

Town of Berthoud, Colorado

Financial Statements
with Independent Auditor's Report

December 31, 2023



Town of Berthoud, Colorado

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Town of Berthoud, Colorado

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**HINKLE &
COMPANY**
Strategic PC
Business Advisors

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and each major fund of the Town of Berthoud, Colorado (the Town) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Town, 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 business-type activities and each major fund of the Town as of December 31, 2023, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Office Locations:

Colorado Springs, CO
Denver, CO
Frisco, CO
Tulsa, OK

Denver Office:

750 W. Hampden Avenue,
Suite 400
Englewood,
Colorado 80110
TEL: 303.796.1000
FAX: 303.796.1001
www.HinkleCPAs.com

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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.



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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The supplementary information and the local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the 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 the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hick & Company, PC

Englewood, Colorado
June 25, 2024

Basic Financial Statements

Town of Berthoud, Colorado
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-type Activities	Totals
Assets			
Cash and Investments	\$ 51,871,032	\$ 77,775,230	\$ 129,646,262
Accounts Receivable	1,007,490	523,284	1,530,774
Taxes Receivable	911,572	-	911,572
Property Taxes Receivable	2,655,095	-	2,655,095
Restricted Cash	4,909	4,305	9,214
Capital Assets, <i>Not Being Depreciated</i>	18,843,984	44,607,187	63,451,171
Capital Assets, <i>Net of Accumulated Depreciation</i>	51,899,962	28,563,898	80,463,860
	<u>127,194,044</u>	<u>151,473,904</u>	<u>278,667,948</u>
Liabilities			
Accounts Payable	272,225	1,194,002	1,466,227
Accrued Liabilities	150,357	76	150,433
Accrued Interest Payable	61,667	86,021	147,688
Noncurrent Liabilities			
Due within one year	402,258	640,449	1,042,707
Due in More Than One Year	21,767,315	7,196,340	28,963,655
	<u>22,653,822</u>	<u>9,116,888</u>	<u>31,770,710</u>
Deferred Inflows of Resources			
Deferred Property Taxes	2,819,429	-	2,819,429
	<u>2,819,429</u>	<u>-</u>	<u>2,819,429</u>
Net Positions			
Net Investment in Capital Assets	51,543,946	65,354,714	116,898,660
Restricted for:			
Debt Service	-	7,902,392	7,902,392
Street Paving and Maintenance	11,350,324	-	11,350,324
Open Space and Parks	1,338,717	-	1,338,717
Emergencies	228,191	-	228,191
Unrestricted	37,259,615	69,099,910	106,359,525
	<u>37,259,615</u>	<u>69,099,910</u>	<u>106,359,525</u>
Total Net Position	<u>\$ 101,720,793</u>	<u>\$ 142,357,016</u>	<u>\$ 244,077,809</u>

Town of Berthoud, Colorado
Statement of Activities
For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Totals
Primary Government							
<i>Governmental Activities</i>							
General Government	\$ 1,888,478	\$ 1,362,282	\$ -	\$ -	\$ (526,196)	\$ -	\$ (526,196)
Public Safety	2,385,018	27,612	-	-	(2,357,406)	-	(2,357,406)
Public Works	2,086,325	792,468	636,595	-	(657,262)	-	(657,262)
Parks and Recreation	6,481,591	2,834,355	809,480	-	(2,837,756)	-	(2,837,756)
Planning	1,056,222	1,259,676	504	-	203,958	-	203,958
Transportation	203,206	22,977	350,000	-	169,771	-	169,771
Interest and Fiscal Charges	346,311	-	-	-	(346,311)	-	(346,311)
Total Governmental Activities	14,447,151	6,299,370	1,796,579	-	(6,351,202)	-	(6,351,202)
<i>Business-Type Activities</i>							
Water Utility	4,505,025	3,418,828	-	7,847,196	-	6,760,999	6,760,999
Wastewater Utility	3,314,975	3,659,575	-	1,337,584	-	1,682,184	1,682,184
Storm Water Utility	151,340	1,038,134	-	-	-	886,794	886,794
Total Business-Type	7,971,340	8,116,537	-	9,184,780	-	9,329,977	9,329,977
Total Primary Government	\$ 22,418,491	\$ 14,415,907	\$ 1,796,579	\$ 9,184,780	(6,351,202)	9,329,977	2,978,775
General Revenues							
Property Taxes					2,245,220	-	2,245,220
Specific Ownership Taxes					325,119	-	325,119
Sales and Use Taxes					13,373,414	-	13,373,414
Occupation Taxes					9,262	-	9,262
Franchise Taxes					124,854	-	124,854
Lodging Taxes					1,687	-	1,687
Grants and Contributions not Restricted to Specific Programs					105,298	-	105,298
Investment Income					2,426,665	3,728,743	6,155,408
Miscellaneous					277,534	-	277,534
Transfers					336,000	(351,240)	(15,240)
Total General Revenues and Transfers					19,225,053	3,377,503	22,602,556
Change in Net Position					12,873,851	12,707,480	25,581,331
Net Position, Beginning of year					88,846,942	129,649,536	218,496,478
Net Position, End of year					\$ 101,720,793	\$ 142,357,016	\$ 244,077,809

Town of Berthoud, Colorado
Balance Sheet
Governmental Funds
December 31, 2023

	General	1% Sales Tax	Park Development	2019 1% Sales Tax	Nonmajor Governmental Funds	Totals
Assets						
Cash and Investments	\$ 24,059,986	\$ 4,877,278	\$ 2,089,175	\$ 7,992,305	\$ 12,857,197	\$ 51,875,941
Accounts Receivable	952,443	-	-	-	55,047	1,007,490
Taxes Receivable	-	421,061	-	421,061	69,450	911,572
Property Taxes Receivable	<u>2,655,095</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,655,095</u>
Total Assets	<u>\$ 27,667,524</u>	<u>\$ 5,298,339</u>	<u>\$ 2,089,175</u>	<u>\$ 8,413,366</u>	<u>\$ 12,981,694</u>	<u>\$ 56,450,098</u>
Liabilities						
Accounts Payable	\$ 219,317	\$ 19,553	\$ -	\$ 32,200	\$ 1,155	\$ 272,225
Accrued Liabilities	<u>147,295</u>	<u>-</u>	<u>-</u>	<u>2,995</u>	<u>67</u>	<u>150,357</u>
Total Liabilities	<u>366,612</u>	<u>19,553</u>	<u>-</u>	<u>35,195</u>	<u>1,222</u>	<u>422,582</u>
Deferred Inflows of Resources						
Deferred Property Taxes	<u>2,819,429</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,819,429</u>
Deferred Inflows of Resources	<u>2,819,429</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,819,429</u>
Fund Balances						
Restricted for:						
Street Paving and Maintenance	-	5,278,786	-	-	6,071,538	11,350,324
Open Space and Parks	-	-	-	-	1,338,717	1,338,717
Emergencies	228,191	-	-	-	-	228,191
Committed to:						
Capital Improvements	-	-	2,089,175	8,378,171	3,923,280	14,390,626
Assigned to:						
Cemetery	-	-	-	-	205,530	205,530
Transportation	-	-	-	-	1,441,407	1,441,407
Unrestricted, Unassigned	<u>24,253,292</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,253,292</u>
Total Fund Balances	<u>24,481,483</u>	<u>5,278,786</u>	<u>2,089,175</u>	<u>8,378,171</u>	<u>12,980,472</u>	<u>53,208,087</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 27,667,524</u>	<u>\$ 5,298,339</u>	<u>\$ 2,089,175</u>	<u>\$ 8,413,366</u>	<u>\$ 12,981,694</u>	<u>\$ 56,450,098</u>

Town of Berthoud, Colorado
 Reconciliation of the Balance Sheet of Governmental Funds
 to the Statement of Net Position
 December 31, 2023

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

Total Fund Balances of Governmental Funds	\$ 53,208,087
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds	70,743,946
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds:	
Certificate of Participation	(19,200,000)
Certificate of Participation Premium	(2,646,994)
Accrued Interest Payable	(61,667)
Compensated absences payable	(322,579)
Total Net Position of Governmental Activities	\$ <u>101,720,793</u>

Town of Berthoud, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	General	1% Sales Tax	Park Development	2019 1% Sales Tax	Nonmajor Governmental Funds	Totals
Revenues						
Taxes	\$ 9,097,650	\$ 3,118,005	\$ -	\$ 3,183,153	\$ 680,748	\$ 16,079,556
Licenses and Permits	177,189	-	-	-	-	177,189
Intergovernmental	591,893	-	-	504	1,309,480	1,901,877
Charges for Services	2,140,721	-	861,266	1,635,304	1,457,278	6,094,569
Fines and Forfeitures	27,612	-	-	-	-	27,612
Investment Income	1,159,466	238,733	90,793	339,785	597,888	2,426,665
Miscellaneous	248,549	-	-	-	28,985	277,534
Total Revenues	13,443,080	3,356,738	952,059	5,158,746	4,074,379	26,985,002
Expenditures						
Current						
General Government	2,546,179	-	-	12,695	26,973	2,585,847
Public Safety	2,384,994	-	-	-	-	2,384,994
Public Works	1,248,128	-	-	-	288	1,248,416
Parks and Recreation	1,169,823	150,000	221,063	1,720,925	1,958,182	5,219,993
Planning	1,056,222	-	-	-	-	1,056,222
Transportation	40,000	-	-	-	203,206	243,206
Contributions	38,742	-	-	-	-	38,742
Capital Outlay	3,732,521	2,361,785	1,195,120	224	1,434,627	8,724,277
Debt Service						
Principal	-	-	-	1,132,000	-	1,132,000
Interest and Fees	-	-	-	-	-	-
Total Expenditures	12,216,609	2,511,785	1,416,183	2,865,844	3,623,276	22,633,697
Excess of Revenues Over (Under) Expenditures	1,226,471	844,953	(464,124)	2,292,902	451,103	4,351,305
Other Financing Sources (Uses)						
Transfers In	359,774	-	-	-	570,000	929,774
Transfers Out	(520,000)	(50,000)	-	-	(23,774)	(593,774)
Total Other Financing Sources (Uses)	(160,226)	(50,000)	-	-	546,226	336,000
Net Change in Fund Balances	1,066,245	794,953	(464,124)	2,292,902	997,329	4,687,305
Fund Balances, Beginning of year	23,415,238	4,483,833	2,553,299	6,085,269	11,983,143	48,520,782
Fund Balances, End of year	\$ 24,481,483	\$ 5,278,786	\$ 2,089,175	\$ 8,378,171	\$ 12,980,472	\$ 53,208,087

Town of Berthoud, Colorado
 Reconciliation of the Statement of Revenues, Expenditures and Changes in
 Fund Balances of Governmental Funds to the Statement of Activities
 Governmental Funds
 For the Year Ended December 31, 2023

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

Net Change in Fund Balances of Governmental Funds	\$ 4,687,305
<p>Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.</p>	
Capital outlay	9,989,942
Depreciation expense	(2,520,700)
<p>Repayments of debt principal are expenditures in governmental funds, but the repayments reduce long-term liabilities in the statement of net position and do not affect the statement of activities.</p>	
COP payment	350,000
<p>Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities. This is the net effect of these differences in the treatment of long-term debt and related items.</p>	
Amortization of COP Premiums	432,189
<p>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 governmental funds.</p>	
Accrued Interest Payable	3,500
Compensated absences payable	<u>(68,385)</u>
Change in Net Position of Governmental Activities	<u>\$ 12,873,851</u>

Town of Berthoud, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2023

	Water	Wastewater	Storm Water	Totals
Assets				
<i>Current Assets</i>				
Cash and Investments	\$ 46,085,819	\$ 24,776,613	\$ 6,912,798	\$ 77,775,230
Accounts Receivable	146,373	317,480	59,431	523,284
Restricted Cash	1,301	3,004	-	4,305
Total Current Assets	<u>46,233,493</u>	<u>25,097,097</u>	<u>6,972,229</u>	<u>78,302,819</u>
<i>Noncurrent Assets</i>				
Capital Assets, <i>Not Being Depreciated</i>	44,034,128	573,059	-	44,607,187
Capital Assets, <i>Net of Accumulated Depreciation</i>	12,312,307	15,078,925	1,172,666	28,563,898
Total Noncurrent Assets	<u>56,346,435</u>	<u>15,651,984</u>	<u>1,172,666</u>	<u>73,171,085</u>
Total Assets	<u>102,579,928</u>	<u>40,749,081</u>	<u>8,144,895</u>	<u>151,473,904</u>
Liabilities				
<i>Current Liabilities</i>				
Accounts Payable	840,650	353,352	-	1,194,002
Accrued Liabilities	76	-	-	76
Accrued Interest Payable	12,534	73,487	-	86,021
Current Portion of Noncurrent Liabilities				
Note Payable	55,449	-	-	55,449
Bonds Payable	-	585,000	-	585,000
Total Current Liabilities	<u>908,709</u>	<u>1,011,839</u>	<u>-</u>	<u>1,920,548</u>
<i>Noncurrent Liabilities</i>				
Compensated Absences	6,806	6,806	6,806	20,418
Note Payable	244,734	-	-	244,734
Bonds Payable	-	6,931,188	-	6,931,188
Total Noncurrent Liabilities	<u>251,540</u>	<u>6,937,994</u>	<u>6,806</u>	<u>7,196,340</u>
Total Liabilities	<u>1,160,249</u>	<u>7,949,833</u>	<u>6,806</u>	<u>9,116,888</u>
Net Position				
Net Investment in Capital Assets	55,589,579	7,618,737	1,172,666	64,380,982
Restricted for Debt Service	312,717	7,589,675	-	7,902,392
Unrestricted	45,517,383	17,590,836	6,965,423	70,073,642
Total Net Position	<u>\$ 101,419,679</u>	<u>\$ 32,799,248</u>	<u>\$ 8,138,089</u>	<u>\$ 142,357,016</u>

Town of Berthoud, Colorado
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2023

	Water	Wastewater	(Nonmajor) Storm Water	Totals
Operating Revenues				
Charges for Services	\$ 3,418,828	\$ 3,659,575	\$ 1,038,134	\$ 8,116,537
Total Operating Revenues	<u>3,418,828</u>	<u>3,659,575</u>	<u>1,038,134</u>	<u>8,116,537</u>
Operating Expenses				
Operations and Maintenance	3,924,899	2,069,973	39,643	6,034,515
Depreciation	564,105	886,390	111,697	1,562,192
Total Operating Expenses	<u>4,489,004</u>	<u>2,956,363</u>	<u>151,340</u>	<u>7,596,707</u>
Net Operating Income	<u>(1,070,176)</u>	<u>703,212</u>	<u>886,794</u>	<u>519,830</u>
Nonoperating Revenues (Expenses)				
Investment Income	2,314,100	1,114,798	299,845	3,728,743
Debt Interest and Fiscal Charges	(16,021)	(358,612)	-	(374,633)
Total Nonoperating Revenues (Expenses)	<u>2,298,079</u>	<u>756,186</u>	<u>299,845</u>	<u>3,354,110</u>
Net Income Before Capital Contributions and Transfers	<u>1,227,903</u>	<u>1,459,398</u>	<u>1,186,639</u>	<u>3,873,940</u>
Capital Contributions and Transfers				
Water Dedication Fees	6,074,796	-	-	6,074,796
System Investment Fees	1,772,400	1,337,584	-	3,109,984
Transfers In	917,950	544,760	-	1,462,710
Transfers Out	(1,138,450)	(665,000)	(10,500)	(1,813,950)
Change in Net Position	8,854,599	2,676,742	1,176,139	12,707,480
Net Position, Beginning of year	<u>92,565,080</u>	<u>30,122,506</u>	<u>6,961,950</u>	<u>129,649,536</u>
Net Position, End of year	<u>\$ 101,419,679</u>	<u>\$ 32,799,248</u>	<u>\$ 8,138,089</u>	<u>\$ 142,357,016</u>

Town of Berthoud, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	Water	Wastewater	Storm Water	Totals
Cash Flows From Operating Activities				
Cash Received from Customers	\$ 3,428,095	\$ 3,655,763	\$ 1,035,373	\$ 8,119,231
Cash Payments to Employees	(326,240)	(107,081)	974	(432,347)
Cash Payments to Vendors and Suppliers	(3,038,252)	(1,687,736)	(40,251)	(4,766,239)
Net Cash Provided by Operating Activities	63,603	1,860,946	996,096	2,920,645
Cash Flows From Noncapital Financing Activities				
Transfers to Other Funds	(220,500)	(120,240)	(10,500)	(351,240)
Net Cash Used in Noncapital Financing Activities	(220,500)	(120,240)	(10,500)	(351,240)
Cash Flows From Capital and Related Financing Activities				
Purchases of Capital Assets	(11,617,242)	(329,187)	(39,343)	(11,985,772)
Water Dedication Fees Received	6,074,796	-	-	6,074,796
System Investment Fees Received	1,772,400	1,337,584	-	3,109,984
Debt Principal Payments	(53,316)	(575,687)	-	(629,003)
Debt Interest Payments	(14,140)	(332,663)	-	(346,803)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(3,837,502)	100,047	(39,343)	(3,776,798)
Cash Flows From Investing Activities				
Interest Received	2,314,100	1,114,798	299,845	3,728,743
Net Increase in Cash	(1,680,299)	2,955,551	1,246,098	2,521,350
Cash, Beginning of Year	47,767,419	21,824,066	5,666,700	75,258,185
Cash, End of Year	\$ 46,087,120	\$ 24,779,617	\$ 6,912,798	\$ 77,779,535
Reconciliation of Net Operating Income to Net Cash Provided by (Used in) Operating Activities				
Net Operating Income	\$ (1,070,176)	\$ 703,212	\$ 886,794	\$ 519,830
Adjustments to Reconcile Net Operating Income to Net Cash Provided by (Used in) Operating Activities				
Depreciation	498,317	886,390	111,697	1,496,404
Changes in Assets and Liabilities				
Accounts Receivable	9,267	(3,812)	(2,761)	2,694
Accounts Payable	624,328	273,365	(1,425)	896,268
Accrued Liabilities	76	-	-	76
Compensated Absences Payable	1,791	1,791	1,791	5,373
Net Cash Provided by (Used in) Operating Activities	\$ 63,603	\$ 1,860,946	\$ 996,096	\$ 2,920,645

See Notes to the Financial Statements.

Town of Berthoud, Colorado

Notes to Financial Statements

December 31, 2023

Note 1: Summary of Significant Accounting Policies

The financial statements of the Town of Berthoud, Colorado (the Town) have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

Reporting Entity

The financial reporting entity consists of the Town, organizations for which the Town is financially accountable and organizations that raise and hold economic resources for the direct benefit of the Town. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the Town. Legally separate organizations for which the Town is financially accountable are considered part of the reporting entity. Financial accountability exists if the Town appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if there is a potential for the organization to provide benefits to, or impose financial burdens on, the Town.

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

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers 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*. Internally dedicated resources are reported as general revenues rather than as program revenues.

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

Town of Berthoud, Colorado

Notes to Financial Statements

December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current year.

Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

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

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

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

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

The *1% Sales Tax Fund* accounts for 1% sales and use tax restricted by election to maintain streets, purchase land and construct a recreation center, purchase open space, and operate and maintain the Berthoud Public Library and the Berthoud Area Transportation System.

The *Park Development Fund* accounts for park development investment fee collected from development in the Town.

Town of Berthoud, Colorado

Notes to Financial Statements

December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

(Continued)

The *2019 1% Sales Tax Fund* accounts for 1% sales and use tax restricted by election to use solely for parks and recreation purposes including, finance recreation improvements, funding parks and recreation.

In addition, the Town reports the following major proprietary funds:

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

The *Wastewater Fund* accounts for the financial activities associated with the operation and maintenance of the sewer system.

Assets, Liabilities and Net Position/Fund Balances

Cash Equivalents - For purposes of the statement of cash flows, cash equivalents include investment with original maturities of three months or less.

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

Prepaid Expenses - Certain payments to vendors reflect costs applicable to future years and are reported as prepaid expenses using the consumption method.

Capital Assets - Capital assets, which include land, buildings, utility systems, equipment, and all infrastructure owned by the Town, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds in the fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

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

Buildings, Improvements and Plants	10 - 50 years
Collection and Distribution Systems	5 - 50 years
Infrastructure	15 - 40 years
Vehicles and Equipment	5 - 20 years

Deferred Inflows of Resources - Property taxes earned but levied for a subsequent year are reported as deferred inflows of resources in the financial statements.

Town of Berthoud, Colorado

Notes to Financial Statements

December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

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

Compensated Absences - Employees of the Town are allowed to accumulate unused vacation and sick leave up to a maximum based on years of service. Upon termination of employment from the Town, employees with at least ten years of service will be paid for one-third of their accumulated sick leave up to a maximum of 320 hours, and for all accumulated vacation leave up to a maximum of 240 hours, at their current pay rate.

A liability for these compensated absences is reported when earned in the proprietary funds and when due in the governmental funds. A long-term liability has been reported in the government-wide financial statement for the accrued compensated absences.

Long-Term Debt - In the government-wide financial statements and the proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums, discounts and accounting losses resulting from debt refunding's are deferred and amortized over the life of the debt using the straight-line method. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses.

Debt issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Net Position/Fund Balances - In the government-wide and fund financial statements, net position and fund balances are restricted when constraints placed on the use of resources are externally imposed. In the fund financial statements, governmental funds report committed fund balances when the Board of Trustees approves an ordinance that places constraints on the use of resources for a specific purpose. Assigned fund balances arise from an informal action of the Board of Trustees.

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

Property Taxes

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

Town of Berthoud, Colorado

Notes to Financial Statements

December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Subsequent Event

We have evaluated subsequent events through June 25, 2024. The date the financial statements were available to be issued.

Note 2: Cash and Investments

A summary of cash at December 31, 2023, follows:

	Total
Petty Cash	\$ 1,200
Deposits	121,217,391
Investments	<u>8,436,885</u>
Total	<u>\$ 129,655,476</u>

Cash is reported in the financial statements as follows:

	Total
Cash	\$ 129,646,262
Restricted Cash	<u>9,214</u>
Total	<u>\$ 129,655,476</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2023, the Town had bank deposits of \$62,760,057 collateralized with securities held by the financial institution's agent but not in the Town's name.

Investments

The Town is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which the Town may invest, which include the following. State statutes do not address custodial risk.

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities

Town of Berthoud, Colorado

Notes to Financial Statements

December 31, 2023

Note 2: Cash and Investments (Continued)

Investments (Continued)

- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts (GICs)

Interest Rate Risk - State statutes generally limit the maturity of investment securities to five years from the date of purchase unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk - State statutes limit certain investments to those with specified ratings from nationally recognized statistical rating organizations, depending on the type of investment.

Concentration of Credit Risk - State statutes do not limit the amount the Town may invest in one issuer of investment securities, except for corporate securities.

Local Government Investment Pools - At December 31, 2023, the Town had \$8,436,885 invested in the Colorado Surplus Asset Fund Trust (CSAFE). The pool is an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pools. The pools operate in conformity with the Securities and Exchange Commission's Rule 2a-7. The pool is measured at the net asset value per share, with each share valued at \$1. The pool is rated AAAM by Standard and Poor's. Investments of the pool are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

Restricted Cash and Investments

At December 31, 2023, the Town reported restricted cash of \$1,301 and \$3,004 in the Water and Wastewater Funds, respectively. The restricted cash represents contributions from developers for the construction of water and wastewater infrastructure along Interstate 25.

At December 31, 2023, the Town reported restricted cash of \$7,992,305 in its 2019 1% Sales Tax fund. The restricted cash represents cash restricted to usage related to the Town's Certificate of Participation to construct a recreation center and associated park and trail improvements.

Town of Berthoud, Colorado
Notes to Financial Statements
December 31, 2023

Note 3: Capital Assets

Capital asset activity for the year ended December 31, 2023, is summarized below.

	Balance 12/31/22	Additions	Transfers	Deletions	Balance 12/31/23
Governmental Activities					
<i>Capital Assets, Not Being Depreciated</i>					
Land	\$ 9,152,391	\$ -	\$ -	\$ -	\$ 9,152,391
Construction in Progress	2,794,283	7,378,839	(481,529)	-	9,691,593
Total Capital Assets, Not Being Depreciated	11,946,674	7,378,839	(481,529)	-	18,843,984
<i>Capital Assets, Being Depreciated</i>					
Buildings and Improvements	41,715,946	350,426	-	-	42,066,372
Infrastructure	16,615,593	1,918,615	481,529	-	19,015,737
Vehicles and Equipment	4,929,730	342,062	-	(192,065)	5,079,727
Total Capital Assets, Being Depreciated	63,261,269	2,611,103	481,529	(192,065)	66,161,836
<i>Less Accumulated Depreciation</i>					
Buildings and Improvements	(2,947,782)	(1,507,867)	-	-	(4,455,649)
Infrastructure	(5,424,973)	(613,898)	-	-	(6,038,871)
Vehicles and Equipment	(3,560,484)	(398,935)	-	192,065	(3,767,354)
Total Accumulated Depreciation	(11,933,239)	(2,520,700)	-	192,065	(14,261,874)
Total Capital Assets, Being Depreciated, net	51,328,030	90,403	481,529	-	51,899,962
Governmental Activities Capital Assets, net	\$ 63,274,704	\$ 7,469,242	\$ -	\$ -	\$ 70,743,946
Business-Type Activities					
<i>Capital Assets, Not Being Depreciated</i>					
Land	\$ 2,437,542	\$ -	\$ -	\$ -	\$ 2,437,542
Water Rights	28,858,491	11,290,650	-	-	40,149,141
Drainage System	1,046,772	-	-	-	1,046,772
Construction in Progress	2,317,667	718,898	(1,955,419)	(107,414)	973,732
Total Capital Assets, Not Being Depreciated	34,660,472	12,009,548	(1,955,419)	(107,414)	44,607,187
<i>Capital Assets, being depreciated</i>					
Buildings and Plants	26,234,458	20,823	1,955,419	-	28,210,700
Collection and Distribution Systems	20,327,675	23,473	-	-	20,351,148
Drainage Systems	2,171,742	39,345	-	-	2,211,087
Equipment	2,114,307	-	-	(12,031)	2,102,276
Total Capital Assets, Being Depreciated	50,848,182	83,641	1,955,419	(12,031)	52,875,211
<i>Less Accumulated Depreciation</i>					
Buildings and Plants	(11,557,667)	(713,732)	-	-	(12,271,399)
Collection and Distribution Systems	(8,371,140)	(687,390)	-	-	(9,058,530)
Drainage Systems	(1,278,502)	(59,263)	-	-	(1,337,765)
Equipment	(1,553,840)	(101,810)	-	12,031	(1,643,619)
Total Accumulated Depreciation	(22,761,149)	(1,562,195)	-	12,031	(24,311,313)
Total Capital Assets, Being Depreciated, net	28,087,033	(1,478,554)	1,955,419	-	28,563,898
Business - Type Activities Capital Assets, net	\$ 62,747,505	\$ 10,530,994	\$ -	\$ (107,414)	\$ 73,171,085

Town of Berthoud, Colorado
Notes to Financial Statements
December 31, 2023

Note 3: Capital Assets (Continued)

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

	Total
Governmental Activities	
General Government	\$ 176,969
Public Safety	1,505,798
Public Works	837,909
Parks and Recreation	24
Total	\$ 2,520,700

Note 4: Long-Term Debt

Governmental Activities

Following is a summary of long-term debt transactions of the governmental activities for the year ended December 31, 2023:

During 2020, the Town entered \$20,715,000 Certificate of Participation to construct recreation center and associated park and trail improvements. Interest payments are due semi-annually on May 15 and November 15, with interest accruing at rate of 4%. Principal payments are due annually on November 15, through 2049.

	Balance 12/31/22	Additions	Payments	Balance 12/31/23	Due Within One Year
2020 Certificate of Participation	\$ 19,550,000	\$ -	\$ (350,000)	\$ 19,200,000	\$ 370,000
2020 COP Premium	3,079,183	-	(432,189)	2,646,994	-
Compensated Absences	254,194	93,579	(25,194)	322,579	32,258
Total	\$ 22,883,377	\$ 93,579	\$ (807,383)	\$ 22,169,573	\$ 402,258

Annual debt service requirements for the outstanding Certificate of Participation at December 31, 2023, were as follows:

Year Ended December 31,	Principal	Interest	Total
2024	\$ 370,000	\$ 768,000	\$ 1,138,000
2025	395,000	753,200	1,148,200
2026	415,000	737,400	1,152,400
2027	435,000	720,800	1,155,800
2028	460,000	703,400	1,163,400
2029-2033	2,685,000	3,220,800	5,905,800
2034-2038	3,420,000	2,627,400	6,047,400
2039-2043	4,335,000	1,873,200	6,208,200
2044-2048	5,445,000	920,800	6,365,800
2049	1,240,000	49,600	1,289,600
Total	\$ 19,200,000	\$ 12,374,600	\$ 31,574,600

Town of Berthoud, Colorado

Notes to Financial Statements

December 31, 2023

Note 4: Long-Term Debt (Continued)

Governmental Activities (Continued)

Compensated absences are expected to be liquidated primarily with revenues of the General and Berthoud Area Transportation Funds.

Business-type Activities

Following are the changes in long-term debt of the business-type activities for the year ended December 31, 2023:

	Balance 12/31/22	Additions	Payments	Balance 12/31/23	Due Within One Year
2012 Wastewater Refunding Bonds	\$ 7,935,000	\$ -	\$ (560,000)	\$ 7,375,000	\$ 585,000
Premium	156,875	-	(15,688)	141,187	-
Note Payable	353,499	-	(53,316)	300,183	55,449
Compensated Absences	15,045	6,878	(1,504)	20,419	-
Total	<u>\$ 8,460,419</u>	<u>\$ 6,878</u>	<u>\$ (630,508)</u>	<u>\$ 7,836,789</u>	<u>\$ 640,449</u>

During 2012, the Town issued \$9,485,000 Wastewater Revenue Refunding and Improvement Bonds to refund the outstanding 2002 and 2004 Colorado Water Resources and Power Development Authority loans and to finance the expansion and upgrade of the wastewater treatment plant. Interest payments are due semi-annually on October 15 and April 15, with interest accruing at rates ranging from 3% to 5%. Principal payments are due annually on October 15, through 2032.

Annual debt service requirements for the outstanding bonds at December 31, 2023, were as follows.

Year Ended December 31,	Principal	Interest	Total
2024	\$ 585,000	\$ 320,350	\$ 905,350
2025	615,000	291,100	906,100
2026	650,000	260,350	910,350
2027	685,000	227,850	912,850
2028-2032	<u>4,840,000</u>	<u>670,000</u>	<u>5,510,000</u>
Total	<u>\$ 7,375,000</u>	<u>\$ 1,769,650</u>	<u>\$ 9,144,650</u>

During 2013, the Town entered into an agreement to purchase water rights as part of a contract to buy and sell real estate with a local property owner. The purchase of the water rights will be financed by the seller. Principal and interest payments are due annually each April 1, through 2028, with interest accruing at 4% per annum.

Town of Berthoud, Colorado
Notes to Financial Statements
December 31, 2023

Note 4: Long-Term Debt (Continued)

Business-Type Activities (Continued)

Following is a summary of debt service requirements under the agreement.

Year Ended December 31,	Principal	Interest	Total
2024	\$ 55,449	\$ 12,007	\$ 67,456
2025	57,666	9,789	67,455
2026	59,973	7,483	67,456
2027	62,372	5,084	67,456
2028-2032	64,723	2,589	67,312
Total	<u>\$ 300,183</u>	<u>\$ 36,952</u>	<u>\$ 337,135</u>

Note 5: Interfund Transactions

Interfund transfers for the year ended December 31, 2023, were comprised of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Road Impact Fund	\$ 23,774
General Fund	Water Fund	220,500
General Fund	Wastewater Fund	105,000
General Fund	Storm Water Fund	10,500
Conservation Trust Fund	General Fund	500,000
Cemetery Fund	General Fund	20,000
Berthoud Area Transportation Fund	1% Sales Tax Fund	50,000
Total		<u>\$ 929,774</u>

The Road Impact, Water, Wastewater, Storm Water, and Berthoud Area Transportation Funds reimbursed the General Fund for services provided, including administration, payroll, and billing. The Open Space Fund, 1% sales Tax Fund, Park Development Fund, and Larimer County Open Space Fund are for contribution of Recreation Center Project. 1% Sales Tax Fund contributed to the maintenance and operations of the Berthoud Area Transportation System as allowed by the election that authorized the 1% sales tax. Transfers from the General Fund to the Conservation Trust Fund were used for tools and pond maintenance. General Fund transferred to Cemetery fund to cover expenses.

Town of Berthoud, Colorado

Notes to Financial Statements

December 31, 2023

Note 6: Risk Management

Public Entity Risk Pool

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the Town participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, Colorado Revised Statutes, and the Colorado Constitution, Article XIV, Section 18(2).

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

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

Note 7: Retirement Commitments

Defined Contribution Money Purchase Pension Plan

The Town contributes to a single-employer defined contribution money purchase pension plan on behalf of its employees. The Plan is administered by the International City/County Management Association (ICMA). All employees are eligible to participate in the Plan after one full year of employment. The Town is required to contribute 5% of each participating employee's compensation. No employee contributions are required. Employees become vested in the Town's contributions at 20% annually after one year of employment. Participants become fully vested after five years of service. The contribution requirements of the Town and eligible employees are established and may be amended by the Board of Trustees.

For the year ended December 31, 2023, the Town contributed \$135,170 to the Plan, equal to the required contributions. All Plan assets are held and managed by ICMA.

Note 8: Commitments and Contingencies

Litigation

The Town is from time to time involved in various threatened and pending litigation. However, the outcome of this litigation cannot be determined at this time.

Town of Berthoud, Colorado

Notes to Financial Statements

December 31, 2023

Note 8: Commitments and Contingencies (Continued)

TABOR Amendment

In November 1992, Colorado voters passed the TABOR Amendment to the State Constitution which limits state and local government taxing powers and imposes spending limitations. The Town is subject to the TABOR Amendment. Fiscal year 1992 provides the basis for limits in future years, to which may be applied allowable increases for inflation and property valuation. Revenue received in excess of the limitations may be required to be refunded unless the Town's electorate vote to retain the revenue. The TABOR Amendment is subject to many interpretations, but the Town believes it is in substantial compliance with the Amendment.

In November 1994, voters permitted the Town, without increasing or adding any taxes of any kind, to collect, retain or expend revenues generated from all sources during 1994 and each subsequent year for trails, parks, and open space, storm water facilities and drainage, street, curb and sidewalk construction, repair and maintenance, police services, and for other basic municipal services and lawful purposes, without limitation.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2023, the emergency reserve was reported as restricted fund balance in the General Fund, in the amount of \$228,191.

Required Supplementary Information

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended December 31, 2023

Revenues	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Taxes				
Property Taxes	\$ 2,370,000	\$ 2,370,000	\$ 2,245,220	\$ (124,780)
Specific Ownership Taxes	400,000	400,000	325,119	(74,881)
Sales and Use Taxes	4,535,500	4,535,500	6,391,508	1,856,008
Occupation Taxes	10,000	10,000	9,262	(738)
Franchise Taxes	90,000	90,000	124,854	34,854
Lodging Taxes	100	100	1,687	1,587
Total Taxes	7,405,600	7,405,600	9,097,650	1,692,050
Licenses and Permits				
Passports	70,000	70,000	65,921	(4,079)
Liquor Licenses	100,000	100,000	93,841	(6,159)
Medical Marijuana Licenses	17,000	17,000	15,567	(1,433)
Animal Licenses	2,000	2,000	1,860	(140)
Total Licenses and Permits	189,000	189,000	177,189	(11,811)
Intergovernmental				
Highway Users Taxes	280,000	280,000	394,834	114,834
Severance Taxes	70,000	70,000	88,687	18,687
Road and Bridge Fees	100,000	100,000	70,268	(29,732)
Cigarette Taxes	10,000	10,000	16,611	6,611
Grants	6,084	6,084	-	(6,084)
Utility Road Cut Permit	5,000	5,000	21,493	16,493
Total Intergovernmental	471,084	471,084	591,893	120,809
Charges for Services				
Development Review Fees & Application Fees	5,000	5,000	144,167	139,167
Building and Plan Check Fees	960,000	960,000	1,115,509	155,509
Recreation Fees	163,555	163,555	137,162	(26,393)
Municipal Fees	520,000	520,000	608,463	88,463
Other Charges for Services	113,760	113,760	135,420	21,660
Total Charges for Services	1,762,315	1,762,315	2,140,721	378,406
Fines and Forfeitures	15,500	15,500	27,612	12,112
Investment Income	80,000	40,000	1,159,466	1,119,466
Miscellaneous	31,000	31,000	248,549	217,549
Total Revenues	\$ 9,954,499	\$ 9,914,499	\$ 13,443,080	\$ 3,528,581

(Continued)

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended December 31, 2023
 (Continued)

Expenditures	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Current				
General Government	\$ 4,742,199	\$ 2,456,424	\$ 2,546,179	\$ (89,755)
Public Safety	2,423,116	2,423,116	2,384,994	38,122
Public Works	1,078,266	1,118,266	1,248,128	(129,862)
Parks and Recreation	1,479,124	1,494,124	1,169,823	324,301
Planning	1,526,613	1,766,613	1,056,222	710,391
Transportation	-	-	40,000	(40,000)
Contributions	83,100	83,100	38,742	44,358
Capital Outlay	5,778,000	9,680,775	3,732,521	5,948,254
Emergency Reserves	309,437	309,437	-	309,437
	<u>17,419,855</u>	<u>19,331,855</u>	<u>12,216,609</u>	<u>7,115,246</u>
Excess of Revenues Over (Under) Expenditures	<u>(7,465,356)</u>	<u>(9,417,356)</u>	<u>1,226,471</u>	<u>10,643,827</u>
Other Financing Sources (Uses)				
Transfers In	356,313	356,313	359,774	3,461
Transfers Out	(520,000)	(520,000)	(520,000)	-
Total Other Financing Sources (Uses)	<u>(163,687)</u>	<u>(163,687)</u>	<u>(160,226)</u>	<u>3,461</u>
Net Change in Fund Balance	(7,629,043)	(9,581,043)	1,066,245	10,647,288
Fund Balance, Beginning of year	<u>18,410,765</u>	<u>23,415,239</u>	<u>23,415,238</u>	<u>(1)</u>
Fund Balance, End of year	<u>\$ 10,781,723</u>	<u>\$ 13,834,196</u>	<u>\$ 24,481,483</u>	<u>\$ 10,647,287</u>

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 1% Sales Tax Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Sales Tax	\$ 1,800,000	\$ 1,800,000	\$ 3,118,005	\$ 1,318,005
Sales Tax Building	417,750	417,750	-	(417,750)
Investment Income	2,000	2,000	238,733	236,733
	<u>2,219,750</u>	<u>2,219,750</u>	<u>3,356,738</u>	<u>1,136,988</u>
Total Revenues				
Expenditures				
Park and Recreation	60	60	150,000	(149,940)
Capital Outlay	3,900,000	4,270,000	2,361,785	1,908,215
Emergency Reserves	66,773	66,773	-	66,773
	<u>3,966,833</u>	<u>4,336,833</u>	<u>2,511,785</u>	<u>1,825,048</u>
Total Expenditures				
Excess Revenues Over (Under) Expenditures	(1,747,083)	(2,117,083)	844,953	2,962,036
Other Financing Sources (Uses)				
Transfers Out	(50,000)	(50,000)	(50,000)	-
	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net Changes in Fund Balance	(1,797,083)	(2,167,083)	794,953	2,962,036
Fund Balance, Beginning of year	<u>2,309,405</u>	<u>4,483,834</u>	<u>4,483,833</u>	<u>(1)</u>
Fund Balance, End of year	<u>\$ 512,323</u>	<u>\$ 2,316,751</u>	<u>\$ 5,278,786</u>	<u>\$ 2,962,035</u>

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 Park Development Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 653,400	\$ 653,400	\$ 861,266	\$ 207,866
Investment Income	5,000	5,000	90,793	85,793
Total Revenues	<u>658,400</u>	<u>658,400</u>	<u>952,059</u>	<u>293,659</u>
Expenditures				
Parks and Recreation	60	60	221,063	(221,003)
Capital Outlay	1,200,000	2,130,000	1,195,120	934,880
Emergency reserves	19,752	19,752	-	19,752
Total Expenditures	<u>1,219,812</u>	<u>2,149,812</u>	<u>1,416,183</u>	<u>733,629</u>
Excess Revenues Over (Under) Expenditures	(561,412)	(1,491,412)	(464,124)	1,027,288
Fund Balance, Beginning of year	<u>2,471,918</u>	<u>2,553,299</u>	<u>2,553,299</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 1,910,506</u>	<u>\$ 1,061,887</u>	<u>\$ 2,089,175</u>	<u>\$ 1,027,288</u>

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 2019 1% Sales Tax Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Sales Tax	\$ 2,217,750	\$ 2,217,750	\$ 3,183,153	\$ 965,403
Charges for Services	1,221,750	652,025	1,635,304	983,279
Intergovernmental	-	-	504	504
Investment Income	2,000	2,000	339,785	337,785
Total Revenues	<u>3,441,500</u>	<u>2,871,775</u>	<u>5,158,746</u>	<u>2,286,971</u>
Expenditures				
Parks and Recreation	2,084,586	2,084,586	1,733,620	350,966
Capital Outlay	-	-	224	(224)
Emergency Reserve	103,245	103,245	-	103,245
Debt Service				
Principal	1,132,000	1,132,000	1,132,000	-
Interest and Fees	2,000	2,000	-	2,000
Total Expenditures	<u>3,321,831</u>	<u>3,321,831</u>	<u>2,865,844</u>	<u>455,987</u>
Net Changes in Fund Balance	119,669	(450,056)	2,292,902	2,742,958
Fund Balance, Beginning of year	<u>105,009,721</u>	<u>123,910,484</u>	<u>6,085,269</u>	<u>(117,825,215)</u>
Fund Balance, End of year	<u>\$ 105,129,390</u>	<u>\$ 123,460,428</u>	<u>\$ 8,378,171</u>	<u>\$ (115,082,257)</u>

Town of Berthoud, Colorado
Notes to Required Supplementary Information
December 31, 2023

Note 1: Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

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

The Town follows these procedures to establish the budgetary information reflected in the financial statements:

- Management submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally adopted through passage of a resolution.
- Town management is authorized to transfer budgeted amounts between departments within any fund. However, revisions that alter the total expenditures of any fund must be approved by the Board of Trustees. State statutes stipulate that expenditures may not exceed budget appropriations at the fund level.
- All appropriations lapse at year end.

Supplementary Information

Town of Berthoud, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Public Facility	Park Dedication	Conservation Trust	Larimer County Open Space	Cemetery	Berthoud Area Transportation	Recreation MJ Tax	Road Impact	Totals
Assets									
Cash	\$ 3,156,049	\$ 767,231	\$ 586,406	\$ 683,982	\$ 205,547	\$ 329,333	\$ 1,057,111	\$ 6,071,538	\$ 12,857,197
Accounts Receivable	-	-	-	-	-	-	55,047	-	55,047
Taxes Receivables	-	-	-	69,450	-	-	-	-	69,450
Total Assets	\$ 3,156,049	\$ 767,231	\$ 586,406	\$ 753,432	\$ 205,547	\$ 329,333	\$ 1,112,158	\$ 6,071,538	\$ 12,981,694
Liabilities									
Accounts Payable	\$ -	\$ -	\$ 26	\$ 1,028	\$ 17	\$ 84	\$ -	\$ -	\$ 1,155
Accrued Liabilities	-	-	67	-	-	-	-	-	67
Total Liabilities	-	-	93	1,028	17	84	-	-	1,222
Fund Balances									
Restricted for Street Paving and Maintenance	-	-	-	-	-	-	-	6,071,538	6,071,538
Restricted for Open Space and Parks	-	-	586,313	752,404	-	-	-	-	1,338,717
Committed to Capital Improvements	3,156,049	767,231	-	-	-	-	-	-	3,923,280
Assigned to Cemetery	-	-	-	-	205,530	-	-	-	205,530
Assigned to Transportation	-	-	-	-	-	329,249	1,112,158	-	1,441,407
Total Fund Balances	3,156,049	767,231	586,313	752,404	205,530	329,249	1,112,158	6,071,538	12,980,472
Total Liabilities and Fund Balances	\$ 3,156,049	\$ 767,231	\$ 586,406	\$ 753,432	\$ 205,547	\$ 329,333	\$ 1,112,158	\$ 6,071,538	\$ 12,981,694

Town of Berthoud, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Public Facility	Park Dedication	Conservation Trust	Larimer County Open Space	Cemetery	Berthoud Area Transportation	Recreation MJ Tax	Road Impact	Totals
Revenues									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 680,748	\$ -	\$ 680,748
Intergovernmental	-	-	155,417	804,063	-	-	-	350,000	1,309,480
Charges for Services	406,057	215,316	-	-	20,460	22,977	-	792,468	1,457,278
Investment Income	140,396	36,973	22,758	49,280	9,892	17,713	62,185	258,691	597,888
Miscellaneous	-	-	-	-	25,015	3,970	-	-	28,985
Total Revenues	546,453	252,289	178,175	853,343	55,367	44,660	742,933	1,401,159	4,074,379
Expenditures									
Current									
General Government	-	-	-	-	776	-	-	26,197	26,973
Public Works	-	288	-	-	-	-	-	-	288
Parks and Recreation	14,341	150,000	426,097	244,147	67,365	2,602	1,053,630	-	1,958,182
Transportation	-	-	-	-	-	203,206	-	-	203,206
Capital Outlay	-	(2,430)	34,500	1,158,185	-	-	42,948	201,424	1,434,627
Total Expenditures	14,341	147,858	460,597	1,402,332	68,141	205,808	1,096,578	227,621	3,623,276
Excess of Revenues Over (Under) Expenditures	532,112	104,431	(282,422)	(548,989)	(12,774)	(161,148)	(353,645)	1,173,538	451,103
Other Financing Sources (Uses)									
Transfers In	-	-	500,000	-	20,000	50,000	-	-	570,000
Transfers Out	-	-	-	-	-	-	-	(23,774)	(23,774)
Total Other Financing Sources (Uses)	-	-	500,000	-	20,000	50,000	-	(23,774)	546,226
Net Change in Fund Balances	532,112	104,431	217,578	(548,989)	7,226	(111,148)	(353,645)	1,149,764	997,329
Fund Balances, Beginning of year	2,623,937	662,800	368,735	1,301,393	198,304	440,397	1,465,803	4,921,774	11,983,143
Fund Balances, End of year	\$ 3,156,049	\$ 767,231	\$ 586,313	\$ 752,404	\$ 205,530	\$ 329,249	\$ 1,112,158	\$ 6,071,538	\$ 12,980,472

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 Public Facility Fund
 For the Year Ended December 31, 2023

	Original & Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Charges for Services	\$ 457,200	\$ 406,057	\$ (51,143)
Investment Income	5,000	140,396	135,396
	462,200	546,453	84,253
Expenditures			
Parks and Recreation	60	14,341	(14,281)
Capital Outlay	350,060	-	350,060
Emergency Reserves	13,866	-	13,866
	363,986	14,341	349,645
Net Change in Fund Balance	98,214	532,112	433,898
Fund Balance, Beginning of year	2,353,419	2,623,937	270,518
Fund Balance, End of year	\$ 2,451,633	\$ 3,156,049	\$ 704,416

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 Park Dedication Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Park Dedication Fees	\$ 195,000	\$ 195,000	\$ 215,316	\$ 20,316
Investment Income	5,000	5,000	36,973	31,973
Total Revenues	<u>200,000</u>	<u>200,000</u>	<u>252,289</u>	<u>52,289</u>
Expenditures				
Parks and Recreation	150,060	150,000	150,000	-
Capital Outlay	1,390,500	-	(2,142)	2,142
Emergency Reserves	6,000	6,000	-	6,000
Total Expenditures	<u>1,546,560</u>	<u>156,000</u>	<u>147,858</u>	<u>8,142</u>
Net Change in Fund Balance	(1,346,560)	44,000	104,431	60,431
Fund Balance, Beginning of year	<u>1,873,536</u>	<u>662,799</u>	<u>662,800</u>	<u>1</u>
Fund Balance, End of year	<u>\$ 526,976</u>	<u>\$ 706,799</u>	<u>\$ 767,231</u>	<u>\$ 60,432</u>

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 Conservation Trust Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 90,000	\$ 90,000	\$ 155,417	\$ 65,417
Investment Income	500	500	22,758	22,258
Total Revenues	<u>90,500</u>	<u>90,500</u>	<u>178,175</u>	<u>87,675</u>
Expenditures				
Parks and Recreation	562,268	562,268	426,097	136,171
Capital Outlay	-	-	34,500	(34,500)
Emergency reserve	17,715	17,715	-	17,715
Total Expenditures	<u>579,983</u>	<u>579,983</u>	<u>460,597</u>	<u>119,386</u>
Excess of Revenues Over (Under) Expenditures	(489,483)	(489,483)	(282,422)	207,061
Other Financing Sources / Uses				
Transfers In	500,000	500,000	500,000	-
Net Change in Fund Balance	10,517	10,517	217,578	207,061
Fund Balance, Beginning of year	<u>230,599</u>	<u>368,734</u>	<u>368,735</u>	<u>1</u>
Fund Balance, End of year	<u>\$ 241,116</u>	<u>\$ 379,251</u>	<u>\$ 586,313</u>	<u>\$ 207,062</u>

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 Larimer County Open Space Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	\$ 520,000	\$ 520,000	\$ 804,063	\$ 284,063
Investment Income	3,000	3,000	49,280	46,280
Total Revenues	<u>523,000</u>	<u>523,000</u>	<u>853,343</u>	<u>330,343</u>
Expenditures				
Parks and Recreation	75,060	120,060	244,147	(124,087)
Capital Outlay	850,000	1,300,000	1,158,185	141,815
Emergency Reserves	15,690	15,690	-	15,690
Total Expenditures	<u>940,750</u>	<u>1,435,750</u>	<u>1,402,332</u>	<u>33,418</u>
Excess Revenues Over (Under) Expenditures	(417,750)	(912,750)	(548,989)	363,761
Fund Balance, Beginning of year	<u>855,107</u>	<u>1,301,392</u>	<u>1,301,393</u>	<u>1</u>
Fund Balance, End of year	<u>\$ 437,357</u>	<u>\$ 388,642</u>	<u>\$ 752,404</u>	<u>\$ 363,762</u>

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 Cemetery Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 50,500	\$ 50,000	\$ 45,475	\$ (4,525)
Investment Income	150	150	9,892	9,742
Total Revenues	<u>50,650</u>	<u>50,150</u>	<u>55,367</u>	<u>5,217</u>
Expenditures				
General Government	-	-	776	(776)
Parks and Recreation	130,202	130,202	67,365	62,837
Emergency Reserve	2115	2,115	-	2,115
Total Expenditures	<u>132,317</u>	<u>132,317</u>	<u>68,141</u>	<u>64,176</u>
Excess Revenues Over (Under) Expenditures	(81,667)	(82,167)	(12,774)	69,393
Other Financing Sources (Uses)				
Transfers In	20,000	20,000	20,000	-
Net Change in Fund Balance	(61,667)	(62,167)	7,226	69,393
Fund Balance, Beginning of year	<u>157,044</u>	<u>198,304</u>	<u>198,304</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 95,377</u>	<u>\$ 136,137</u>	<u>\$ 205,530</u>	<u>\$ 69,393</u>

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 Berthoud Area Transportation Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 20,000	\$ 20,000	\$ 22,977	\$ 2,977
Investment Income	2,000	2,000	17,713	15,713
Miscellaneous	2,500	2,500	3,970	1,470
Total Revenues	<u>24,500</u>	<u>24,500</u>	<u>44,660</u>	<u>20,160</u>
Expenditures				
Transportation	222,585	242,585	205,808	36,777
Emergency Reserves	2,235	2,235	-	2,235
Total Expenditures	<u>224,820</u>	<u>244,820</u>	<u>205,808</u>	<u>39,012</u>
Excess of Revenues Over (Under) Expenditures	<u>(200,320)</u>	<u>(220,320)</u>	<u>(161,148)</u>	<u>59,172</u>
Other Financing Sources (Uses)				
Transfers In	50,000	50,000	50,000	-
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net Change in Fund Balance	(150,320)	(170,320)	(111,148)	59,172
Fund Balance, Beginning of year	<u>514,853</u>	<u>440,395</u>	<u>440,397</u>	<u>2</u>
Fund Balance, End of year	<u>\$ 364,533</u>	<u>\$ 270,075</u>	<u>\$ 329,249</u>	<u>\$ 59,174</u>

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 Recreation MJ Tax Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Sales Tax	\$ 400,000	\$ 400,000	\$ 680,748	\$ 280,748
Investment Income	2,000	2,000	62,185	60,185
Total Revenues	<u>402,000</u>	<u>402,000</u>	<u>742,933</u>	<u>340,933</u>
Expenditures				
General Government	60	60	-	60
Parks and Recreation	1,180,000	1,180,000	1,053,630	126,370
Capital Outlay	90,000	90,000	42,948	47,052
Emergency Reserve	12,060	12,060	-	12,060
Total Expenditures	<u>1,282,120</u>	<u>1,282,120</u>	<u>1,096,578</u>	<u>185,542</u>
Net Change in Fund Balance	<u>(880,120)</u>	<u>(880,120)</u>	<u>(353,645)</u>	<u>526,475</u>
Fund Balance, Beginning of year	<u>1,105,948</u>	<u>1,465,802</u>	<u>1,465,803</u>	<u>1</u>
Fund Balance, End of year	<u>\$ 225,828</u>	<u>\$ 585,682</u>	<u>\$ 1,112,158</u>	<u>\$ 526,476</u>

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 Road Impact Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 677,100	\$ 677,100	\$ 792,468	\$ 115,368
Intergovernmental	-	-	350,000	350,000
Investment Income	8,000	8,000	258,691	250,691
	<u>685,100</u>	<u>685,100</u>	<u>1,401,159</u>	<u>716,059</u>
Total Revenues				
Expenditures				
General Government	55,060	55,060	26,197	28,863
Capital Outlay	1,200,000	555,000	201,424	353,576
Emergency Reserve	20,553	20,553	-	20,553
	<u>1,275,613</u>	<u>630,613</u>	<u>227,621</u>	<u>402,992</u>
Total Expenditures				
Excess Revenues Over (Under) Expenditures	(590,513)	54,487	1,173,538	1,119,051
Other Financing Sources (Uses)				
Transfers Out	(20,313)	(20,313)	(23,774)	(3,461)
	<u>(20,313)</u>	<u>(20,313)</u>	<u>(23,774)</u>	<u>(3,461)</u>
Net Change in Fund Balance	(610,826)	34,174	1,149,764	1,115,590
Fund Balance, Beginning of year	4,295,079	4,921,774	4,921,774	-
	<u>4,295,079</u>	<u>4,921,774</u>	<u>4,921,774</u>	<u>-</u>
Fund Balance, End of year	\$ <u>3,684,253</u>	\$ <u>4,955,948</u>	\$ <u>6,071,538</u>	\$ <u>1,115,590</u>

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 Water Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 4,003,500	\$ 3,003,500	\$ 3,418,828	\$ 415,328
Water Dedication Fees	1,980,000	1,980,000	6,074,796	4,094,796
System Investment Fees	2,349,394	1,849,394	1,772,400	(76,994)
Investment Income	502,384	502,384	2,314,100	1,811,716
Transfers In	325,982	439,384	917,950	478,566
	<u>9,161,260</u>	<u>7,774,662</u>	<u>14,498,074</u>	<u>6,723,412</u>
Expenditures				
Operations and Maintenance	12,401,955	33,941,955	3,913,817	30,028,138
Capital Outlay	2,100,060	1,525,060	11,628,324	(10,103,264)
Debt Principal	67,640	67,640	53,316	14,324
Debt Interest and Fiscal Charges	-	-	16,021	(16,021)
Transfers Out	659,884	659,884	1,138,450	(478,566)
	<u>15,229,539</u>	<u>36,194,539</u>	<u>16,749,928</u>	<u>19,444,611</u>
Change in Net Position, Budgetary Basis	<u>\$ (6,068,279)</u>	<u>\$ (28,419,877)</u>	<u>(2,251,854)</u>	<u>\$ 26,168,023</u>
Adjustments to GAAP Basis				
Depreciation			(564,105)	
Capital Outlay			11,617,242	
Debt Principal			53,316	
Change in Net Position, GAAP Basis			<u>\$ 8,854,599</u>	

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 Wastewater Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 3,247,000	\$ 3,247,000	\$ 3,659,575	\$ 412,575
System Investment Fees	1,650,000	1,250,000	1,337,584	87,584
Investment Income	33,510	33,510	1,114,798	1,081,288
Total Revenues	4,930,510	4,530,510	6,111,957	1,581,447
Expenditures				
Operations and Maintenance	1,756,675	1,876,675	2,069,973	(193,298)
Capital Outlay	5,970,060	6,090,060	329,187	5,760,873
Debt Principal	908,350	908,350	575,687	332,663
Debt Interest and Fiscal Charges	-	-	358,612	(358,612)
Transfers Out	105,000	105,000	120,240	(15,240)
Total Expenditures	8,740,085	8,980,085	3,453,699	5,526,386
Change in Net Position, Budgetary Basis	\$ (3,809,575)	\$ (4,449,575)	2,658,258	\$ 7,107,833
Adjustments to GAAP Basis				
Depreciation			(886,390)	
Capital Outlay			329,187	
Debt Principal			575,687	
Change in Net Position, GAAP Basis			\$ 2,676,742	

Town of Berthoud, Colorado
 Budgetary Comparison Schedule
 Storm Water Fund
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 933,600	\$ 783,600	\$ 1,038,134	\$ 254,534
Investment Income	4,000	4,000	299,845	295,845
Total Revenues	937,600	787,600	1,337,979	550,379
Expenditures				
Operations and Maintenance	188,310	198,310	39,642	158,668
Capital Outlay	575,060	575,060	204,449	370,611
Transfers Out	10,500	10,500	10,500	-
Total Expenditures	773,870	783,870	254,591	529,279
Change in Net Position, Budgetary Basis	\$ 163,730	\$ 3,730	1,083,388	\$ 1,079,658
Adjustments to GAAP Basis				
Depreciation			(111,698)	
Capital Outlay			204,449	
Change in Net Position, GAAP Basis			\$ 1,176,139	

Compliance Section

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO
	YEAR ENDING (mm/yy): 12/23

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 1,527,974.34
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 22,888.79
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ 35,777.97
2. General fund appropriations	\$ 926,941.62	b. Snow and ice removal	\$ 87,465.40
3. Other local imposts (from page 2)	\$ 1,679,544.84	c. Other	\$ 103,890.56
4. Miscellaneous local receipts (from page 2)	\$ 258,691.26	d. Total (a. through c.)	\$ 227,133.93
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 522,286.98
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 1,130,172.00
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 3,430,456.04
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 2,865,177.72	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 565,278.32	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 3,430,456.04	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)	\$ 3,430,456.04

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
		\$ 3,430,456.04	\$ 3,430,456.04		\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
 YEAR ENDING (mm/yy):
12/23

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	\$ 1,527,974.34	a. Interest on investments	\$ 258,691.26
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	\$ 151,570.50	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 151,570.50	h. Other	
c. Total (a. + b.)	\$ 1,679,544.84	i. Total (a. through h.)	\$ 258,691.26
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 394,833.72	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	\$ 170,444.60	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal	
f. Total (a. through e.)	\$ 170,444.60	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 565,278.32	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements			\$ -
(3). System Preservation		\$ 1,527,974.34	\$ 1,527,974.34
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 1,527,974.34	\$ 1,527,974.34
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 1,527,974.34	\$ 1,527,974.34
<i>(Carry forward to page 1)</i>			

Notes and Comments:



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

We have audited the financial statements of the Town of Berthoud, Colorado (the Town) as of and for the year ended December 31, 2023 and have issued our report thereon dated June 25, 2024. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Generally Accepted Auditing Standards

As communicated in our engagement letter dated October 6, 2023, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Town solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We applied certain limited procedures to the required supplementary information (RSI). However, we did not audit the RSI and do not express an opinion or provide any assurance on the RSI. With respect to the supplementary information accompanying the financial statements, we performed procedures to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing the information has not changed from the prior year, and the information is appropriate and complete in relation to our audit of the financial statements.

Office Locations:

Colorado Springs, CO
Denver, CO
Frisco, CO
Tulsa, OK

Denver Office:

750 W. Hampden Avenue,
Suite 400
Englewood,
Colorado 80110
TEL: 303.796.1000
FAX: 303.796.1001
www.HinkleCPAs.com

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Town is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to develop the significant estimates in determining that they are reasonable in relation to the financial statements as a whole.

Corrected and Uncorrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. We proposed no uncorrected adjustments to the financial statements as a result of our audit procedures.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. We proposed no adjustments to the financial statements as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.



Difficulties Encountered in Performing the Audit

We encountered no difficulties dealing with management during the audit process.

Representations Requested from Management

We have requested certain written representations from management, which are included in a letter dated June 25, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Audit Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Town's auditors. However, these discussions occurred in the normal course of our professional relationship and the responses were not a condition to our retention.

Conclusion

This report is intended solely for the information and use of the Board of Trustees and management of the Town of Berthoud, Colorado and is not intended to be, and should not be, used by anyone other than these specified parties.

Hick & Company, PC

Englewood, Colorado
June 25, 2024

