<u>\$ 223,955</u>	<u>\$(1,520,193)</u>	<u>\$16,201,584</u>	<u>\$ 880,589</u>

For the governmental activities, compensated absences are liquidated by the General Fund.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -8 LONG –TERM DEBT (Continued)

ESTIMATED CLOSURE AND POSTCLOSURE CARE COSTS

In 1995 the City entered into an intergovernmental agreement with Otero County and other municipalities within the County to form the Otero County Landfill, Inc. (“OCLI”) to operate the landfill within the County. The agreement transfers the liability for closure and postclosure costs to the new organization. The City and all participating entities are responsible for a portion of the costs based on an average of the population and assessed valuation of each entity to the total of all entities.

Based on the current allocation the City’s share is approximately 19% of the estimated \$2,621,000 in closure and postclosure costs amounting to \$504,000. These amounts are based on estimates of what it would cost to perform all closure and post closure care in 2022. Actual costs may be higher due to inflation or deflation, changes in technology, or changes in applicable laws or regulations.

The estimated closure and post closure costs increased from 2021 to 2022, therefore, increasing the City’s allocation by \$178,000 from the prior year which is reported as a special item on the statement of activities and statement of revenues, expenses and changes in net position in the Sanitation Utility Fund.

The City is required by state and federal laws and regulations to provide assurance that it can meet the cost of closure and postclosure care. The City has provided assurance by meeting the test requirements of the Colorado Department of Public Health and Environment. The City expects that future inflation costs may need to be covered by charges to future landfill users or other future revenues.

	<u>OTERO #2</u>				
	<u>MANZANOLA</u>	<u>OTERO #1</u>	<u>MODULE #1</u>	<u>MODULE #2</u>	<u>MODULE #3</u>
Percent of capacity	100%	100%	86%	85%	36%
Estimated closure date	Closed	Closed	2024	2024	2027

CONDUIT DEBT

The City authorized the issuance of the “City of La Junta, Colorado, Industrial Development Revenue Bonds (Colorado Mennonite Retirement Center Project) Series 1997” in the amount of \$1,550,000. In 2007 the City authorized the issuance of the “City of La Junta, Colorado, Industrial Development Revenue Bonds (Colorado Mennonite Retirement Center Project) Series 2007” in the amount of \$1,225,000 to finance a project for Colorado Mennonite Retirement Center and refund bonds issued in 1997. The full balance outstanding was paid in full in 2022. The debt does not constitute indebtedness of the City and does not constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers.

The City authorized the issuance of a bond in the principal amount of \$2,900,000 designated as the “City of La Junta, Colorado Revenue Bond (Inspiration Field Project) Series 2011”. The aggregate amount of installments of principal amount of the “City of La Junta, Colorado Revenue Bond (Inspiration Field Project) Series 2011” purchased shall not exceed \$2,900,000. The full balance outstanding was paid in full in 2022. The debt does not constitute indebtedness of the City and does not constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers.

NOTE -9 CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

NOTE -10 PENSION PLANS

City employees may be covered under one or two of five different pension plans, depending on occupation and date of hire. The different plans are the Old Hire Fire Defined Benefit Plan, Old Hire Police Defined Benefit Plan, Fire Defined Contribution Plan, Police Defined Contribution Plan and the City Retirement Defined Contribution Plan. A description of each plan and selected financial information follows:

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

OLD HIRE FIRE PENSION FUND – DEFINED BENEFIT PLAN

Summary of Significant Accounting Policies

Pensions – The City of La Junta participates in the Old Hire Fire Pension Fund, an agent multiple-employer defined benefit pension fund administered by the Colorado Fire and Police Pension Association (“FPPA”).

The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to / deductions from the fiduciary net position of the Old Hire Fire Pension Fund has been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Investments - Investments are reported at fair value.

Plan Information

Plan Description - The City, on behalf of certain full-time paid Firefighters, contributes to the Old Hire Fire Pension Fund. FPPA administers the agent multiple-employer Public Employee Retirement System (“PERS”). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at FPPAco.org. The plan provides retirement benefits for members and beneficiaries according to the plan provisions as enacted and governed by the City Council of the City of La Junta.

Plan Membership (Eligibility) – Plan membership consists of active employees hired prior to April 8, 1978, electing to remain covered under the provisions of the City’s current plan.

The following is a summary of the participants:

	<u>Old Hire Fire</u>
Retirees and Beneficiaries	4
Inactive, Nonretired Members	0
Active Members	<u>0</u>
Total	<u><u>4</u></u>

Benefits Provided - The plan provides retirement benefits for members and beneficiaries according to the plan provisions and is as follows:

The Old Hire Fire Pension Fund provides retirement benefits to Firefighters who have attained both 50 years of age and completed 20 years of service. Any Firefighter who elects to retire on or after his Normal Retirement Date shall be eligible for a monthly pension equal to one-half of his monthly salary received at his retirement date, plus an additional 4% of his monthly salary for each complete year served past the age of 50 to age 55 for a maximum monthly pension of 70% of the Firefighter’s monthly salary at retirement. As of January 1, 2000, any Firefighter who elects to retire on or after his Normal Retirement Date shall be eligible for a monthly pension increased by an additional 10% of his monthly salary.

Upon death, the surviving spouse receive, until death or remarriage, a monthly pension equal to one-half of the monthly pension the Firefighter was entitled to receive prior to death. In addition, the plan calls for a 3% cost of living adjustment effective each January 1.

Title 31, Article 30 of the Colorado Revised Statutes (“CRS”), as amended, establishes basic benefit provisions under the plan. FPPA issues a publicly available annual financial report that includes the assets of the City of La Junta Old Hire Fire Pension Fund. That report may be obtained by writing to: FPPA of Colorado, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111 or by calling FPPA at (303) 770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Plan members and the City of La Junta are required to contribute at a rate set by state statute. Employer contribution rates can only be amended by state statute.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Member contribution rates can be amended by state statute or by election of the membership. The contributions are based on an actuarially determined amount recommended by an independent actuary.

The contribution rate for members and the City for the Old Hire Fire Pension Fund is 0% of covered salaries. Contribution was determined as part of the January 1, 2020 actuarial valuation. Total contribution for the year ended December 31, 2022 was \$74,822. The contribution of the City of La Junta Fire Department was equal to the required contribution for the year.

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status - Given the plan's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 4.50% on the actuarial value of assets), then the funded status of the plan is expected to approach 100% over time.

This funding policy results in the expectation that the plan's assets will be able to fully pay for promised benefits through at least 2121. The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Actuarial Assumptions – Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2020, determines the contribution amounts for 2021 and 2022.

Methods and Assumptions Used to Determine Contribution Rates for the Fiscal Year Ending December 31, 2021:

Actuarial Cost Method – Entry Age Normal
Amortization Method – N/A
Remaining Amortization Period – N/A
Asset Valuation Method – 5-Year smoothed fair value
Inflation – 2.50%
Salary Increases – N/A
Investment Rate of Return – 4.50%
Retirement Age – Any remaining actives are assumed to retire immediately
Mortality Rates – Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.
Disabled (pre-1980): Post-retirement rates set forward three years.

Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Cash	10.0%	0.1%
Fixed Income – Rates	70.0%	2.3%
Fixed Income – Credit	10.0%	3.5%
Absolute Return	0.0%	5.6%
Long Short	0.0%	6.9%
Global Public Equity	10.0%	7.8%
Private Capital	0.0%	10.5%
Total	100.0%	

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Single Discount Rate

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 4.50%; the municipal bond rate is 1.84% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 4.50%.

Projected cash flows used in determining the Single Discount Rate are available upon request.

Net Pension Liability

The net pension liability was measured at December 31, 2021, the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated January 1, 2020, and the City's fiscal year ending date, or reporting date, is December 31, 2022.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) – (b)
Balances at December 31, 2021	\$ 1,841,400	\$ 788,758	\$ 1,052,642
Change for the year:			
Interest	79,973	-	79,973
Difference between Expected & Actual Experience of the Total Pension Liability	65,392	-	65,392
Changes of Assumptions	-	-	-
Contributions – Employer	-	74,822	(74,822)
Contributions – Member	-	-	-
Net Investment Income	-	3,572	(3,572)
Benefit payments	(129,864)	(129,864)	-
Administrative Expense	-	(1,679)	1,679
Net Changes	15,501	(53,149)	68,650
Balances at December 31, 2022	1,856,901	735,609	1,121,292

Timing of the Valuation - An actuarial valuation to determine the total pension liability is required to be performed at least every two years. For the employer's financial reporting purposes, the net pension liability/(asset) and pension expense/(income) should be measured as of the employer's "measurement date" which may not be earlier than the employer's prior fiscal year-end date. If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total pension liability shown in this report is based on an actuarial valuation performed as of January 1, 2022 and a measurement date of December 31, 2021. This measurement date is within one year of the plan sponsor's fiscal year end of December 31, 2022 and may be used for December 31, 2022 reporting purposes.

Expense and deferred outflow calculations are shown starting with the year ending December 31, 2021, but can be used for the plan sponsor's December 31, 2022 financial reporting. Each reported amount will have a one-year lag so that year end December 31, 2021 can be used for December 31, 2022 plan sponsor reporting.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Paragraph 34 of GASB Statement No. 68 indicates that contributions to the pension plan subsequent to the measurement date of the Net Pension Liability/(Asset) and prior to the end of the employer's reporting period should be reported by the employer as a deferred outflow of resources related to pensions. The information contained in this report does not incorporate any contributions made to the La Junta Old Hire Fire Pension Fund subsequent to December 31, 2021.

Sensitivity of the Net Pension Liability / (Asset) to the Single Discount Rate Assumption – Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 4.50%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease (3.50%)	Current Single Discount Rate Assumption (4.50%)	1% Increase (5.50%)
Net Pension Liability	\$ 1,311,352	\$ 1,121,292	\$ 958,900

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – For the year ended December 31, 2022; the City recognized pension expense of \$33,472. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Assumption Changes	-	-
Net difference between projected and actual earnings on pension plan investments	35,953	29,766
Contributions subsequent to the measurement date	74,822	-
Total	\$ 110,775	\$ 29,766

\$74,822 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31, 2022:	
2023	\$ 5,266
2024	(6,158)
2025	947
2026	6,132
2027	-
Thereafter	-
Total	6,187

OLD HIRE POLICE PENSION FUND – DEFINED BENEFIT PLAN

Summary of Significant Accounting Policies

Pensions – The City of La Junta participates in the Old Hire Police Pension Fund, an agent multiple-employer defined benefit pension fund administered by the Colorado Fire and Police Pension Association ("FPPA").

The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to / deductions from the fiduciary net position of the Old Hire Police Pension Fund has been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Investments - Investments are reported at fair value.

Plan Information

Plan Description - The City, on behalf of certain full-time paid Police Officers, contributes to the Old Hire Police Pension Fund which is affiliated with the Colorado Fire and Police Pension Association (FPPA). FPPA administers the agent multiple-employer Public Employee Retirement System ("PERS"). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at FPPAco.org. The plan provides retirement benefits for members and beneficiaries according to the plan provisions as enacted and governed by the City Council of the City of La Junta.

Plan Membership (Eligibility) – Plan membership consists of active employees hired prior to April 8, 1978, electing to remain covered under the provisions of the City's current plan.

The following is a summary of the participants:

	<u>Old Hire Police</u>
Retirees and Beneficiaries	3
Inactive, Nonretired Members	0
Active Members	<u>0</u>
Total	<u><u>3</u></u>

Benefits Provided - The plan provides retirement benefits for members and beneficiaries according to the plan provisions and is as follows:

The Old Hire Police Pension Fund provides retirement benefits to police Officers who have attained both 55 years of age and completed 20 years of service or upon completion of 25 years of service, if earlier. Any Police Officer who elects to retire on or after his Normal Retirement Date shall be eligible for a monthly pension equal to 70% of his monthly salary at the date of his retirement.

Upon death, the surviving spouse receives a monthly pension equal to 100% of the monthly pension the Police Officer was entitled to receive prior to death. In addition, the plan calls for a 3% cost of living adjustment effective each January 1.

Title 31, Article 30 of the Colorado Revised Statutes ("CRS"), as amended, establishes basic benefit provisions under the plan. FPPA issues a publicly available annual financial report that includes the assets of the City of La Junta Old Hire Police Pension Fund. That report may be obtained by writing to: FPPA of Colorado, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111 or by calling FPPA at (303) 770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Plan members and the City of La Junta are required to contribute at a rate set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or by election of the membership. The contributions are based on an actuarially determined amount recommended by an independent actuary.

The contribution rate for members and the City for the Old Hire Police Pension Fund is 0% of covered salaries. Contribution was determined as part of the January 1, 2020 actuarial valuation. Total contribution for the year ended December 31, 2022 was \$65,180. The contribution of the City of La Junta Police Department was equal to the required contribution for the year.

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status - Given the plan's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 4.50% on the actuarial value of assets), then the funded status of the plan is expected to approach 100% over time.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

This funding policy results in the expectation that the plan's assets will be able to fully pay for promised benefits through at least 2121. The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

Actuarial Assumptions – Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2020, determines the contribution amounts for 2021 and 2022.

Methods and Assumptions Used to Determine Contribution Rates for the fiscal Year Ending December 31, 2020:

Actuarial Cost Method – Entry Age Normal

Amortization Method and R – N/A

Remaining Amortization Period – N/A

Asset Valuation Method – 5-Year smoothed fair value

Inflation – 2.50%

Salary Increases – N/A

Investment Rate of Return – 4.50%

Retirement Age – Any remaining actives are assumed to retire immediately

Mortality Rates – Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

Disabled (pre-1980): Post-retirement rates set forward three years.

Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Cash	10.0%	0.1%
Fixed Income – Rates	70.0%	2.3%
Fixed Income - Credit	10.0%	3.5%
Absolute Return	0.0%	5.6%
Long Short	0.0%	6.9%
Global Public Equity	10.0%	7.8%
Private Capital	0.0%	10.5%
Total	100.0%	

Single Discount Rate

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 4.50%; the municipal bond rate is 1.84% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 4.50%.

Projected cash flows used in determining the Single Discount Rate are available upon request to FPPA.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Net Pension Liability

The net pension liability was measured at December 31, 2021, the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated January 1, 2020, and the City's fiscal year ending date, or reporting date, is December 31, 2022.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at December 31, 2021	\$ 1,229,202	\$ 585,665	\$ 643,537
Change for the year:			
Interest	52,442	-	52,442
Difference between Expected & Actual Experience of the Total Pension Liability	114,079	-	114,079
Changes in Assumptions	-	-	-
Contributions – Employer	-	65,180	(65,180)
Contributions – Member	-	-	-
Net Investment Income	-	2,446	(2,446)
Benefit payments	(129,058)	(129,058)	-
Administrative Expense	-	(1,445)	1,445
Net Changes	37,463	(62,877)	100,340
Balances at December 31, 2022	1,266,665	522,788	743,877

Timing of the Valuation - An actuarial valuation to determine the total pension liability is required to be performed at least every two years. For the employer's financial reporting purposes, the net pension liability/(asset) and pension expense/(income) should be measured as of the employer's "measurement date" which may not be earlier than the employer's prior fiscal year-end date. If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total pension liability shown in this report is based on an actuarial valuation performed as of January 1, 2022 and a measurement date of December 31, 2021. This measurement date is within one year of the plan sponsor's fiscal year end of December 31, 2022 and may be used for December 31, 2022 reporting purposes.

Expense and deferred outflow calculations are shown starting with the year ending December 31, 2021, but can be used for the plan sponsor's December 31, 2022 financial reporting. Each reported amount will have a one-year lag so that year end December 31, 2021 can be used for December 31, 2022 plan sponsor reporting.

Paragraph 34 of GASB Statement No. 68 indicates that contributions to the pension plan subsequent to the measurement date of the Net Pension Liability/(Asset) and prior to the end of the employer's reporting period should be reported by the employer as a deferred outflow of resources related to pensions. The information contained in this report does not incorporate any contributions made to the La Junta Old Hire Police Pension Fund subsequent to December 31, 2021.

Sensitivity of the Net Pension Liability / (Asset) to the Single Discount Rate Assumption – Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 4.50%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one % lower or one % higher:

	1% Decrease (3.50%)	Current Single Discount Rate Assumption (4.50%)	1% Increase (5.50%)
Net Pension Liability	\$ 855,195	\$ 743,877	\$ 647,779

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – For the year ended December 31, 2022; the City recognized pension expense of \$74,158. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Assumption Changes	-	-
Net difference between projected and actual earnings on pension plan investments	27,347	22,740
Contributions subsequent to the measurement date	65,180	-
Total	\$ 92,527	\$ 22,740

\$65,180 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31, 2022:	
2023	\$ 4,455
2024	(4,928)
2025	589
2026	4,491
2027	-
Thereafter	-
Total	\$ 4,607

FIRE DEFINED CONTRIBUTION PLAN AND POLICE DEFINED CONTRIBUTION PLAN

Plan Description - The City provides pension benefits for all of its full-time Fire and Police employees hired after April, 1978 and old hires that chose to switch to the new plan through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment. State legislation requires that both the employee and the City contribute an amount equal to 8 percent of the employee's base salary each month. The City's contributions for each employee (and interest allocated to the employee's account) are fully vested after ten years' continuous service. City contributions for, and interest forfeited by, employees who leave employment before ten years of service are used to reduce the City's current-period contribution requirement.

The City is the trustee of the Fire Defined Contribution Plan and the Police Defined Contribution Plan and has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the plans.

Funding Policy - The City's total Fire and Police payroll for 2022 was \$1,045,663 and \$609,297, respectively. The City's contributions were calculated using a base salary amount of \$929,580 and \$588,914. Both City and the covered employees made the required 8 percent contribution, amounting to \$4,131 each for Firemen or a total of \$74,366 and \$3,141 each for Policemen or a total of \$47,113. As of December 31, 2022, the market value of assets held by the plans is \$1,008,700 for Fire and \$692,596 for Police.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 PENSION PLANS (Continued)

CITY RETIREMENT – DEFINED CONTRIBUTION PLAN

Plan Description - The City provides pension benefits for all of its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate after attaining age 21 and having been employed six months. The plan entrance dates are January 1 and July 1. The plan requires that the employees contribute a minimum of 1 percent and the City contributes an amount equal to 5.7 percent of the employee's base.

The City is the trustee of the plan and has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the plan.

Funding Policy - The City's contributions for each employee (and interest allocated to the employee's account) are fully vested after five years' continuous service. City contributions for, and interest forfeited by, employees who leave employment before five years of service are used to reduce the City's current-period contribution requirement.

The City's total payroll in fiscal year 2022 was \$8,015,406. The City's contributions were calculated using the base salary amount of \$6,275,469. Both the City and the covered employees made the required contributions amounting to \$314,722 and \$371,036, respectively, for a total of \$685,758. As of December 31, 2022, the market value of assets held was \$9,556,625.

NOTE -11 NET POSITION

Restricted net position represents net position whose users are subject to constraints that are either 1.) legally imposed by creditors (such as debt covenants), grantors, or laws or regulations of other governments, or 2.) imposed by law through constitutional provisions or enabling legislation. Restricted net position at December 31, 2022 is as follows:

	Governmental Activities	Business-Type Activities	Total
Emergencies - TABOR	\$ 318,000	\$ -	\$ 318,000
Capital Projects	121,954	-	121,954
Endowments - Nonexpendable	391,713	-	391,713
Conservation Trust	234,464	-	234,464
Operations and Maintenance	<u>-</u>	<u>1,094,800</u>	<u>1,094,800</u>
	<u>\$ 1,066,131</u>	<u>\$ 1,094,800</u>	<u>\$ 2,160,931</u>

Restricted for Emergencies - TABOR – This represents approximately 3% of the City's 2022 fiscal year spending as that term is defined in the Colorado constitution. Under these provisions of the constitution, this portion of the City's net position can be used for declared emergencies only and the City must maintain 3% or more of its spending in this restricted account. The City does not believe this restriction meets the definition of a stabilization arrangement under generally accepted accounting principles.

Restricted for Capital Projects – This represents unspent cash received from the State of Colorado tax revenues for airport improvements.

Restricted for Endowments - Nonexpendable – This represents donations received for the Library and Cemetery in which the corpus must remain intact while the investment income can be used for culture and community welfare.

Restricted for Conservation Trust – This represents money received from the Colorado state for parks and open space related projects.

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

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -12 FUND BALANCES

At December 31, 2022, fund balances for governmental funds consist of the following:

	Restricted Fund Balance				
	Emergencies TABOR	Capital Projects	Conservation Trust	Endowments - Nonexpendable	Total
General Fund	\$ 318,000	\$ 121,954	\$ -	\$ -	\$ 439,954
Conservation Trust	-	-	234,464	-	234,464
Library					
Endowment	-	-	-	100,775	100,775
Cemetery					
Endowment	-	-	-	290,938	290,938
Total	<u>\$ 318,000</u>	<u>\$ 121,954</u>	<u>\$ 234,464</u>	<u>\$ 391,713</u>	<u>\$ 1,066,131</u>

	Assigned Fund Balance			
	Subsequent Years' Expenditures	Community and Economic Development	Surcharge	Total
General Fund	\$ 2,765,286	\$ -	\$ -	\$ 2,765,286
Economic Development	-	125,976	-	125,976
La Junta Urban Renewal Authority	-	414,008	-	414,008
La Junta Capital, Inc.	-	8,405	-	8,405
Moving Violation Surcharge	-	-	643	643
Lodging Tax Tourism	-	915,015	-	915,015
Total	<u>\$ 2,765,286</u>	<u>\$ 1,463,404</u>	<u>\$ 643</u>	<u>\$ 4,229,333</u>

NOTE -13 RELATED PARTY TRANSACTIONS

The City had expenditures of \$72,987 made to related parties of which \$1,381 is recorded in accounts payable.

As indicated in Note -1, the City entered into an intergovernmental agreement with Otero County Landfill, Inc. (OCLI) regarding a landfill operation. For the year ended December 31, 2022, the City had paid OCLI \$183,125 for its share of the costs of which \$32,485 was due and recorded as accounts payable in the Sanitation Utility Fund. The City has recognized \$504,000 for its share of estimated closure and post closure care costs.

The City purchased \$8,241,585 of power from ARPA (a jointly governed entity), of which \$663,428 is recorded in accounts payable in the Electric Utility Fund, to be resold to its utility customers.

NOTE -14 UNEARNED LEASE REVENUES AND LEASES

Unearned Lease Revenue

The City's Property Management Fund has entered into lease agreements with entities for space in which the lessee paid advance amounts for improvements of \$1,938,666, \$65,000, and \$114,120 and rent of \$5,358. The City would be required to refund a proportion of this based on the life of the lease if they terminate the lease early. It is being recognized over the terms of the lease agreements of 20 to 40 years, as applicable, with the unamortized balance included in unearned lease revenues. As of December 31, 2022, the balance remaining was \$1,509,357 with \$184,862 reported as unearned revenue – current.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -14 UNEARNED LEASE REVENUES AND LEASES (Continued)

Leases

The future minimum rentals on noncancellable leases as of December 31, 2022 are as follows:

2023	\$	961,534
2024		915,902
2025		880,624
2026		766,571
2027		219,956
Thereafter		1,441,419

NOTE -15 RISK MANAGEMENT

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 joined the Colorado Intergovernmental Risk Agency (CIRSA), a public entity risk pool formed to provide property and liability and worker's compensation coverage and related services for its member municipalities. The City pays an annual premium to CIRSA for property and liability insurance coverage and risk management services.

All Colorado municipalities, which are members of the Colorado Municipal League, are eligible to participate in CIRSA. As of the most recent annual report filed, December 31, 2022, there were approximately 280 members in the Property/Casualty/Liability Pool. CIRSA's general objectives are to provide member municipalities and special districts defined property and liability and workers' compensation coverage through joint self-insurance and excess insurance.

Death and disability insurance for police officers hired prior to January 1997 is provided by the Fire and Police Pension Association (FPPA) on behalf of the City of La Junta. The state made one payment to the FPPA in 1997 to fully fund this insurance for officers hired before 1997.

Death and disability insurance for police officers hired after December 1996 is purchased from the FPPA. In 1996 the Colorado state legislature elected to cease providing state funding for disability insurance for police officers beginning with officers hired after December 31, 1996. The amount of settlements did not exceed insurance coverage during the past three fiscal years.

The City also handles health and life insurance claims for its employees. Premiums are charged to the employees as well as the City to cover medical claims with reinsurance provided by commercial carriers for claims in excess of \$35,000 annually. Incurred but not reported claims of \$197,000 have been accrued as a liability based primarily upon the claims administrator's historical estimate.

The following represents the changes in approximate aggregate liabilities for claims incurred but not reported for the City for the year ended December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Liability Balance January 1,	\$ 118,000	\$ 85,000
Claims and Changes in Estimates	2,199,337	1,604,284
Claims Payments	<u>(2,120,337)</u>	<u>(1,571,284)</u>
Liability Balance December 31,	<u>\$ 197,000</u>	<u>\$ 118,000</u>

NOTE -16 TAX SPENDING AND DEBT LIMITATIONS

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

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -16 TAX SPENDING AND DEBT LIMITATIONS (Continued)

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

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

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

The City's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation.

Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits and qualifications as an enterprise will require judicial interpretation. Accordingly, the possibility exists that the City's interpretation of certain TABOR provisions may subsequently be determined to be incorrect. This could result in a potential refund of revenue unless voters approve retention of such revenue. The ultimate outcome of these matters cannot presently be determined and no provision for any liability for a refund of revenue has been made in the financial statements.

On November 2, 1993 the voters of the City approved an amendment to allow the collection, retention, and expenditure of the full proceeds of the City's sales and use tax and non-federal grants.

On November 3, 2020 the voters of the City approved an amendment to allow the City to retain and spend all revenues it receives from all sources, beginning in 2021 and thereafter, as a voter approved revenue change under Article X, Section 20 of the Colorado Constitution.

Emergency Reserves have been provided for as required by Article X, Section 20 of the constitution of the State of Colorado. \$318,000 of the fund balance has been reserved in compliance with this requirement.

NOTE -17 SUBSEQUENT EVENTS

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

NOTE -18 NEW ACCOUNTING PRONOUNCEMENTS

In June 2017, the Governmental Accounting Standards Board ("GASB") issued Statement No.87, *Leases*. The GASB is issuing this Statement to improve accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

In 2022, the City adopted and implemented GASB Statement No.87, *Leases*. This resulted in the recognition of a lease receivable and deferred revenue – leases, that increased Property Management Fund's total assets by \$2,538,846 and total deferred inflow of resources by \$2,483,353, respectively for 2022.

CITY OF LA JUNTA, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -16 NEW ACCOUNTING PRONOUNCEMENTS (Continued)

To be in accordance with GASB Statement No. 87 "*Leases*", the City applied the provisions of the statement by retroactively restating financial statements for the earliest period presented (January 1, 2021). The following restatements were noted:

Beginning Net Position: As a result of the implementation of GASB No. 87 "*Leases*", the City restated beginning net position as follows:

	Property Management Fund
January 1, 2021 - Beginning Net Position, As Originally Stated	\$ 8,756,086
Cumulative effect of application of GASB No. 87 – Leases	<u>31,312</u>
January 1, 2021 - Beginning Net Position, As Restated	<u>\$ 8,787,398</u>

Lease Receivable, Deferred Inflow of Resources and Total Revenues: As a result of the implementation of GASB No. 87 "*Leases*", the City restated 2021 balances in the Property Management Fund for the following accounts:

	Property Management Fund			
	Lease Receivable Current	Lease Receivable Noncurrent	Deferred Inflow of Resources	Operating & Nonoperating Revenues
As Originally Stated - 2021	\$ 23,458	\$ -	\$ -	\$ 1,993,637
Cumulative effect of application of GASB No. 87 – Leases	<u>587,261</u>	<u>2,538,846</u>	<u>(3,074,726)</u>	<u>20,069</u>
As Restated - 2021	<u>\$ 610,719</u>	<u>\$ 2,538,846</u>	<u>\$ (3,074,726)</u>	<u>\$ 2,013,706</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF LA JUNTA, COLORADO

OLD HIRE FIRE PENSION FUND

SCHEDULE OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS

YEAR ENDED DECEMBER 31, 2022

MEASUREMENT PERIOD ENDED DECEMBER 31,	2021	2020	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY								
SERVICE COST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTEREST	79,973	82,039	102,107	103,396	101,662	102,500	95,494	96,307
CHANGES TO BENEFIT TERMS	-	-	-	-	-	-	-	-
DIFFERENCE BETWEEN EXPECTED AND ACTUAL EXPERIENCE OF THE TOTAL PENSION LIABILITY	65,392	-	45,580	-	38,548	-	32,911	-
ASSUMPTION CHANGES	-	-	438,644	-	-	-	75,370	-
BENEFIT PAYMENTS	(129,864)	(126,081)	(122,409)	(118,843)	(115,382)	(112,021)	(108,759)	(105,591)
NET CHANGE IN TOTAL PENSION LIABILITY	15,501	(44,042)	463,922	(15,447)	24,828	(9,521)	95,016	(9,284)
TOTAL PENSION LIABILITY - BEGINNING	1,841,400	1,885,442	1,421,520	1,436,967	1,412,139	1,421,660	1,326,644	1,335,928
TOTAL PENSION LIABILITY - ENDING (a)	<u>\$ 1,856,901</u>	<u>\$ 1,841,400</u>	<u>\$ 1,885,442</u>	<u>\$ 1,421,520</u>	<u>\$ 1,436,967</u>	<u>\$ 1,412,139</u>	<u>\$ 1,421,660</u>	<u>\$ 1,326,644</u>
PLAN FIDUCIARY NET POSITION								
CONTRIBUTIONS - EMPLOYER	\$ 74,822	\$ 71,924	\$ 71,924	\$ 60,388	\$ 60,388	\$ 48,084	\$ 48,084	\$ 44,595
CONTRIBUTIONS - EMPLOYEE	-	-	-	-	-	-	-	-
NET INVESTMENT INCOME	3,572	60,017	89,732	1,285	103,956	40,569	14,680	54,916
BENEFIT PAYMENTS	(129,864)	(126,081)	(122,409)	(118,843)	(115,382)	(112,021)	(108,759)	(105,591)
ADMINISTRATIVE EXPENSES	(1,679)	(2,935)	(1,794)	(3,616)	(1,253)	(3,084)	283	(4,139)
NET CHANGE IN PLAN FIDUCIARY NET POSITION	(53,149)	2,925	37,453	(60,786)	47,709	(26,452)	(45,712)	(10,219)
PLAN FIDUCIARY NET POSITION - BEGINNING	788,758	785,833	748,380	809,166	761,457	787,909	833,621	843,840
PLAN FIDUCIARY NET POSITION - ENDING (b)	<u>\$ 735,609</u>	<u>\$ 788,758</u>	<u>\$ 785,833</u>	<u>\$ 748,380</u>	<u>\$ 809,166</u>	<u>\$ 761,457</u>	<u>\$ 787,909</u>	<u>\$ 833,621</u>
PLAN'S NET PENSION LIABILITY - BEGINNING	1,052,642	1,099,609	673,140	627,801	650,682	633,751	493,023	492,088
PLAN'S NET PENSION LIABILITY - ENDING (a) - (b)	<u>\$ 1,121,292</u>	<u>\$ 1,052,642</u>	<u>\$ 1,099,609</u>	<u>\$ 673,140</u>	<u>\$ 627,801</u>	<u>\$ 650,682</u>	<u>\$ 633,751</u>	<u>\$ 493,023</u>
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY (b) / (a)	39.61%	42.83%	41.68%	52.65%	56.31%	53.92%	55.42%	62.84%
COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PLAN'S NET PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NOTE: THIS SCHEDULE IS INTENDED TO SHOW INFORMATION FOR TEN YEARS. ADDITIONAL YEARS' INFORMATION WILL BE DISPLAYED AS BECOMES AVAILABLE.

CITY OF LA JUNTA, COLORADO
 OLD HIRE POLICE PENSION FUND
 SCHEDULE OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS
 YEAR ENDED DECEMBER 31, 2022

MEASUREMENT PERIOD ENDED DECEMBER 31,	2021	2020	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY								
SERVICE COST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTEREST	52,442	55,660	71,342	74,726	80,293	82,572	75,714	77,860
CHANGES TO BENEFIT TERMS	-	-	-	-	-	-	-	-
DIFFERENCE BETWEEN EXPECTED AND ACTUAL EXPERIENCE OF THE TOTAL PENSION LIABILITY	114,079	-	85,518	-	(38,164)	-	61,291	-
ASSUMPTION CHANGES	-	-	252,682	-	-	-	64,117	-
BENEFIT PAYMENTS	(129,058)	(125,299)	(121,649)	(118,106)	(114,666)	(111,327)	(108,084)	(104,936)
NET CHANGE IN TOTAL PENSION LIABILITY	37,463	(69,639)	287,893	(43,380)	(72,537)	(28,755)	93,038	(27,076)
TOTAL PENSION LIABILITY - BEGINNING	1,229,202	1,298,841	1,010,948	1,054,328	1,126,865	1,155,620	1,062,582	1,089,658
TOTAL PENSION LIABILITY - ENDING (a)	\$ 1,266,665	\$ 1,229,202	\$ 1,298,841	\$ 1,010,948	\$ 1,054,328	\$ 1,126,865	\$ 1,155,620	\$ 1,062,582
PLAN FIDUCIARY NET POSITION								
CONTRIBUTIONS - EMPLOYER	\$ 65,180	\$ 54,550	\$ 55,128	\$ 55,128	\$ 55,128	\$ 37,190	\$ 37,190	\$ 29,105
CONTRIBUTIONS - EMPLOYEE	-	-	-	-	-	-	-	-
NET INVESTMENT INCOME	2,446	45,493	70,887	1,334	87,372	34,775	13,305	50,250
BENEFIT PAYMENTS	(129,058)	(125,299)	(121,649)	(118,106)	(114,666)	(111,327)	(108,084)	(104,936)
ADMINISTRATIVE EXPENSES	(1,445)	(2,723)	(1,585)	(3,401)	(1,065)	(2,918)	(1,302)	(4,030)
NET CHANGE IN PLAN FIDUCIARY NET POSITION	(62,877)	(27,979)	2,781	(65,045)	26,769	(42,280)	(58,891)	(29,611)
PLAN FIDUCIARY NET POSITION - BEGINNING	585,665	613,644	610,863	675,908	649,139	691,419	750,310	779,921
PLAN FIDUCIARY NET POSITION - ENDING (b)	\$ 522,788	\$ 585,665	\$ 613,644	\$ 610,863	\$ 675,908	\$ 649,139	\$ 691,419	\$ 750,310
PLAN'S NET PENSION LIABILITY - BEGINNING	643,537	685,197	400,085	378,420	477,726	464,201	312,272	309,737
PLAN'S NET PENSION LIABILITY - ENDING (a) - (b)	\$ 743,877	\$ 643,537	\$ 685,197	\$ 400,085	\$ 378,420	\$ 477,726	\$ 464,201	\$ 312,272
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY (b) / (a)	41.27%	47.65%	47.25%	60.42%	64.11%	57.61%	59.83%	70.61%
COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PLAN'S NET PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NOTE: THIS SCHEDULE IS INTENDED TO SHOW INFORMATION FOR TEN YEARS. ADDITIONAL YEARS' INFORMATION WILL BE DISPLAYED AS BECOMES AVAILABLE.

CITY OF LA JUNTA, COLORADO
 OLD HIRE FIRE PENSION FUND
 SCHEDULE OF PLAN CONTRIBUTIONS
 LAST 10 FISCAL YEARS

<u>FY ENDING DECEMBER 31,</u>	<u>ACTUARIALLY DETERMINED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION*</u>	<u>CONTRIBUTION DEFICIENCY (EXCESS)</u>	<u>COVERED PAYROLL</u>	<u>ACTUAL CONTRIBUTION AS A % OF COVERED PAYROLL</u>
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2022	\$ 74,822	\$ 74,822	\$ -	N/A	N/A
2021	\$ 74,822	\$ 74,822	\$ -	N/A	N/A
2020	\$ 71,924	\$ 71,924	\$ -	N/A	N/A
2019	\$ 71,924	\$ 71,924	\$ -	N/A	N/A
2018	\$ 60,388	\$ 60,388	\$ -	N/A	N/A
2017	\$ 60,388	\$ 60,388	\$ -	N/A	N/A
2016	\$ 48,084	\$ 48,084	\$ -	N/A	N/A
2015	\$ 48,084	\$ 48,084	\$ -	N/A	N/A
2014	\$ 44,595	\$ 44,595	\$ -	N/A	N/A
2013	\$ 44,595	\$ 44,595	\$ -	N/A	N/A

* *Actuarially Determined Contribution is net of employee contributions. Actual contribution is from the employer only and does not include employee amounts.*

CITY OF LA JUNTA, COLORADO
 OLD HIRE POLICE PENSION FUND
 SCHEDULE OF PLAN CONTRIBUTIONS
 LAST 10 FISCAL YEARS

<u>FY ENDING DECEMBER 31,</u>	<u>ACTUARIALLY DETERMINED CONTRIBUTION</u>	<u>ACTUAL CONTRIBUTION*</u>	<u>CONTRIBUTION DEFICIENCY (EXCESS)</u>	<u>COVERED PAYROLL</u>	<u>ACTUAL CONTRIBUTION AS A % OF COVERED PAYROLL</u>
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2022	\$ 65,180	\$ 65,180	\$ -	N/A	N/A
2021	\$ 65,180	\$ 65,180	\$ -	N/A	N/A
2020	\$ 54,550	\$ 54,550	\$ -	N/A	N/A
2019	\$ 54,550	\$ 55,128	\$ (578)	N/A	N/A
2018	\$ 55,128	\$ 55,128	\$ -	N/A	N/A
2017	\$ 55,128	\$ 55,128	\$ -	N/A	N/A
2016	\$ 37,190	\$ 37,190	\$ -	N/A	N/A
2015	\$ 37,190	\$ 37,190	\$ -	N/A	N/A
2014	\$ 29,105	\$ 29,105	\$ -	N/A	N/A
2013	\$ 29,105	\$ 29,105	\$ -	N/A	N/A

* Actuarially Determined Contribution is net of employee contributions. Actual contribution is from the employer only and does not include employee amounts.

CITY OF LA JUNTA, COLORADO

GENERAL FUND

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

YEAR ENDED DECEMBER 31, 2022

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
TAXES	\$ 5,586,800	\$ 5,586,800	\$ 6,357,869	\$ 771,069
LICENSES AND PERMITS	26,400	26,400	25,474	(926)
INTERGOVERNMENTAL	997,900	997,900	1,059,144	61,244
CHARGES FOR SERVICES	1,634,600	1,634,600	1,812,626	178,026
FINES	44,000	44,000	61,449	17,449
INTEREST	25,500	25,500	17,874	(7,626)
MISCELLANEOUS AND RENTALS	56,500	56,500	205,568	149,068
TOTAL REVENUES	8,371,700	8,371,700	9,540,004	1,168,304
EXPENDITURES				
GENERAL GOVERNMENT	1,763,100	1,921,700	1,816,780	104,920
PUBLIC SAFETY	3,249,700	3,934,800	3,711,607	223,193
PUBLIC WORKS	2,106,600	2,243,200	2,061,948	181,252
HEALTH AND WELFARE	357,200	405,100	398,905	6,195
CULTURE AND RECREATION	2,341,200	2,613,300	2,608,193	5,107
TOTAL EXPENDITURES	9,817,800	11,118,100	10,597,433	520,667
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(1,446,100)	(2,746,400)	(1,057,429)	1,688,971
OTHER FINANCING SOURCES				
TRANSFERS IN	10,000	10,000	10,000	-
REVENUE OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	(1,436,100)	(2,736,400)	(1,047,429)	1,688,971
FUND BALANCE JANUARY 1	4,252,669	4,252,669	4,252,669	-
FUND BALANCE DECEMBER 31	\$ 2,816,569	\$ 1,516,269	\$ 3,205,240	\$ 1,688,971

CITY OF LA JUNTA, COLORADO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2022

NOTE -1 SCHEDULES OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS

Measurement Period: January 1, 2021 - December 31, 2021 for the Fiscal Year Ending December 31, 2022 (December 31, 2021 measurement date). The City elected the one-year lookback for measurement date and measurement period purposes.

NOTE -2 SCHEDULES OF PLAN CONTRIBUTIONS

Actuarial Assumptions

Valuation Date: January 1, 2020

Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2020, determines the contribution amounts for 2021 and 2022.

Significant actuarial methods and assumptions used to determine the contribution rates for the Old Hire Fire Pension Fund and Old Hire Police Pension Fund are as follows:

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	- Entry Age Normal
Amortization Method	- N/A
Remaining Amortization Period - Old Hire Fire	- N/A
Remaining Amortization Period - Old Hire Police	- N/A
Asset Valuation Method	- 5-Year smoothed fair value
Inflation	- 2.50%
Salary Increase	- N/A
Investment Rate of Return	- 4.50%
Retirement Age	- Any remaining actives are assumed to retire immediately
Mortality Rates	- Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

Disabled (pre-1980): Post-retirement rates set forward three years.

SUPPLEMENTARY INFORMATION

CITY OF LA JUNTA, COLORADO

GENERAL FUND

BALANCE SHEET

DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
CASH OR EQUIVALENTS	\$ -	\$ 3,325,887
CASH WITH TRUSTEE	4,783	2,588
RESTRICTED CASH	121,954	110,275
INVESTMENTS	2,286,241	710,388
RECEIVABLES:		
ACCOUNTS RECEIVABLE	76,810	77,571
GRANTS RECEIVABLE	18,721	242,097
ACCRUED INTEREST RECEIVABLE	290	358
PROPERTY TAXES RECEIVABLE	106,200	108,800
SALES TAX RECEIVABLE	845,930	481,390
DUE FROM OTHER GOVERNMENTS	132,048	277,082
DUE FROM OTHER FUND	-	11,011
TOTAL ASSETS	<u>\$ 3,592,977</u>	<u>\$ 5,347,447</u>
LIABILITIES		
ACCOUNTS PAYABLE AND ACCRUED PAYROLL TAXES	\$ 276,073	\$ 151,407
UNEARNED REVENUE	5,464	834,571
TOTAL LIABILITIES	<u>281,537</u>	<u>985,978</u>
DEFERRED INFLOWS OF RESOURCES		
DEFERRED REVENUES - PROPERTY TAXES	<u>106,200</u>	<u>108,800</u>
FUND BALANCE		
RESTRICTED FOR EMERGENCIES - TABOR	318,000	277,500
RESTRICTED ASSETS	121,954	110,275
ASSIGNED FOR SUBSEQUENT YEARS' EXPENDITURES	2,765,286	1,436,100
UNASSIGNED	-	2,428,794
TOTAL FUND BALANCE	<u>3,205,240</u>	<u>4,252,669</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 3,592,977</u>	<u>\$ 5,347,447</u>

CITY OF LA JUNTA, COLORADO

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
REVENUES		
TAXES	\$ 6,357,869	\$ 6,170,403
LICENSES AND PERMITS	25,474	47,379
INTERGOVERNMENTAL	1,059,144	1,442,118
CHARGES FOR SERVICES	1,812,626	1,723,716
FINES	61,449	47,481
INTEREST	17,874	9,734
MISCELLANEOUS AND RENTALS	205,568	130,885
TOTAL REVENUES	9,540,004	9,571,716
EXPENDITURES		
GENERAL GOVERNMENT	1,816,780	1,940,609
PUBLIC SAFETY	3,711,607	2,780,940
PUBLIC WORKS	2,061,948	1,939,023
HEALTH AND WELFARE	398,905	342,207
CULTURE AND RECREATION	2,608,193	2,239,431
TOTAL EXPENDITURES	10,597,433	9,242,210
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(1,057,429)	329,506
OTHER FINANCING SOURCES		
TRANSFERS IN	10,000	10,000
REVENUE OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	(1,047,429)	339,506
FUND BALANCE JANUARY 1	4,252,669	3,913,163
FUND BALANCE DECEMBER 31	\$ 3,205,240	\$ 4,252,669

CITY OF LA JUNTA, COLORADO

EXPLANATION OF FUNDS

DECEMBER 31, 2022

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Economic Development Fund – This fund is used to account for the collection and disbursement of specified federal and state grant revenues for the use of promoting the attraction of and retention of businesses.

La Junta Urban Renewal Authority Fund - This fund accounts for tax increment financing that is available to reinvest in the urban renewal district for property enhancements or new development incentives.

La Junta Capital Inc. Fund – This fund is used to account for the collection and disbursement of revenues received from donations and contributions for capital related projects.

Moving Violation Surcharge Fund – This fund accounts for the surcharge on certain fines and tickets to be used for the purchase of police department equipment and supplies.

Lodging Tax Tourism Fund – This fund is used for the collection and disbursement of lodging tax revenues to be used for the promotion and advertising of tourism for the City.

PERMANENT FUNDS

Library Endowment Fund – This fund accounts for the miscellaneous donations and contributions received to be expended in accordance with donor wishes. Interest earnings are restricted for expenditures related to the library through a transfer to the General Fund.

Cemetery Endowment Fund - This fund accounts for the miscellaneous donations and contributions received to be expended in accordance with donor wishes. Interest earnings are restricted for maintenance and operation of the cemetery through a transfer to the General Fund.

CITY OF LA JUNTA, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2022

	SPECIAL REVENUE FUNDS						PERMANENT FUNDS		TOTAL NONMAJOR GOVERNMENTAL FUND
	CONSERVATION TRUST	ECONOMIC DEVELOPMENT	URBAN RENEWAL AUTHORITY	LA JUNTA CAPITAL INC.	MOVING VIOLATION SURCHARGE	LODGING TAX TOURISM	LIBRARY ENDOWMENT	CEMETERY ENDOWMENT	
ASSETS									
CASH OR EQUIVALENTS	\$ 154,668	\$ 146,076	\$ 40,207	\$ 8,405	\$ 643	\$ 67,327	\$ 100,775	\$ 290,938	\$ 809,039
INVESTMENTS	-	-	373,801	-	-	808,103	-	-	1,181,904
RECEIVABLES:									
LODGING TAX RECEIVABLE	-	-	-	-	-	49,435	-	-	49,435
NOTES RECEIVABLE	-	-	3,938	-	-	-	-	-	3,938
GRANTS RECEIVABLE	349,889	-	-	-	-	-	-	-	349,889
OTHER RECEIVABLE	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 504,557</u>	<u>\$ 146,076</u>	<u>\$ 417,946</u>	<u>\$ 8,405</u>	<u>\$ 643</u>	<u>\$ 924,865</u>	<u>\$ 100,775</u>	<u>\$ 290,938</u>	<u>\$ 2,394,205</u>
LIABILITIES									
ACCOUNTS PAYABLE	\$ 93	\$ 7,314	\$ -	\$ -	\$ -	\$ 2,350	\$ -	\$ -	\$ 9,757
UNEARNED REVENUE	<u>270,000</u>	<u>12,786</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,500</u>	<u>-</u>	<u>-</u>	<u>290,286</u>
TOTAL LIABILITIES	<u>270,093</u>	<u>20,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,850</u>	<u>-</u>	<u>-</u>	<u>300,043</u>
FUND BALANCE									
NONSPENDABLE FOR:									
NOTES	-	-	3,938	-	-	-	-	-	3,938
RESTRICTED FOR:									
CONSERVATION TRUST	234,464	-	-	-	-	-	-	-	234,464
ENDOWMENTS -	-	-	-	-	-	-	100,775	290,938	391,713
NONEXPENDABLE	-	125,976	414,008	8,405	643	915,015	-	-	1,464,047
ASSIGNED									
TOTAL FUND BALANCE	<u>234,464</u>	<u>125,976</u>	<u>417,946</u>	<u>8,405</u>	<u>643</u>	<u>915,015</u>	<u>100,775</u>	<u>290,938</u>	<u>2,094,162</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 504,557</u>	<u>\$ 146,076</u>	<u>\$ 417,946</u>	<u>\$ 8,405</u>	<u>\$ 643</u>	<u>\$ 924,865</u>	<u>\$ 100,775</u>	<u>\$ 290,938</u>	<u>\$ 2,394,205</u>

CITY OF LA JUNTA, COLORADO

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS BALANCE

YEAR ENDED DECEMBER 31, 2022

	SPECIAL REVENUE FUNDS						PERMANENT FUNDS		TOTAL NONMAJOR GOVERNMENTAL FUNDS
	CONSERVATION TRUST	ECONOMIC DEVELOPMENT	URBAN RENEWAL AUTHORITY	LA JUNTA CAPITAL INC.	MOVING VIOLATION SURCHARGE	LODGING TAX TOURISM	LIBRARY ENDOWMENT	CEMETERY ENDOWMENT	
REVENUES									
TAXES	\$ -	\$ -	\$ 187,385	\$ -	\$ -	\$ 234,437	\$ -	\$ -	\$ 421,822
INTERGOVERNMENTAL	93,518	-	-	-	-	-	-	-	93,518
INTEREST	56	276	3,826	1	-	10,820	202	1,111	16,292
GRANTS AND OTHER	408,612	46,444	-	-	871	12,500	-	7,987	476,414
TOTAL REVENUES	502,186	46,720	191,211	1	871	257,757	202	9,098	1,008,046
EXPENDITURES									
GENERAL GOVERNMENT	-	-	2,980	-	9,260	105,639	-	-	117,879
CULTURE AND RECREATION	506,545	-	-	-	-	-	-	-	506,545
ECONOMIC DEVELOPMENT	-	60,427	46,615	-	-	-	-	-	107,042
DEBT SERVICE	-	-	34,730	-	-	-	-	-	34,730
TOTAL EXPENDITURES	506,545	60,427	84,325	-	9,260	105,639	-	-	766,196
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	(4,359)	(13,707)	106,886	1	(8,389)	152,118	202	9,098	241,850
OTHER FINANCING SOURCES (USES)									
TRANSFERS IN	-	10,000	-	-	-	-	-	-	10,000
TRANSFERS OUT	-	-	(12,400)	-	-	-	-	-	(12,400)
TOTAL OTHER FINANCING SOURCES	-	10,000	(12,400)	-	-	-	-	-	(2,400)
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(4,359)	(3,707)	94,486	1	(8,389)	152,118	202	9,098	239,450
FUND BALANCE JANUARY 1	238,823	129,683	323,460	8,404	9,032	762,897	100,573	281,840	1,854,712
FUND BALANCE DECEMBER 31	\$ 234,464	\$ 125,976	\$ 417,946	\$ 8,405	\$ 643	\$ 915,015	\$ 100,775	\$ 290,938	\$ 2,094,162

CITY OF LA JUNTA, COLORADO

CONSERVATION TRUST FUND

BALANCE SHEET

DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
CASH OR EQUIVALENTS	\$ 154,668	\$ 270,010
GRANT RECEIVABLE	349,889	228,666
TOTAL ASSETS	<u>\$ 504,557</u>	<u>\$ 498,676</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ 93	\$ -
DUE TO OTHER FUND	-	11,011
UNEARNED REVENUE	270,000	248,842
TOTAL LIABILITIES	<u>270,093</u>	<u>259,853</u>
FUND BALANCE		
RESTRICTED	<u>234,464</u>	<u>238,823</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 504,557</u>	<u>\$ 498,676</u>

CITY OF LA JUNTA, COLORADO

CONSERVATION TRUST FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022		VARIANCE	2021
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
INTERGOVERNMENTAL	\$ 93,518	\$ 80,000	\$ 13,518	\$ 83,573
GRANTS	408,612	15,000	393,612	457,041
INTEREST	56	200	(144)	246
TOTAL REVENUES	502,186	95,200	406,986	540,860
EXPENDITURES				
CULTURE AND RECREATION	506,545	47,000	(459,545)	531,194
REVENUES OVER (UNDER) EXPENDITURES	(4,359)	48,200	(52,559)	9,666
FUND BALANCE JANUARY 1	238,823	238,823	-	229,157
FUND BALANCE DECEMBER 31	<u>\$ 234,464</u>	<u>\$ 287,023</u>	<u>\$ (52,559)</u>	<u>\$ 238,823</u>

CITY OF LA JUNTA, COLORADO
ECONOMIC DEVELOPMENT FUND
BALANCE SHEET
DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 146,076	\$ 117,951
RECEIVABLES:		
ACCOUNTS RECEIVABLE	-	10,000
GRANT RECEIVABLE	<u>-</u>	<u>3,682</u>
TOTAL ASSETS	<u>\$ 146,076</u>	<u>\$ 131,633</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ 7,314	\$ 1,950
UNEARNED REVENUE	<u>12,786</u>	<u>-</u>
TOTAL LIABILITIES	<u>20,100</u>	<u>1,950</u>
FUND BALANCE		
ASSIGNED	<u>125,976</u>	<u>129,683</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 146,076</u>	<u>\$ 131,633</u>

CITY OF LA JUNTA, COLORADO

ECONOMIC DEVELOPMENT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022		VARIANCE	2021
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
INTEREST INCOME	\$ 276	\$ 800	\$ (524)	\$ 386
GRANT	44,114	-	44,114	25,000
OTHER	2,330	-	2,330	14,750
TOTAL REVENUES	46,720	800	45,920	40,136
EXPENDITURES				
CONTRACT SERVICES	11,665	6,500	(5,165)	28,613
GRANT	44,114	-	(44,114)	25,000
MISCELLANEOUS	4,648	4,900	252	430
TOTAL EXPENDITURES	60,427	11,400	(49,027)	54,043
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(13,707)	(10,600)	(3,107)	(13,907)
OTHER FINANCING SOURCES				
TRANSFERS IN	10,000	10,000	-	10,000
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	(3,707)	(600)	(3,107)	(3,907)
FUND BALANCE JANUARY 1	129,683	129,683	-	133,590
FUND BALANCE DECEMBER 31	\$ 125,976	\$ 129,083	\$ (3,107)	\$ 129,683

CITY OF LA JUNTA, COLORADO
LA JUNTA URBAN RENEWAL AUTHORITY
BALANCE SHEET
DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 40,207	\$ 317,478
INVESTMENTS	373,801	-
RECEIVABLES:		
ACCOUNTS RECEIVABLE	-	-
NOTES RECEIVABLE	<u>3,938</u>	<u>6,025</u>
TOTAL ASSETS	<u><u>\$ 417,946</u></u>	<u><u>\$ 323,503</u></u>
LIABILITIES		
ACCOUNTS PAYABLE	<u>\$ -</u>	<u>\$ 43</u>
TOTAL LIABILITIES	<u>-</u>	<u>43</u>
FUND BALANCE		
NONSPENDABLE - NOTES RECEIVABLE	3,938	6,025
ASSIGNED	<u>414,008</u>	<u>317,435</u>
TOTAL FUND BALANCE	<u>417,946</u>	<u>323,460</u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 417,946</u></u>	<u><u>\$ 323,503</u></u>

CITY OF LA JUNTA, COLORADO

LA JUNTA URBAN RENEWAL AUTHORITY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022		VARIANCE	2021
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
PROPERTY TAXES	\$ 187,385	\$ 125,000	\$ 62,385	\$ 187,121
INTEREST	3,826	1,000	2,826	85
OTHER	-	-	-	3,856
TOTAL REVENUES	191,211	126,000	65,211	191,062
EXPENDITURES				
ECONOMIC DEVELOPMENT	46,615	120,000	73,385	109,305
GENERAL GOVERNMENT	2,980	15,000	12,020	5,583
DEBT SERVICE	34,730	35,000	270	34,730
TOTAL EXPENDITURES	84,325	170,000	85,675	149,618
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	106,886	(44,000)	150,886	41,444
OTHER FINANCING SOURCES				
TRANSFER OUT	(12,400)	(12,400)	-	(12,400)
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	94,486	(56,400)	150,886	29,044
FUND BALANCE JANUARY 1	323,460	323,460	-	294,416
FUND BALANCE DECEMBER 31	\$ 417,946	\$ 267,060	\$ 150,886	\$ 323,460

CITY OF LA JUNTA, COLORADO

LA JUNTA CAPITAL, INC.

BALANCE SHEET

DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CASH OR EQUIVALENTS	<u>\$ 8,405</u>	<u>\$ 8,404</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
FUND BALANCE		
ASSIGNED	<u>8,405</u>	<u>8,404</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 8,405</u>	<u>\$ 8,404</u>

CITY OF LA JUNTA, COLORADO

LA JUNTA CAPITAL, INC.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022		VARIANCE	2021
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
INTEREST	\$ 1	\$ -	\$ 1	\$ 7
OTHER	-	500	(500)	-
TOTAL REVENUES	1	500	(499)	7
EXPENDITURES				
ADMINISTRATION	-	500	500	-
REVENUES OVER (UNDER) EXPENDITURES	1	-	1	7
FUND BALANCE JANUARY 1	8,404	8,404	-	8,397
FUND BALANCE DECEMBER 31	<u>\$ 8,405</u>	<u>\$ 8,404</u>	<u>\$ 1</u>	<u>\$ 8,404</u>

CITY OF LA JUNTA, COLORADO
MOVING VIOLATION SURCHARGE
BALANCE SHEET
DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CASH OR EQUIVALENTS	<u>\$ 643</u>	<u>\$ 9,032</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
FUND BALANCE		
ASSIGNED	<u> 643</u>	<u> 9,032</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 643</u>	<u>\$ 9,032</u>

CITY OF LA JUNTA, COLORADO

MOVING VIOLATION SURCHARGE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022		VARIANCE	2021
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
SURCHARGE	\$ 871	\$ 500	\$ 371	\$ 567
EXPENDITURES				
GENERAL GOVERNMENT	9,260	-	(9,260)	-
REVENUES OVER EXPENDITURES	(8,389)	500	(8,889)	567
FUND BALANCE JANUARY 1	9,032	9,032	-	8,465
FUND BALANCE DECEMBER 31	<u>\$ 643</u>	<u>\$ 9,532</u>	<u>\$ (8,889)</u>	<u>\$ 9,032</u>

CITY OF LA JUNTA, COLORADO

LODGING TAX TOURISM FUND

BALANCE SHEET

DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
CASH OR EQUIVALENTS	\$ 67,327	\$ 250,458
INVESTMENTS	808,103	499,971
TAX RECEIVABLE	49,435	12,468
TOTAL ASSETS	<u>\$ 924,865</u>	<u>\$ 762,897</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ 2,350	\$ -
UNEARNED REVENUE	7,500	-
TOTAL LIABILITIES	<u>9,850</u>	<u>-</u>
FUND BALANCE		
ASSIGNED	<u>915,015</u>	<u>762,897</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 924,865</u>	<u>\$ 762,897</u>

CITY OF LA JUNTA, COLORADO

LODGING TAX TOURISM FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022		VARIANCE	2021
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
TOURISM TAX	\$ 234,437	\$ 150,000	\$ 84,437	\$ 221,140
GRANTS	12,500	-	12,500	26,268
INTEREST	10,820	4,500	6,320	231
OTHER	-	-	-	5,000
TOTAL REVENUES	257,757	154,500	103,257	252,639
EXPENDITURES				
ADVERTISING	7,819	40,500	32,681	21,400
SUPPLIES	5,000	5,000	-	172
EVENTS	48,000	52,000	4,000	43,000
MARKETING AND PROMOTION	25,900	20,000	(5,900)	7,522
ADMINISTRATIVE FEES	5,924	4,500	(1,424)	6,633
GRANTS	12,500	-	(12,500)	25,500
MISCELLANEOUS	496	11,000	10,504	817
TOTAL EXPENDITURES	105,639	133,000	27,361	105,044
REVENUES OVER (UNDER) EXPENDITURES	152,118	21,500	130,618	147,595
FUND BALANCE JANUARY 1	762,897	762,897	-	615,302
FUND BALANCE DECEMBER 31	\$ 915,015	\$ 784,397	\$ 130,618	\$ 762,897

CITY OF LA JUNTA, COLORADO

LIBRARY ENDOWMENT FUND

BALANCE SHEET

DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CASH IN SAVINGS	<u>\$ 100,775</u>	<u>\$ 100,573</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
FUND BALANCE		
RESTRICTED FOR ENDOWMENTS	<u>100,775</u>	<u>100,573</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 100,775</u>	<u>\$ 100,573</u>

CITY OF LA JUNTA, COLORADO

LIBRARY ENDOWMENT FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022		VARIANCE	2021
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
INTEREST INCOME	\$ 202	\$ 500	\$ (298)	\$ 573
EXPENDITURES	-	-	-	-
REVENUES OVER EXPENDITURES BEFORE TRANSFER	202	500	(298)	573
TRANSFER	-	-	-	0
NET CHANGE IN FUND BALANCE	202	500	(298)	573
FUND BALANCE JANUARY 1	100,573	100,573	-	100,000
FUND BALANCE DECEMBER 31	<u>\$ 100,775</u>	<u>\$ 101,073</u>	<u>\$ (298)</u>	<u>\$ 100,573</u>

CITY OF LA JUNTA, COLORADO
CEMETERY ENDOWMENT FUND
BALANCE SHEET
DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CASH AND EQUIVALENTS	\$ 290,938	\$ 275,590
INVESTMENTS	-	-
RECEIVABLES:		
ACCOUNTS RECEIVABLE	-	6,250
ACCRUED INTEREST RECEIVABLE	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 290,938</u>	<u>\$ 281,840</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
FUND BALANCE		
RESTRICTED FOR ENDOWMENTS	<u>290,938</u>	<u>281,840</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 290,938</u>	<u>\$ 281,840</u>

CITY OF LA JUNTA

CEMETERY ENDOWMENT FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022		VARIANCE	2021
	ACTUAL	FINAL BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
INTEREST INCOME	\$ 1,111	\$ 3,000	\$ (1,889)	\$ 361
OTHER	7,987	3,500	4,487	6,250
TOTAL REVENUES	9,098	6,500	2,598	6,611
EXPENDITURES				
GENERAL GOVERNMENT	-	-	-	-
REVENUES OVER EXPENDITURES BEFORE CONTRIBUTIONS AND TRANSFERS	9,098	6,500	2,598	6,611
CONTRIBUTIONS	-	-	-	-
TRANSFERS	-	-	-	-
NET CHANGE IN FUND BALANCE	9,098	6,500	2,598	6,611
FUND BALANCE JANUARY 1	281,840	281,840	-	275,229
FUND BALANCE DECEMBER 31	<u>\$ 290,938</u>	<u>\$ 288,340</u>	<u>\$ 2,598</u>	<u>\$ 281,840</u>

CITY OF LA JUNTA, COLORADO

ELECTRIC UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2022 AND 2021

	2022	2021
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 2,122,529	\$ 1,981,646
INVESTMENTS	1,314,911	800,619
ACCOUNTS RECEIVABLE BILLED CUSTOMERS - NET	730,094	738,857
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	622,800	520,800
INVENTORIES	1,730,366	1,736,772
PREPAID AND ACCRUALS	682	477
TOTAL CURRENT ASSETS	6,521,382	5,779,171
PROPERTY AND EQUIPMENT		
LAND, ELECTRIC SYSTEM, AND EQUIPMENT	12,309,381	12,282,387
ACCUMULATED DEPRECIATION	(7,635,402)	(7,190,284)
NET PROPERTY AND EQUIPMENT	4,673,979	5,092,103
TOTAL ASSETS	\$ 11,195,361	\$ 10,871,274
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 783,231	\$ 659,451
CUSTOMER DEPOSITS	181,949	198,412
UNEARNED REVENUE	-	32,008
TOTAL CURRENT LIABILITIES	965,180	889,871
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	195,095	167,445
TOTAL LIABILITIES	1,160,275	1,057,316
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	4,673,979	5,092,103
UNRESTRICTED	5,361,107	4,721,855
TOTAL NET POSITION	10,035,086	9,813,958
TOTAL LIABILITIES AND NET POSITION	\$ 11,195,361	\$ 10,871,274

CITY OF LA JUNTA, COLORADO

ELECTRIC UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 11,588,060	\$ 11,489,088
TOTAL OPERATING REVENUES	11,588,060	11,489,088
OPERATING EXPENSES		
GENERATION	8,538,233	8,459,044
DISTRIBUTION	1,123,295	1,006,872
ACCOUNTING AND GENERAL ADMINISTRATION	1,457,198	1,360,127
DEPRECIATION	453,652	381,445
TOTAL OPERATING EXPENSES	11,572,378	11,207,488
OPERATING INCOME (LOSS)	15,682	281,600
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	17,830	6,104
GRANTS AND OTHER	187,616	49,578
GAIN (LOSS) ON SALE OF ASSETS	-	(1,253)
TOTAL NONOPERATING REVENUES	205,446	54,429
CHANGE IN NET POSITION	221,128	336,029
NET POSITION JANUARY 1	9,813,958	9,477,929
NET POSITION DECEMBER 31	\$ 10,035,086	\$ 9,813,958

CITY OF LA JUNTA, COLORADO
ELECTRIC UTILITY FUND
STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 11,494,823	\$ 11,616,252
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(9,742,327)	(9,899,669)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	<u>(1,218,563)</u>	<u>(1,179,868)</u>
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	<u>533,933</u>	<u>536,715</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
OTHER REVENUES	155,608	81,586
CUSTOMER DEPOSITS	<u>(16,463)</u>	<u>9,900</u>
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>139,145</u>	<u>91,486</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	<u>(35,528)</u>	<u>(759,791)</u>
NET CASH FLOWS PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(35,528)</u>	<u>(759,791)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND LOANS	3,333	6,102
PURCHASE OF INVESTMENTS	(500,000)	-
CASH PROCEEDS FROM SALE OF INVESTMENTS	<u>-</u>	<u>399,905</u>
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(496,667)</u>	<u>406,007</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	140,883	274,417
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>1,981,646</u>	<u>1,707,229</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u><u>\$ 2,122,529</u></u>	<u><u>\$ 1,981,646</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ 15,682	\$ 281,600
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	453,652	381,445
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE AND PREPAIDS	(93,237)	127,629
(INCREASE) DECREASE IN INVENTORIES	6,406	(138,848)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	123,780	(32,988)
INCREASE (DECREASE) IN ACCRUED BENEFITS	<u>27,650</u>	<u>(82,123)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ 533,933</u></u>	<u><u>\$ 536,715</u></u>

CITY OF LA JUNTA, COLORADO

ELECTRIC UTILITY FUND

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

YEAR ENDED DECEMBER 31, 2022

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 12,239,500	\$ 12,239,500	\$ 11,588,060	\$ (651,440)
INTEREST INCOME	20,000	20,000	17,830	(2,170)
OTHER	93,000	93,000	187,616	94,616
TOTAL REVENUES	12,352,500	12,352,500	11,793,506	(558,994)
EXPENDITURES				
GENERATION	9,200,800	9,240,800	8,538,233	702,567
DISTRIBUTION	976,900	1,102,200	1,123,295	(21,095)
GENERAL ADMINISTRATION	1,436,500	1,475,100	1,457,198	17,902
DEPRECIATION	450,000	450,000	453,652	(3,652)
CAPITAL OUTLAY	341,000	341,000	35,528	305,472
TOTAL EXPENDITURES	12,405,200	12,609,100	11,607,906	1,001,194
REVENUES OVER (UNDER) EXPENDITURES	\$ (52,700)	\$ (256,600)	185,600	\$ 442,200
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR: CAPITALIZATION OF FIXED ASSETS			35,528	
CHANGE IN NET POSITION			221,128	
TOTAL NET POSITION JANUARY 1			9,813,958	
TOTAL NET POSITION DECEMBER 31			\$ 10,035,086	

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2022 AND 2021

	2022	2021
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ -	\$ 54,610
RESTRICTED CASH	1,026,929	-
ACCOUNTS RECEIVABLE - CUSTOMERS	188,366	184,127
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	90,100	88,600
INVENTORIES	481,681	439,117
WATER INVENTORY	38,206	24,839
PREPAID AND ACCRUALS	88,013	26,389
TOTAL CURRENT ASSETS	1,913,295	817,682
PROPERTY AND EQUIPMENT		
LAND, WATER SYSTEM, AND EQUIPMENT	22,769,494	21,699,782
ACCUMULATED DEPRECIATION	(10,457,021)	(9,887,258)
NET PROPERTY AND EQUIPMENT	12,312,473	11,812,524
TOTAL ASSETS	\$ 14,225,768	\$ 12,630,206
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 428,683	\$ 126,119
UNEARNED REVENUE	638,465	-
DUE TO OTHER FUNDS	647,383	-
CURRENT PORTION - LOAN PAYABLE	91,500	792,372
TOTAL CURRENT LIABILITIES	1,806,031	918,491
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	164,655	205,154
LOAN PAYABLE	594,750	686,250
TOTAL NONCURRENT LIABILITIES	759,405	891,404
TOTAL LIABILITIES	2,565,436	1,809,895
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	11,626,223	10,333,902
RESTRICTED FOR OPERATIONS & MAINTENANCE	668,300	520,000
UNRESTRICTED	(634,191)	(33,591)
TOTAL NET POSITION	11,660,332	10,820,311
TOTAL LIABILITIES AND NET POSITION	\$ 14,225,768	\$ 12,630,206

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 2,782,440	\$ 2,864,343
OTHER BILLINGS	200,236	169,406
TOTAL OPERATING REVENUES	2,982,676	3,033,749
OPERATING EXPENSES		
SOURCE OF SUPPLY	181,532	137,127
POWER AND PUMPING	286,896	288,394
PURIFICATION	925,022	782,281
TRANSMISSION AND STORAGE	52,600	41,782
DISTRIBUTION	383,881	355,435
ACCOUNTING AND GENERAL ADMINISTRATION	843,201	755,298
DEPRECIATION	597,911	614,140
TOTAL OPERATING EXPENSES	3,271,043	2,974,457
OPERATING INCOME (LOSS)	(288,367)	59,292
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	1,027	1,510
INTEREST EXPENSE	(18,097)	(11,086)
RENT AND OTHER	19,852	7,250
GRANT INCOME	1,048,247	-
TOTAL NONOPERATING REVENUES (EXPENSES)	1,051,029	(2,326)
INCOME BEFORE CAPITAL CONTRIBUTIONS	762,662	56,966
CAPITAL CONTRIBUTIONS	77,359	103,332
CHANGE IN NET POSITION	840,021	160,298
NET POSITION JANUARY 1	10,820,311	10,660,013
NET POSITION DECEMBER 31	\$ 11,660,332	\$ 10,820,311

CITY OF LA JUNTA, COLORADO
WATER UTILITY FUND
STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 2,776,701	\$ 2,845,216
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(1,792,210)	(1,557,522)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(1,028,303)	(809,578)
OTHER OPERATING REVENUES	159,293	169,406
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	115,481	647,522
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
RENTS RECEIVED AND OTHER	19,852	260
DUE TO OTHER FUNDS	647,383	-
GRANT PROCEEDS	1,686,712	-
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	2,353,947	260
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(805,970)	(57,941)
CAPITAL CONTRIBUTED	77,359	103,332
PRINCIPAL PAID ON LOANS PAYABLE	(751,428)	(738,041)
INTEREST PAID ON LOANS PAYABLE	(18,097)	(36,172)
NET CASH FLOWS PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(1,498,136)	(728,822)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	1,027	1,510
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	972,319	(79,530)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	54,610	134,140
CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	\$ 1,026,929	\$ 54,610
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ (288,367)	\$ 59,292
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	597,911	614,140
OTHER	(40,943)	-
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	(5,739)	(19,127)
(INCREASE) DECREASE IN PREPAIDS	(61,625)	-
(INCREASE) DECREASE IN INVENTORIES	(55,931)	(4,714)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	10,674	(4,283)
INCREASE (DECREASE) IN ACCRUED EXPENSES	(40,499)	2,214
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 115,481	\$ 647,522
SUPPLEMENTAL SCHEDULE OF NON-CASH ACTIVITIES		
EQUIPMENT ACQUISITIONS IN ACCOUNTS PAYABLE	\$ 388,464	\$ 96,575

CITY OF LA JUNTA, COLORADO

WATER UTILITY FUND

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

YEAR ENDED DECEMBER 31, 2022

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 2,783,200	\$ 2,783,200	\$ 2,782,440	\$ (760)
INTEREST INCOME	1,000	1,000	1,027	27
OTHER BILLINGS AND INCOME	156,000	156,000	220,088	64,088
GRANT INCOME	-	-	1,048,247	1,048,247
TOTAL REVENUES	2,940,200	2,940,200	4,051,802	1,111,602
EXPENDITURES				
SOURCE OF SUPPLY	170,000	189,200	181,532	7,668
POWER AND PUMPING	270,800	282,300	286,896	(4,596)
PURIFICATION	829,000	908,000	925,022	(17,022)
TRANSMISSION AND STORAGE	71,800	83,300	52,600	30,700
DISTRIBUTION	431,400	484,700	383,881	100,819
GENERAL ADMINISTRATION	771,100	787,200	843,201	(56,001)
DEPRECIATION AND AMORTIZATION	615,000	615,000	597,911	17,089
INTEREST	51,200	51,200	18,097	33,103
CAPITAL OUTLAY	258,000	258,000	1,097,860	(839,860)
DEBT SERVICE	792,400	792,400	751,428	40,972
TOTAL EXPENDITURES	4,260,700	4,451,300	5,138,428	(687,128)
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(1,320,500)	(1,511,100)	(1,086,626)	424,474
OTHER FINANCING SOURCES (USES)				
CONTRIBUTIONS	5,000	5,000	77,359	72,359
	<u>\$ (1,315,500)</u>	<u>\$ (1,506,100)</u>	<u>(1,009,267)</u>	<u>\$ 496,833</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR:				
CAPITALIZATION OF FIXED ASSETS			1,097,860	
PRINCIPAL PAID ON LOANS			751,428	
TOTAL ADJUSTMENTS TO BASIS			1,849,288	
CHANGE IN NET POSITION			840,021	
TOTAL NET POSITION JANUARY 1			10,820,311	
TOTAL NET POSITION DECEMBER 31			<u>\$ 11,660,332</u>	

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2022 AND 2021

	2022	2021
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 307,629	\$ 533,982
INVESTMENTS	73,304	75,138
ACCOUNTS RECEIVABLE - CUSTOMERS	188,475	184,792
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	98,000	100,100
INVENTORIES	23,096	20,795
TOTAL CURRENT ASSETS	690,504	914,807
PROPERTY AND EQUIPMENT		
LAND, SEWER SYSTEM, AND EQUIPMENT	27,499,818	27,415,075
ACCUMULATED DEPRECIATION	(6,136,496)	(5,536,430)
NET PROPERTY AND EQUIPMENT	21,363,322	21,878,645
TOTAL ASSETS	\$ 22,053,826	\$ 22,793,452
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 33,625	\$ 26,133
ACCRUED INTEREST	88,665	94,717
CURRENT PORTION - LOANS PAYABLE	738,689	727,515
TOTAL CURRENT LIABILITIES	860,979	848,365
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	179,232	151,638
LOANS PAYABLE	13,573,180	14,312,175
TOTAL NONCURRENT LIABILITIES	13,752,412	14,463,813
TOTAL LIABILITIES	14,613,391	15,312,178
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	7,051,453	6,838,955
RESTRICTED FOR OPERATIONS & MAINTENANCE	426,500	356,000
UNRESTRICTED	(37,518)	286,319
TOTAL NET POSITION	7,440,435	7,481,274
TOTAL LIABILITIES AND NET POSITION	\$ 22,053,826	\$ 22,793,452

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 2,477,022	\$ 2,491,744
OPERATING EXPENSES		
COLLECTION SYSTEM	342,400	302,448
PUMPING STATIONS	71,777	53,931
TREATMENT PLANT	792,408	570,216
PRETREATMENT	141,598	130,867
ACCOUNTING AND GENERAL ADMINISTRATION	357,639	364,198
DEPRECIATION	600,066	619,758
TOTAL OPERATING EXPENSES	2,305,888	2,041,418
OPERATING INCOME (LOSS)	171,134	450,326
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	1,344	128
INTEREST EXPENSE	(224,202)	(238,306)
GRANTS AND OTHER	6,146	8,264
TOTAL NONOPERATING REVENUES (EXPENSES)	(216,712)	(229,914)
INCOME BEFORE CAPITAL CONTRIBUTIONS	(45,578)	220,412
CAPITAL CONTRIBUTIONS	4,739	10,400
CHANGE IN NET POSITION	(40,839)	230,812
NET POSITION JANUARY 1	7,481,274	7,250,462
NET POSITION DECEMBER 31	\$ 7,440,435	\$ 7,481,274

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 2,475,439	\$ 2,507,243
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(978,420)	(867,700)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(694,617)	(556,140)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	802,402	1,083,403
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
OTHER INCOME	6,146	8,264
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(84,743)	(213,162)
CAPITAL CONTRIBUTED	4,739	10,400
PRINCIPAL PAID ON LOANS PAYABLE	(727,821)	(716,051)
INTEREST PAID ON LOANS PAYABLE	(230,254)	(242,417)
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(1,038,079)	(1,161,230)
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	1,522	857
PURCHASE OF INVESTMENTS	(222,281)	-
CASH PROCEEDS FROM SALE OF INVESTMENTS	223,937	-
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	3,178	857
NET CHANGE IN CASH AND CASH EQUIVALENTS	(226,353)	(68,706)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	533,982	602,688
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 307,629	\$ 533,982
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ 171,134	\$ 450,326
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	600,066	619,758
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	(1,583)	15,499
(INCREASE) DECREASE IN INVENTORIES	(2,301)	(4,425)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	7,492	689
INCREASE (DECREASE) IN ACCRUED BENEFITS	27,594	1,556
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 802,402	\$ 1,083,403

CITY OF LA JUNTA, COLORADO

SEWER UTILITY FUND

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

YEAR ENDED DECEMBER 31, 2022

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 2,500,000	\$ 2,500,000	\$ 2,477,022	\$ (22,978)
INTEREST INCOME	1,000	1,000	1,344	344
OTHER INCOME	10,000	10,000	6,146	(3,854)
TOTAL REVENUES	2,511,000	2,511,000	2,484,512	(26,488)
EXPENDITURES				
COLLECTION SYSTEM	296,100	327,300	342,400	(15,100)
PUMPING STATION	89,100	99,500	71,777	27,723
TREATMENT PLANT	646,300	708,500	792,408	(83,908)
PRETREATMENT	139,900	155,500	141,598	13,902
GENERAL ADMINISTRATION	381,600	381,600	357,639	23,961
DEPRECIATION	650,000	650,000	600,066	49,934
INTEREST	234,100	234,100	224,202	9,898
CAPITAL OUTLAY	232,000	232,000	84,743	147,257
DEBT SERVICE	750,800	750,800	727,821	22,979
TOTAL EXPENDITURES	3,419,900	3,539,300	3,342,654	196,646
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(908,900)	(1,028,300)	(858,142)	170,158
OTHER FINANCING SOURCES				
CONTRIBUTIONS	-	-	4,739	4,739
	\$ (908,900)	\$ (1,028,300)	(853,403)	\$ 174,897
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR:				
CAPITALIZATION OF FIXED ASSETS			84,743	
PRINCIPAL PAID ON LOANS			727,821	
TOTAL ADJUSTMENTS TO BASIS			812,564	
CHANGE IN NET POSITION			(40,839)	
TOTAL NET POSITION JANUARY 1			7,481,274	
TOTAL NET POSITION DECEMBER 31			\$ 7,440,435	

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2022 AND 2021

	2022	2021
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 192,414	\$ 309,676
INVESTMENTS	1,347,491	1,350,234
ACCOUNTS RECEIVABLE - CUSTOMERS	71,875	67,210
ACCOUNTS RECEIVABLE - UNBILLED CUSTOMERS	36,600	36,600
TOTAL CURRENT ASSETS	1,648,380	1,763,720
PROPERTY AND EQUIPMENT		
STRUCTURES AND EQUIPMENT	954,578	922,412
ACCUMULATED DEPRECIATION	(714,448)	(667,955)
NET PROPERTY AND EQUIPMENT	240,130	254,457
TOTAL ASSETS	\$ 1,888,510	\$ 2,018,177
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 32,977	\$ 38,348
CURRENT PORTION - LANDFILL COSTS	50,400	32,600
TOTAL CURRENT LIABILITIES	83,377	70,948
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	74,992	57,867
ACCRUED CLOSURE AND POST CLOSURE COSTS	453,600	293,400
TOTAL NONCURRENT LIABILITIES	528,592	351,267
TOTAL LIABILITIES	611,969	422,215
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	240,130	254,457
UNRESTRICTED	1,036,411	1,341,505
TOTAL NET POSITION	1,276,541	1,595,962
TOTAL LIABILITIES AND NET POSITION	\$ 1,888,510	\$ 2,018,177

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 945,297	\$ 916,774
OTHER BILLINGS	50,667	58,690
TOTAL OPERATING REVENUES	995,964	975,464
OPERATING EXPENSES		
SALARIES AND BENEFITS	531,942	414,298
SUPPLIES	82,924	66,497
MAINTENANCE	128,567	84,569
RECYCLING	49,642	30,179
LANDFILL AND POST CLOSURE COSTS	183,125	180,964
ACCOUNTING AND GENERAL ADMINISTRATION	133,058	131,735
DEPRECIATION	46,493	58,604
TOTAL OPERATING EXPENSES	1,155,751	966,846
OPERATING INCOME (LOSS)	(159,787)	8,618
NONOPERATING REVENUES		
INTEREST INCOME	18,366	988
TOTAL NONOPERATING REVENUES	18,366	988
INCOME BEFORE SPECIAL ITEM	(141,421)	9,606
SPECIAL ITEM		
CHANGE IN ACCOUNTING ESTIMATE	(178,000)	(42,600)
CHANGE IN NET POSITION	(319,421)	(32,994)
NET POSITION JANUARY 1	1,595,962	1,628,956
NET POSITION DECEMBER 31	\$ 1,276,541	\$ 1,595,962

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 940,531	\$ 920,279
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(582,687)	(495,319)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(514,817)	(406,019)
OTHER OPERATING REVENUES	50,667	58,690
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(106,306)	77,631
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(32,166)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	6,997	1,055
PURCHASE OF INVESTMENTS	(2,179,370)	(1,199,788)
CASH PROCEEDS FROM SALE OF INVESTMENTS	2,193,583	800,743
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	21,210	(397,990)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(117,262)	(320,359)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	309,676	630,035
CASH AND CASH EQUIVALENTS END OF YEAR	\$ 192,414	\$ 309,676
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ (159,787)	\$ 8,618
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	46,493	58,604
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	(4,766)	3,505
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(5,371)	7,281
INCREASE (DECREASE) IN ACCRUED BENEFITS	17,125	(377)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (106,306)	\$ 77,631

CITY OF LA JUNTA, COLORADO

SANITATION UTILITY FUND

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

YEAR ENDED DECEMBER 31, 2022

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 924,300	\$ 924,300	\$ 945,297	\$ 20,997
INTEREST	2,000	2,000	18,366	16,366
OTHER BILLINGS	47,000	47,000	50,667	3,667
TOTAL REVENUES	973,300	973,300	1,014,330	41,030
EXPENDITURES				
SALARIES AND BENEFITS	463,900	605,800	531,942	73,858
SUPPLIES	70,000	70,000	82,924	(12,924)
MAINTENANCE	71,100	71,100	128,567	(57,467)
RECYCLING	25,000	25,000	49,642	(24,642)
LANDFILL AND POST CLOSURE COSTS	210,000	210,000	183,125	26,875
GENERAL ADMINISTRATION	128,900	128,900	133,058	(4,158)
DEPRECIATION	100,000	100,000	46,493	53,507
CAPITAL OUTLAY	50,000	50,000	32,166	17,834
TOTAL EXPENDITURES	1,118,900	1,260,800	1,187,917	72,883
REVENUE OVER (UNDER) EXPENDITURES	(145,600)	(287,500)	(173,587)	113,913
SPECIAL ITEM				
CHANGE IN ACCOUNTING ESTIMATE	(100)	(100)	(178,000)	(177,900)
	<u>\$ (145,700)</u>	<u>\$ (287,600)</u>	<u>(351,587)</u>	<u>\$ (63,987)</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR:				
CAPITALIZATION OF FIXED ASSETS			32,166	
CHANGE IN NET POSITION			(319,421)	
TOTAL NET POSITION JANUARY 1			1,595,962	
TOTAL NET POSITION DECEMBER 31			<u>\$ 1,276,541</u>	

CITY OF LA JUNTA, COLORADO
PROPERTY MANAGEMENT FUND
BALANCE SHEET
DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 717,806	\$ 741,383
INVESTMENTS	2,017,447	1,400,135
LEASE RECEIVABLES	<u>649,971</u>	<u>610,719</u>
TOTAL CURRENT ASSETS	<u>3,385,224</u>	<u>2,752,237</u>
NONCURRENT ASSETS		
LEASE RECEIVABLES	<u>1,896,027</u>	<u>2,538,846</u>
PROPERTY AND EQUIPMENT		
STRUCTURES AND EQUIPMENT	17,989,289	18,767,306
ACCUMULATED DEPRECIATION	<u>(10,014,028)</u>	<u>(9,656,768)</u>
NET PROPERTY AND EQUIPMENT	<u>7,975,261</u>	<u>9,110,538</u>
TOTAL ASSETS	<u><u>\$ 13,256,512</u></u>	<u><u>\$ 14,401,621</u></u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 17,732	\$ 18,242
ACCRUED PROPERTY TAXES	43,000	45,006
UNEARNED LEASE REVENUES - CURRENT	<u>184,862</u>	<u>190,025</u>
TOTAL CURRENT LIABILITIES	<u>245,594</u>	<u>253,273</u>
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	85,491	71,406
UNEARNED LEASE REVENUES	<u>1,324,495</u>	<u>1,493,478</u>
TOTAL NONCURRENT LIABILITIES	<u>1,409,986</u>	<u>1,564,884</u>
TOTAL LIABILITIES	<u>1,655,580</u>	<u>1,818,157</u>
DEFERRED INFLOW OF RESOURCES		
LEASES	<u>2,483,353</u>	<u>3,074,726</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	7,975,261	9,110,538
UNRESTRICTED	<u>1,142,318</u>	<u>398,200</u>
TOTAL NET POSITION	<u>9,117,579</u>	<u>9,508,738</u>
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION	<u><u>\$ 13,256,512</u></u>	<u><u>\$ 14,401,621</u></u>

CITY OF LA JUNTA, COLORADO

PROPERTY MANAGEMENT FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
OPERATING REVENUES		
RENT	\$ 1,152,826	\$ 1,284,202
OPERATING EXPENSES		
SALARIES AND BENEFITS	365,234	302,333
SUPPLIES	14,604	15,120
UTILITIES	120,999	121,927
MAINTENANCE	269,078	134,081
PROPERTY TAXES	47,330	44,380
GENERAL ADMINISTRATION	188,902	197,085
DEPRECIATION	480,320	469,840
TOTAL OPERATING EXPENSES	1,486,467	1,284,766
OPERATING INCOME (LOSS)	(333,641)	(564)
NONOPERATING REVENUES (EXPENSES)		
INTEREST	78,413	69,013
GAIN (LOSS) ON SALE OF ASSET	(145,282)	660,491
GRANTS AND OTHER	16,951	-
TOTAL NONOPERATING REVENUES (EXPENSES)	(49,918)	729,504
INCOME (LOSS) BEFORE OTHER FINANCING SOURCES (USES)	(383,559)	728,940
OTHER FINANCING SOURCES (USES)		
TRANSFERS IN	12,400	12,400
TRANSFERS OUT	(20,000)	(20,000)
TOTAL OTHER FINANCING SOURCES (USES)	(7,600)	(7,600)
CHANGE IN NET POSITION	(391,159)	721,340
NET POSITION JANUARY 1 - AS RESTATED	9,508,738	8,787,398
NET POSITION DECEMBER 31	\$ 9,117,579	\$ 9,508,738

CITY OF LA JUNTA, COLORADO
PROPERTY MANAGEMENT FUND
STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM RENT	\$ 990,874	\$ 1,059,399
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(643,429)	(512,125)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(351,149)	(290,784)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(3,704)</u>	<u>256,490</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFERS IN	12,400	12,400
TRANSFERS OUT	(20,000)	(20,000)
OTHER	<u>16,951</u>	<u>-</u>
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>9,351</u>	<u>(7,600)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(166,262)	(505,582)
CASH PROCEEDS FROM SALE OF ASSET	<u>675,936</u>	<u>898,126</u>
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>509,674</u>	<u>392,544</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	75,647	69,013
PURCHASE OF INVESTMENTS	(1,194,346)	(1,400,006)
CASH PROCEEDS FROM SALE OF INVESTMENTS	<u>579,801</u>	<u>300,000</u>
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(538,898)</u>	<u>(1,030,993)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(23,577)	(389,559)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>741,383</u>	<u>1,130,942</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u><u>\$ 717,806</u></u>	<u><u>\$ 741,383</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ (333,641)	\$ (564)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	480,320	469,840
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN RECEIVABLES AND PREPAIDS	603,567	(3,109,504)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(510)	2,672
INCREASE (DECREASE) IN DEFERRED REVENUE	(174,146)	(190,025)
INCREASE (DECREASE) IN ACCRUED TAXES AND BENEFITS	12,079	9,345
INCREASE (DECREASE) IN DEFERRED INFLOW OF RESOURCES	<u>(591,373)</u>	<u>3,074,726</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ (3,704)</u></u>	<u><u>\$ 256,490</u></u>

CITY OF LA JUNTA, COLORADO

PROPERTY MANAGEMENT FUND

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

YEAR ENDED DECEMBER 31, 2022

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
RENT	\$ 1,105,000	\$ 1,105,000	\$ 1,152,826	\$ 47,826
INTEREST	4,800	4,800	78,413	73,613
OTHER	-	-	(128,331)	(128,331)
TOTAL REVENUES	1,109,800	1,109,800	1,102,908	(6,892)
EXPENDITURES				
SALARIES AND BENEFITS	335,300	335,300	365,234	(29,934)
SUPPLIES	13,000	13,000	14,604	(1,604)
UTILITIES	107,500	107,500	120,999	(13,499)
MAINTENANCE	158,000	158,000	269,078	(111,078)
PROPERTY TAXES	56,500	56,500	47,330	9,170
GENERAL ADMINISTRATION	203,200	203,200	188,902	14,298
DEPRECIATION	550,000	550,000	480,320	69,680
CAPITAL OUTLAY	300,000	300,000	166,262	133,738
TOTAL EXPENDITURES	1,723,500	1,723,500	1,652,729	70,771
REVENUES OVER (UNDER) EXPENDITURES	(613,700)	(613,700)	(549,821)	63,879
OTHER FINANCING SOURCES (USES) TRANSFERS	2,400	2,400	(7,600)	(10,000)
	<u>\$ (611,300)</u>	<u>\$ (611,300)</u>	(557,421)	<u>\$ 53,879</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR CAPITALIZATION OF FIXED ASSETS			166,262	
CHANGE IN NET POSITION			(391,159)	
TOTAL NET POSITION JANUARY 1			9,508,738	
TOTAL NET POSITION DECEMBER 31			<u>\$ 9,117,579</u>	

CITY OF LA JUNTA, COLORADO

INTERNAL SERVICE FUNDS

COMBINING BALANCE SHEET

DECEMBER 31, 2022 AND 2021

	CITY SERVICES	EMPLOYEE BENEFIT	TOTALS MEMORANDUM ONLY	
			2022	2021
CURRENT ASSETS				
CASH OR EQUIVALENTS	\$ 1,030,864	\$ 475,632	\$ 1,506,496	\$ 2,444,209
INVESTMENTS	100,390	592,171	692,561	850,721
ACCOUNTS RECEIVABLE	5,348	6	5,354	3,998
INVENTORIES	30,943	-	30,943	34,247
DUE FROM OTHER FUND	647,383	-	647,383	-
TOTAL CURRENT ASSETS	1,814,928	1,067,809	2,882,737	3,333,175
PROPERTY AND EQUIPMENT				
LAND, BUILDINGS AND EQUIPMENT	6,526,298	-	6,526,298	5,877,671
ACCUMULATED DEPRECIATION	(4,131,224)	-	(4,131,224)	(3,960,673)
NET PROPERTY AND EQUIPMENT	2,395,074	-	2,395,074	1,916,998
TOTAL ASSETS	\$ 4,210,002	\$ 1,067,809	\$ 5,277,811	\$ 5,250,173
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	\$ 11,175	\$ -	\$ 11,175	\$ 30,202
CLAIMS PAYABLE	-	197,000	197,000	118,000
CURRENT PORTION-LEASE PAYABLE	67,799	-	67,799	-
TOTAL CURRENT LIABILITIES	78,974	197,000	275,974	148,202
NONCURRENT LIABILITIES				
ACCRUED BENEFITS	75,028	-	75,028	80,089
LEASE PAYABLE	826,098	-	826,098	-
TOTAL NONCURRENT LIABILITIES	901,126	-	901,126	80,089
TOTAL LIABILITIES	980,100	197,000	1,177,100	228,291
NET POSITION				
NET INVESTMENT IN CAPITAL ASSETS	1,501,177	-	1,501,177	1,916,998
UNRESTRICTED	1,728,725	870,809	2,599,534	3,104,884
TOTAL NET POSITION	3,229,902	870,809	4,100,711	5,021,882
TOTAL LIABILITIES AND NET POSITION	\$ 4,210,002	\$ 1,067,809	\$ 5,277,811	\$ 5,250,173

CITY OF LA JUNTA, COLORADO

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2022 AND 2021

	CITY SERVICES	EMPLOYEE BENEFIT	TOTALS MEMORANDUM ONLY	
			2022	2021
OPERATING REVENUES				
CHARGES FOR SERVICES	\$ 1,424,900	\$ 2,221,144	\$ 3,646,044	\$ 3,095,468
OPERATING EXPENSES				
PERSONAL SERVICES,				
MATERIALS AND SUPPLIES	1,213,758	2,910,900	4,124,658	3,189,521
DEPRECIATION	418,371	-	418,371	401,691
TOTAL OPERATING EXPENSES	1,632,129	2,910,900	4,543,029	3,591,212
OPERATING INCOME (LOSS)	(207,229)	(689,756)	(896,985)	(495,744)
NONOPERATING REVENUES (EXPENSES)				
INTEREST INCOME	3,963	10,705	14,668	4,199
RENT AND OTHER	(38,854)	-	(38,854)	28,683
TOTAL NONOPERATING REVENUES (EXPENSES)	(34,891)	10,705	(24,186)	32,882
CHANGE IN NET POSITION	(242,120)	(679,051)	(921,171)	(462,862)
NET POSITION JANUARY 1	3,472,022	1,549,860	5,021,882	5,484,744
NET POSITION DECEMBER 31	\$ 3,229,902	\$ 870,809	\$ 4,100,711	\$ 5,021,882

CITY OF LA JUNTA, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	CITY SERVICES	EMPLOYEE BENEFIT	TOTALS MEMORANDUM ONLY	
			2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES				
CASH RECEIVED FROM CUSTOMERS	\$ 1,423,545	\$ 2,221,143	\$ 3,644,688	\$ 3,092,805
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(888,599)	(2,831,900)	(3,720,499)	(2,778,080)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(345,943)	-	(345,943)	(387,140)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	189,003	(610,757)	(421,754)	(72,415)
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES				
DUE FROM OTHER FUND	(647,383)	-	(647,383)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
ACQUISITION OF CAPITAL ASSETS	(1,075,302)	-	(1,075,302)	(348,876)
LEASE PROCEEDS	893,897	-	893,897	-
CASH PROCEEDS FROM SALE OF ASSETS	140,000	-	140,000	28,683
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(41,405)	-	(41,405)	(320,193)
CASH FLOWS FROM INVESTING ACTIVITIES				
INTEREST ON INVESTMENTS	2,812	5,679	8,491	4,607
PURCHASE OF INVESTMENTS	(99,396)	(1,537,329)	(1,636,725)	(1,451,976)
CASH PROCEEDS FROM SALE OF INVESTMENTS	101,063	1,700,000	1,801,063	1,201,888
NET CASH FLOWS FROM INVESTING ACTIVITIES	4,479	168,350	172,829	(245,481)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(495,306)	(442,407)	(937,713)	(638,089)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	1,526,170	918,039	2,444,209	3,082,298
CASH AND CASH EQUIVALENTS END OF YEAR	\$ 1,030,864	\$ 475,632	\$ 1,506,496	\$ 2,444,209
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
OPERATING LOSS	\$ (207,229)	\$ (689,756)	\$ (896,985)	\$ (495,744)
ADJUSTMENTS TO RECONCILE OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
DEPRECIATION	418,371	-	418,371	401,691
CHANGE IN ASSETS AND LIABILITIES				
(INCREASE) DECREASE IN RECEIVABLES	(1,355)	(1)	(1,356)	(2,663)
(INCREASE) DECREASE IN INVENTORIES	3,304	-	3,304	(11,772)
INCREASE (DECREASE) IN PAYABLES	(19,027)	79,000	59,973	55,265
INCREASE (DECREASE) IN ACCRUED BENEFITS	(5,061)	-	(5,061)	(19,192)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 189,003	\$ (610,757)	\$ (421,754)	\$ (72,415)

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

BALANCE SHEET

DECEMBER 31, 2022 AND 2021

	2022	2021
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 1,030,864	\$ 1,526,170
INVESTMENTS	100,390	100,905
ACCOUNTS RECEIVABLE	5,348	3,993
INVENTORIES	30,943	34,247
DUE FROM OTHER FUND	647,383	-
TOTAL CURRENT ASSETS	1,814,928	1,665,315
PROPERTY AND EQUIPMENT		
LAND, BUILDINGS AND EQUIPMENT	6,526,298	5,877,671
ACCUMULATED DEPRECIATION	(4,131,224)	(3,960,673)
NET PROPERTY AND EQUIPMENT	2,395,074	1,916,998
TOTAL ASSETS	\$ 4,210,002	\$ 3,582,313
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 11,175	\$ 30,202
CURRENT PORTION - LEASE PAYABLE	67,799	-
TOTAL CURRENT LIABILITIES	78,974	30,202
NONCURRENT LIABILITIES		
ACCRUED PAID TIME OFF	75,028	80,089
LEASE PAYABLE	826,098	-
TOTAL NONCURRENT LIABILITIES	901,126	80,089
TOTAL LIABILITIES	980,100	110,291
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	1,501,177	1,916,998
UNRESTRICTED	1,728,725	1,555,024
TOTAL NET POSITION	3,229,902	3,472,022
TOTAL LIABILITIES AND NET POSITION	\$ 4,210,002	\$ 3,582,313

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
OPERATING REVENUES		
MAINTENANCE SERVICES AND RENTALS	\$ 1,068,800	\$ 900,849
PURCHASING DEPARTMENT	226,900	278,700
COMPUTER SERVICES	129,200	126,800
TOTAL OPERATING REVENUES	1,424,900	1,306,349
OPERATING EXPENSES		
MOTOR POOL SERVICES	820,497	639,231
PURCHASING DEPARTMENT	239,566	194,397
COMPUTER SUPPLIES AND TRAINING	153,695	148,592
DEPRECIATION	418,371	401,691
TOTAL OPERATING EXPENSES	1,632,129	1,383,911
OPERATING INCOME (LOSS)	(207,229)	(77,562)
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	3,963	3,860
GRANTS AND OTHER	-	-
GAIN (LOSS) ON SALE OF ASSETS	(38,854)	28,683
TOTAL NONOPERATING REVENUES	(34,891)	32,543
CHANGE IN NET POSITION	(242,120)	(45,019)
NET POSITION JANUARY 1	3,472,022	3,517,041
NET POSITION DECEMBER 31	\$ 3,229,902	\$ 3,472,022

CITY OF LA JUNTA, COLORADO
CITY SERVICES FUND
STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 1,423,545	\$ 1,303,686
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(888,599)	(603,779)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(345,943)	(387,140)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>189,003</u>	<u>312,767</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
DUE FROM OTHER FUND	<u>(647,383)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(1,075,302)	(348,876)
LEASE PROCEEDS	893,897	
CASH PROCEEDS FROM SALE OF ASSETS	<u>140,000</u>	<u>28,683</u>
CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(41,405)</u>	<u>(320,193)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	2,812	4,145
PURCHASE OF INVESTMENTS	(99,396)	(202,204)
CASH PROCEEDS FROM SALE OF INVESTMENTS	<u>101,063</u>	<u>202,011</u>
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	<u>4,479</u>	<u>3,952</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(495,306)	(3,474)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>1,526,170</u>	<u>1,529,644</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u><u>\$ 1,030,864</u></u>	<u><u>\$ 1,526,170</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ (207,229)	\$ (77,562)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	418,371	401,691
CHANGE IN ASSETS AND LIABILITIES		
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	(1,355)	(2,663)
(INCREASE) DECREASE IN INVENTORIES	3,304	(11,772)
(INCREASE) DECREASE IN PREPAIDS	-	-
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(19,027)	22,265
INCREASE (DECREASE) IN ACCRUED BENEFITS	(5,061)	(19,192)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ 189,003</u></u>	<u><u>\$ 312,767</u></u>

CITY OF LA JUNTA, COLORADO

CITY SERVICES FUND

SCHEDULE OF REVENUES, EXPENDITURES AND BUDGET COMPARISON

YEAR ENDED DECEMBER 31, 2022

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
MAINTENANCE SERVICES	\$ 970,800	\$ 970,800	\$ 1,068,800	\$ 98,000
PURCHASING DEPARTMENT	226,800	226,800	226,900	100
COMPUTER RENTAL	129,100	129,100	129,200	100
INTEREST	2,000	2,000	3,963	1,963
OTHER	15,000	15,000	(38,854)	(53,854)
TOTAL REVENUES	1,343,700	1,343,700	1,390,009	46,309
EXPENDITURES				
MOTOR POOL SERVICES	767,000	804,700	820,497	(15,797)
PURCHASING DEPARTMENT	226,800	256,700	239,566	17,134
COMPUTER SUPPLIES AND TRAINING	129,100	141,200	153,695	(12,495)
DEPRECIATION	375,000	375,000	418,371	(43,371)
CAPITAL OUTLAY	228,000	228,000	1,075,302	(847,302)
TOTAL EXPENDITURES	1,725,900	1,805,600	2,707,431	(901,831)
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (382,200)</u>	<u>\$ (461,900)</u>	(1,317,422)	<u>\$ (855,522)</u>
ADJUSTMENT TO RECONCILE BUDGETARY BASIS TO GAAP BASIS ADJUSTMENT FOR CAPITALIZATION OF FIXED ASSETS			<u>1,075,302</u>	
CHANGE IN NET POSITION			(242,120)	
TOTAL NET POSITION JANUARY 1			<u>3,472,022</u>	
TOTAL NET POSITION DECEMBER 31			<u>\$ 3,229,902</u>	

CITY OF LA JUNTA, COLORADO
EMPLOYEE BENEFIT CLAIM FUND
BALANCE SHEET
DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 475,632	\$ 918,039
INVESTMENTS	592,171	749,816
ACCOUNTS RECEIVABLE	<u>6</u>	<u>5</u>
 TOTAL CURRENT ASSETS	 <u><u>\$ 1,067,809</u></u>	 <u><u>\$ 1,667,860</u></u>
 CURRENT LIABILITIES		
CLAIMS PAYABLE	\$ 197,000	\$ 118,000
 NET POSITION		
UNRESTRICTED	<u>870,809</u>	<u>1,549,860</u>
 TOTAL LIABILITIES AND NET POSITION	 <u><u>\$ 1,067,809</u></u>	 <u><u>\$ 1,667,860</u></u>

CITY OF LA JUNTA, COLORADO

EMPLOYEE BENEFIT CLAIM FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
OPERATING REVENUES		
CHARGES FOR SERVICES-PREMIUMS	<u>\$ 2,221,144</u>	<u>\$ 1,789,119</u>
OPERATING EXPENSES		
INSURANCE	660,096	586,885
CLAIMS	2,199,337	1,571,284
ADMINISTRATION	<u>51,467</u>	<u>49,132</u>
TOTAL OPERATING EXPENSES	<u>2,910,900</u>	<u>2,207,301</u>
OPERATING INCOME (LOSS)	(689,756)	(418,182)
NONOPERATING REVENUES		
INTEREST	<u>10,705</u>	<u>339</u>
CHANGE IN NET POSITION	(679,051)	(417,843)
NET POSITION JANUARY 1	<u>1,549,860</u>	<u>1,967,703</u>
NET POSITION DECEMBER 31	<u><u>\$ 870,809</u></u>	<u><u>\$ 1,549,860</u></u>

CITY OF LA JUNTA, COLORADO
EMPLOYEE BENEFIT CLAIM FUND
STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 2,221,143	\$ 1,789,119
CASH PAYMENTS FOR PREMIUMS AND CLAIMS	<u>(2,831,900)</u>	<u>(2,174,301)</u>
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(610,757)</u>	<u>(385,182)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS	5,679	462
PURCHASE OF INVESTMENTS	(1,537,329)	(1,249,772)
CASH PROCEEDS FROM SALE OF INVESTMENTS	<u>1,700,000</u>	<u>999,877</u>
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	<u>168,350</u>	<u>(249,433)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(442,407)	(634,615)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>918,039</u>	<u>1,552,654</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u><u>\$ 475,632</u></u>	<u><u>\$ 918,039</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	\$ (689,756)	\$ (418,182)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES:		
CHANGE IN ASSETS AND LIABILITIES		
INCREASE (DECREASE) IN ACCOUNTS RECEIVABLE	(1)	-
INCREASE (DECREASE) IN CLAIMS PAYABLE	<u>79,000</u>	<u>33,000</u>
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ (610,757)</u></u>	<u><u>\$ (385,182)</u></u>

CITY OF LA JUNTA, COLORADO

EMPLOYEE BENEFIT CLAIM FUND

SCHEDULE OF REVENUES, EXPENDITURES AND BUDGET COMPARISON

YEAR ENDED DECEMBER 31, 2022

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES-PREMIUMS	\$ 1,865,900	\$ 1,865,900	\$ 2,221,144	\$ 355,244
INTEREST	1,000	1,000	10,705	9,705
TOTAL REVENUES	1,866,900	1,866,900	2,231,849	364,949
EXPENSES				
INSURANCE	560,900	560,900	660,096	(99,196)
CLAIMS	1,400,000	1,400,000	2,199,337	(799,337)
ADMINISTRATION	54,500	54,500	51,467	3,033
TOTAL EXPENSES	2,015,400	2,015,400	2,910,900	(895,500)
CHANGE IN NET POSITION	(148,500)	(148,500)	(679,051)	(530,551)
NET POSITION JANUARY 1	1,549,860	1,549,860	1,549,860	-
NET POSITION DECEMBER 31	\$ 1,401,360	\$ 1,401,360	\$ 870,809	\$ (530,551)

SINGLE AUDIT SECTION

CITY OF LA JUNTA, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022

PROGRAM TITLE	Assistance Listing Number	Pass- Through Entity Identifying Number	Passed through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF TREASURY				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	NEU-CO0178	-	\$ 1,048,247
Total U.S. Department of Treasury				<u>1,048,247</u>
U.S. DEPARTMENT OF TRANSPORTATION				
Passed Through the Colorado Department of Transportation				
Formula Grants for Rural Areas and Tribal Transit Program	20.509	20-HTR-ZL-00364	-	101,410
Formula Grants for Rural Areas and Tribal Transit Program	20.509	20-HTR-ZL-00241	-	117,973
Total U.S. Department of Transportation				<u>219,383</u>
NATIONAL ENDOWMENT FOR THE ARTS				
COVID-19 Promotion of the Arts Partnership Agreements	45.025	-	-	11,000
Total National Endowment for the Arts				<u>11,000</u>
INSTITUTE OF MUSEUM AND LIBRARY SERVICES				
Passed Through the Colorado State Library				
COVID-19 LSTA American Rescue Plan Act (ARPA)	45.310			6,000
Total Institute of Museum and Library Services				<u>6,000</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ 1,284,630</u>

CITY OF LA JUNTA, COLORADO

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE -1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the City of La Junta, Colorado under programs of the federal government for the year ended December 31, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the schedule presents only a selected portion of the operations of the City of La Junta, Colorado, it is not intended to and does not present the financial position, changes in net assets of the City of La Junta, Colorado.

NOTE – 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE – 3 INDIRECT COST RATES

The City of La Junta, Colorado has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE – 4 SUB-RECIPIENTS

No payments were made to sub-recipients in the fiscal year ended December 31, 2022.

HANCOCK FROESE & COMPANY LLC

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

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

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

City Council
City of La Junta, Colorado
La Junta, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business activities, each major fund and the aggregate remaining fund information of the City of La Junta, Colorado, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise City of La Junta, Colorado's basic financial statements, and have issued our report thereon dated May 3, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of La Junta, Colorado's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of La Junta, Colorado's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of La Junta, Colorado's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of La Junta, Colorado's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose



Hancock Froese & Company LLC
Rocky Ford, Colorado
May 3, 2023

HANCOCK FROESE & COMPANY LLC

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

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

City Council
City of La Junta, Colorado
La Junta, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of La Junta, Colorado's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of La Junta, Colorado's major federal programs for the year ended December 31, 2022. The City of La Junta, Colorado's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of La Junta, Colorado complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of La Junta, Colorado and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of La Junta, Colorado's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of La Junta, Colorado's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of La Junta, Colorado's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of La Junta, Colorado's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of La Junta, Colorado's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of La Junta, Colorado's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of La Junta, Colorado's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Hancock Froese & Company LLC

Rocky Ford, Colorado

May 3, 2023

City of La Junta, Colorado

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued

Unmodified

Internal control over financial reporting as reported in the INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ☐ yes ☒ no

Noncompliance material to financial statements noted

☐ yes ☒ no

Federal Awards

Internal control over major programs as reported in the INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ☐ yes ☒ no

Type of auditor's report issued on compliance for major program:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)

☐ yes ☒ no

Assisted Listing Number

Name of Federal Program or Cluster

21.027

Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs

\$750,000

Auditee qualified as low-risk auditee

☐ yes ☒ no

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Section IV – Prior Year Findings

There were no findings in the prior year that were required to be reported.

LOCAL HIGHWAY FINANCE REPORT

LOCAL HIGHWAY FINANCE REPORTSTATE:
COLORADO
YEAR ENDING (mm/yy):
12/22This Information From The Records Of:
City of La JuntaPrepared By:
Aliza Libby**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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	\$ 925,859.00
3. Other local imposts (from page 2)	\$ 96,212.00
4. Miscellaneous local receipts (from page 2)	\$ -
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	\$ -
7. Total (1 through 6)	\$ 1,022,071.00
B. Private Contributions	
C. Receipts from State government (from page 2)	\$ 302,580.00
D. Receipts from Federal Government (from page 2)	\$ -
E. Total receipts (A.7 + B + C + D)	\$ 1,324,651.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital outlay (from page 2)	\$ -
2. Maintenance:	\$ 538,923.00
3. Road and street services:	
a. Traffic control operations	\$ 35,570.00
b. Snow and ice removal	\$ 11,560.00
c. Other	\$ 197,402.00
d. Total (a. through c.)	\$ 244,532.00
4. General administration & miscellaneous	\$ 89,998.00
5. Highway law enforcement and safety	\$ 451,198.00
6. Total (1 through 5)	\$ 1,324,651.00
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	\$ -
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	\$ -
3. Total (1.c + 2.c)	\$ -
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total expenditures (A.6 + B.3 + C + D)	\$ 1,324,651.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ -	\$ 1,324,651.00	\$ 1,324,651.00	\$ -	\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO YEAR ENDING (mm/yy): 12/22	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	\$ 96,212.00	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 96,212.00	h. Other	
c. Total (a. + b.)	\$ 96,212.00	i. Total (a. through h.)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	
III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 276,193.00	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	\$ 26,387.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal	
f. Total (a. through e.)	\$ 26,387.00	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 302,580.00	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	
		ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)
		TOTAL (c)	
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements			\$ -
(3). System Preservation			\$ -
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ -	\$ -
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ -	\$ -
<i>(Carry forward to page 1)</i>			
Notes and Comments:			