

TOWN OF CALHAN, COLORADO

FINANCIAL STATEMENTS

December 31, 2023



Logan and Associates, LLC
CERTIFIED PUBLIC ACCOUNTANTS

TABLE OF CONTENTS

Independent Auditor's Report	a - c
Management's Discussion and Analysis	i - viii
Basic Financial Statements	
Statement of Net Position	1
Statement of Activities	2
Balance Sheet – Governmental Funds	3
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	4
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	5
Statement of Net Position – Proprietary Funds	6
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	7
Statement of Cash Flows – Proprietary Funds	8
Notes to Financial Statements	9 - 25
Required Supplementary Information	
Budgetary Comparison Schedule – General Fund	26
Notes to Required Supplementary Information	27
Supplementary Information	
Governmental Funds	
Budgetary Comparison Schedule – Conservation Trust Fund	28
Enterprise Funds	
Budgetary Comparison Schedule – Water Fund	29
Budgetary Comparison Schedule – Sewer Fund	30

TABLE OF CONTENTS
(Continued)

Other Information

Local Highway Finance Report

31 - 32



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Calhan (the "Town") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Calhan as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Calhan, and to meet our 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 the accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 of 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 of 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 judgement, 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the General Fund budgetary comparison schedule on pages i – viii and on pages 26 - 27 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 (GASB) 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 and 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 accompanying supplementary information and other information, as 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 supplementary information and other information have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and other information are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Logan and Associates, LLC

Aurora, Colorado
May 6, 2024

TOWN OF CALHAN
El Paso County, Calhan, Colorado
Management's Discussion and Analysis
December 31, 2023

Management of the Town of Calhan offers readers of the basic financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2023. The focus of the information contained herein is on the primary government.

Financial Highlights

- The Town's assets exceeded liabilities at the close of the fiscal year by \$5,311,958(net position). Of this amount \$1,081,751 (unrestricted net position) may be used to meet the Town's ongoing obligations.
- The Town's total net position increased by \$834,917
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$818,345, an increase of \$72,136 from the prior year.
- The Town's governmental activities debt increased by \$37,440 and the business-type activities debt increased by \$52,515.

Overview of the Financial Statements

This discussion and analysis is intended as an introduction to the Town's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. In addition to the basic financial statements, also provided is other supplementary information.

Government-wide financial statements

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

The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to a bottom line for the Town and its governmental and business-type activities. This statement reports all of the governmental fund's current financial resources (short-term spendable resources) with capital assets and long term obligations. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities presents information illustrating how the Town's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

The governmental activities reflect the Town's basic services, including police, judicial, administrative, parks and recreation, streets, building division, cemetery and public works. Sales and property taxes finance the majority of these services.

The business-type activities reflect private sector type operations, which include operation and maintenance of the Town's water and sewer facilities, where fees for services cover all or most of the cost of operations, including depreciation.

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2023

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for the same functions as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on financial position and change in financial position, not on income determination, and use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they are “measurable and available”). The Town considers all revenues available if they are collected within sixty days following the year end. Expenditures are recorded when the related fund liability is incurred.

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

The Town maintains two *proprietary funds*. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water and sewer operations.

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

Other information, in addition to the basic financial statements and accompanying notes, is presented in the form of certain required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the Town of Calhan, assets exceeded liabilities by \$5,311,958.

Of the Town’s net position, 20.3% is unrestricted and may be used to meet the Town’s ongoing financial obligations. This is net position that is not restricted by external requirements nor invested in capital assets.

Of the Town’s \$6,079,337 in assets, \$4,387,007(72.2%) reflects investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment) less any related debt used to acquire those assets that is still outstanding which \$4,059,277 is reported as net investment in capital assets in the net position. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2023

The following table reflects the Town's Net Position:

	Government Activities		Business-type Activities		Total	
	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023
Current and other assets	926,916	1,097,768	640,186	594,562	1,567,102	1,692,330
Capital assets	<u>1,680,796</u>	<u>2,202,556</u>	<u>1,858,480</u>	<u>2,184,451</u>	<u>3,539,276</u>	<u>4,387,007</u>
Total Assets	<u>2,607,712</u>	<u>3,300,324</u>	<u>2,498,666</u>	<u>2,779,013</u>	<u>5,106,378</u>	<u>6,079,337</u>
Current liabilities	82,271	181,114	205,208	176,904	287,479	358,018
Long-term liabilities	<u>36,764</u>	<u>59,527</u>	<u>176,228</u>	<u>206,418</u>	<u>212,992</u>	<u>265,945</u>
Total Liabilities	<u>119,035</u>	<u>240,641</u>	<u>381,436</u>	<u>383,322</u>	<u>500,471</u>	<u>623,963</u>
Deferred Inflow of Resources						
Deferred Property Tax Revenue	<u>128,866</u>	<u>143,416</u>			<u>128,866</u>	<u>143,416</u>
Net Position						
Invested in capital assets	1,634,341	2,119,450	1,666,371	1,939,827	3,300,712	4,059,277
Restricted for bond redemption	0	0	11,460	11,460	11,460	11,460
Restricted for TABOR	35,000	37,000	0	0	35,000	37,000
Restricted - Other	300,707	122,470	0	0	300,707	122,470
Unrestricted	<u>389,763</u>	<u>637,347</u>	<u>439,399</u>	<u>444,404</u>	<u>839,162</u>	<u>1,081,751</u>
Total Net Position	<u>2,359,811</u>	<u>2,916,267</u>	<u>2,117,230</u>	<u>2,395,691</u>	<u>4,477,041</u>	<u>5,311,958</u>

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2023

The following reflects the Town's Changes in Net Position:

	Government Activities		Business-type Activities		Total	
	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023
Revenues						
Program Revenues						
Charges for service	60,206	75,310	507,755	530,550	567,961	605,860
Grants & contributions	15,318	229,585	67,429	295,344	82,747	524,929
General Revenues						
Property taxes	144,657	141,478			144,657	141,478
Sales Taxes	826,308	766,617			826,308	766,617
Other taxes	64,241	64,786			64,241	64,786
Investment interest	4,983	31,918	1,161	9,876	6,144	41,794
Other	<u>58,535</u>	<u>33,026</u>	<u>2,208</u>	<u>828</u>	<u>60,743</u>	<u>33,854</u>
Total Revenues	<u>1,174,248</u>	<u>1,342,720</u>	<u>578,553</u>	<u>836,598</u>	<u>1,752,801</u>	<u>2,179,318</u>
Expenses						
General Government	122,622	110,874			122,622	110,874
Judicial	12,705	11,604			12,705	11,604
Public Safety	437,004	456,765			437,004	456,765
Public Works	156,485	160,875			156,485	160,875
Culture & Recreation	39,187	45,043			39,187	45,043
Interest on Long-Term Debt	1,225	1,103	7,076	8,600	8,301	9,703
Sewer	0	0	218,263	237,471	218,263	237,471
Water	<u>0</u>	<u>0</u>	<u>308,449</u>	<u>312,066</u>	<u>308,449</u>	<u>312,066</u>
Total Expenses	<u>769,228</u>	<u>786,264</u>	<u>533,788</u>	<u>558,137</u>	<u>1,303,016</u>	<u>1,344,401</u>
Increase (decrease) in net position	405,020	556,456	44,765	278,461	449,785	834,917
Net Position - Beginning	<u>1,954,791</u>	<u>2,359,811</u>	<u>2,072,465</u>	<u>2,117,230</u>	<u>4,027,256</u>	<u>4,477,041</u>
Net Position - Ending	<u>2,359,811</u>	<u>2,916,267</u>	<u>2,117,230</u>	<u>2,395,691</u>	<u>4,477,041</u>	<u>5,311,958</u>

Business-type activities increased the Town's net position by \$278,461 for the year ended December 31, 2023. Key elements of the increase are as follows:

* there was grant funding that was included in revenue that was the main reason for the increase.

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2023

Intergovernmental revenues are grants and other revenues received from the county, state and federal government. Licenses and permits include amounts collected from the issuance of licenses and permits required by the Town for various purposes. Revenues from fees collected by the Town for a variety of services provided to the public are recorded as miscellaneous revenues, which include cemetery revenues, park and recreation fees, court and traffic fines. Interest income reflects revenues from property taxes and investment activity.

Governmental activities increased the Town's net position by \$556,456. Key elements are as follows:

* Sales tax is still over budget. There are businesses in town that are contributing, but may not be consistent in future years. We are adding to our reserves with this additional revenue.

* There has also been an increase in interest rates, so our reserve accounts are earning more.

Financial Analysis of the Government's Funds

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

Governmental funds

The focus of the Town's governmental funds is to provide information on current year revenue, expenditures and balances of spendable resources. Such information is useful in assessing the Town's financial requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the year ended December 31, 2023, the Town's governmental funds reported combined ending fund balances of \$818,345 an increase of \$72,136. This is due in large part to the increase in sales tax revenue. The Town has unassigned fund balances of \$636,173, which is an increase of \$244,940 over 2022.

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2023

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

Total net position of the Water Fund amounted to \$1,788,746 and those for the Sewer Fund amounted to \$606,945. Total increase in net position for all enterprise funds was \$278,461.

Significant factors for Water and Sewer Funds:

- * There were grant funds in the water fund that improved the net position
- * There has also been an increase in interest income that has helped the reserve accounts.

General Fund Budgetary Highlights

There was no budget amendment.

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2023

Capital Asset and Debt Administration

Capital assets

The Town's capital assets for its governmental and business type activities as of December 31, 2023 amount to \$4,364,813 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment and other, park facilities, infrastructure (including streets, alleys, signs and bridges), water system infrastructure, and wastewater infrastructure. The Town's capital assets by activity at December 31, 2023 were as follows:

	Prior Year			As of December 31, 2023		
	Government	Business-type	Total	Government	Business-type	Total
	Activities	Activities		Activities	Activities	
Land and Construction in progress	1,346	264,433	265,779	23,540	49,840	73,380
Infrastructure	1,541,032		1,541,032	1,958,717		1,958,717
Improvements	179,902	3,205,220	3,385,122	179,902	3,748,188	3,928,090
Buildings	547,081	210,113	757,194	547,081	210,113	757,194
Equipment and vehicles	554,880	423,186	978,066	571,670	521,738	1,093,408
Parks	124,082		124,082	227,982		227,982
Less accumulated depreciation	<u>(1,267,527)</u>	<u>(2,244,472)</u>	<u>(3,511,999)</u>	<u>(1,306,336)</u>	<u>(2,345,428)</u>	<u>(3,651,764)</u>
Total	<u>1,680,796</u>	<u>1,858,480</u>	<u>3,539,276</u>	<u>2,180,362</u>	<u>2,184,451</u>	<u>4,364,813</u>

Debt

At December 31, 2023, the Town had a total indebtedness of \$349,358 which is outlined below:

	Prior Year			At December 31, 2023		
	Government	Business-type	Total	Government	Business-type	Total
	Activities	Activities		Activities	Activities	
Financing Leases	46,455	107,309	153,764	83,106	166,324	249,430
Accrued Compensated Absences	20,739		20,739	21,528		21,528
Bonds payable	<u>0</u>	<u>84,800</u>	<u>84,800</u>	<u>0</u>	<u>78,400</u>	<u>78,400</u>
Total	<u>67,194</u>	<u>192,109</u>	<u>259,303</u>	<u>104,634</u>	<u>244,724</u>	<u>349,358</u>

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2023

Economic Factors and Next Year's Budget

The 2024 budget represents an attempt to maintain both core services and a sufficient fund balance. Increasing reserves is a large priority for the foreseeable future as the current reserves are not sufficient for our needs. The following factors were considered in compiling the 2024 budget:

- * Most revenue line items were budgeted slightly higher, with sales tax staying the same. Even though we were over budget for 2023, the sales tax was decreasing.
- * Expenditures have been budgeted close to the same for the last 3 years as the town tries to build reserves.
- * Water and Sewer funds have budgeted improvements to the infrastructure.
- * Grant funds have been budgeted for grants awarded but not yet expended in both the general fund and sewer fund.
- * Salaries were increased for 2024
- * Water and sewer revenue will be increased due to a rate increase. This standard rate increase was not done in 2020 due to the COVID-19 pandemic.
- * There were increases to the police department to improve services

COVID-19 was not a part of the 2024 budget discussions.. The Town received American Rescue funds in 2021 and 2022. These will be used for infrastructure improvements in the water and sewer funds in 2024.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning the information provided in this report or requests for additional financial information should be addressed to the Town Treasurer, Town of Calhan, P.O. Box 236, Calhan, CO 80808.

BASIC FINANCIAL STATEMENTS

TOWN OF CALHAN, COLORADO

STATEMENT OF NET POSITION
December 31, 2023

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Investments	\$ 726,532	\$ 113,503	\$ 840,035
Cash and Investments - Restricted	-	134,468	134,468
Receivables			
Property Taxes	143,416	-	143,416
Other Governments	198,754	-	198,754
Accounts	6,364	46,108	52,472
Inventory	-	22,453	22,453
Investments - Long-term	22,702	278,030	300,732
Capital Assets, Not Depreciated	23,540	49,840	73,380
Capital Assets, Depreciated Net of Accumulated Depreciation	<u>2,179,016</u>	<u>2,134,611</u>	<u>4,313,627</u>
TOTAL ASSETS	<u>3,300,324</u>	<u>2,779,013</u>	<u>6,079,337</u>
LIABILITIES			
Accounts Payable	129,206	-	129,206
Accrued Salaries and Benefits	6,801	-	6,801
Customer Deposits	-	4,230	4,230
Unearned Revenue	-	134,468	134,468
Noncurrent Liabilities			
Due in One Year	45,107	38,206	83,313
Due in More Than One Year	<u>59,527</u>	<u>206,418</u>	<u>265,945</u>
TOTAL LIABILITIES	<u>240,641</u>	<u>383,322</u>	<u>623,963</u>
DEFERRED INFLOW OF RESOURCES			
Deferred Property Tax Revenue	<u>143,416</u>	<u>-</u>	<u>143,416</u>
NET POSITION			
Net Investment in Capital Assets	2,119,450	1,939,827	4,059,277
Restricted for Debt Service	-	11,460	11,460
Restricted for Emergencies	37,000	-	37,000
Restricted for Parks and Recreation	33,968	-	33,968
Restricted for Street Improvements	88,502	-	88,502
Unrestricted, Unreserved	<u>637,347</u>	<u>444,404</u>	<u>1,081,751</u>
TOTAL NET POSITION	<u>\$ 2,916,267</u>	<u>\$ 2,395,691</u>	<u>\$ 5,311,958</u>

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

TOWN OF CALHAN, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	PROGRAM REVENUES	
			OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 110,874	\$ 6,509	\$ -	\$ -
Judicial	11,604	-	-	-
Public Safety	456,765	36,158	4,465	-
Public Works	160,875	32,518	-	214,377
Parks and Recreation	45,043	125	10,743	-
Interest on Long-Term Debt	1,103	-	-	-
Total Governmental Activities	786,264	75,310	15,208	214,377
Business-Type Activities				
Water	312,066	320,018	-	292,344
Sewer	237,471	210,532	-	3,000
Interest on Long-Term Debt	8,600	-	-	-
Total Business-Type Activities	558,137	530,550	-	295,344
Total Primary Government	\$ 1,344,401	\$ 605,860	\$ 15,208	\$ 509,721

GENERAL REVENUES

Property Taxes
Sales Taxes
Franchise Taxes
Other Taxes
Interest
Miscellaneous

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION, Beginning

NET POSITION, Ending

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

NET (EXPENSE) REVENUE AND
CHANGE IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
\$ (104,365)	\$ -	\$ (104,365)
(11,604)	-	(11,604)
(416,142)	-	(416,142)
86,020	-	86,020
(34,175)	-	(34,175)
(1,103)	-	(1,103)
<u>(481,369)</u>	<u>-</u>	<u>(481,369)</u>
-	300,296	300,296
-	(23,939)	(23,939)
-	(8,600)	(8,600)
<u>-</u>	<u>267,757</u>	<u>267,757</u>
(481,369)	267,757	(213,612)
141,478	-	141,478
766,617	-	766,617
25,910	-	25,910
38,876	-	38,876
31,918	9,876	41,794
33,026	828	33,854
<u>1,037,825</u>	<u>10,704</u>	<u>1,048,529</u>
556,456	278,461	834,917
<u>2,359,811</u>	<u>2,117,230</u>	<u>4,477,041</u>
<u>\$ 2,916,267</u>	<u>\$ 2,395,691</u>	<u>\$ 5,311,958</u>

TOWN OF CALHAN, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2023

	GENERAL FUND	NONMAJOR GOVERNMENTAL CONSERVATION TRUST FUND	TOTALS
ASSETS			
Cash and Investments	\$ 692,564	\$ 33,968	\$ 726,532
Property Taxes Receivable	143,416	-	143,416
Due from Other Governments	198,754	-	198,754
Accounts Receivable	6,364	-	6,364
Investments - Longterm	22,702	-	22,702
TOTAL ASSETS	1,063,800	33,968	1,097,768
LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY			
LIABILITIES			
Accounts Payable	129,206	-	129,206
Accrued Salaries and Benefits	6,801	-	6,801
TOTAL LIABILITIES	136,007	-	136,007
DEFERRED INFLOW OF RESOURCES			
Deferred Property Tax Revenue	143,416	-	143,416
FUND EQUITY			
Fund Balance (Deficit)			
Restricted for Emergencies	37,000	-	37,000
Restricted for Parks and Recreation	-	33,968	33,968
Restricted for Street Improvements	88,502	-	88,502
Committed for Cemetery Improvements	22,702	-	22,702
Unassigned	636,173	-	636,173
TOTAL FUND EQUITY	784,377	33,968	818,345
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY	\$ 1,063,800	\$ 33,968	\$ 1,097,768

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

Total Fund Balances of Governmental Funds	818,345
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	2,202,556
Long-term liabilities and related items are not due and payable in the current period and are not reported in the funds. These include financing leases payable (\$83,106) and accrued compensated absences (\$21,528).	(104,634)
Net position of governmental activities	\$ 2,916,267

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

TOWN OF CALHAN, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2023

	GENERAL FUND	NONMAJOR GOVERNMENTAL CONSERVATION TRUST FUND	TOTALS
REVENUES			
Taxes	\$ 934,005	\$ -	\$ 934,005
Licenses and Permits	24,577	-	24,577
Fines and Forfeitures	38,258	-	38,258
Charges for Services	12,475	-	12,475
Intergovernmental	157,718	10,743	168,461
Interest	31,857	61	31,918
Miscellaneous	33,026	-	33,026
TOTAL REVENUES	<u>1,231,916</u>	<u>10,804</u>	<u>1,242,720</u>
EXPENDITURES			
Current			
General Government	104,099	-	104,099
Judicial	11,604	-	11,604
Public Safety	441,068	-	441,068
Public Works	147,182	-	147,182
Parks and Recreation	16,345	8,365	24,710
Capital Outlay	477,469	-	477,469
Debt Service			
Principal	28,198	-	28,198
Interest	1,103	-	1,103
TOTAL EXPENDITURES	<u>1,227,068</u>	<u>8,365</u>	<u>1,235,433</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,848	2,439	7,287
OTHER FINANCING SOURCES			
Financing Lease Proceeds	64,849	-	64,849
CHANGE IN FUND BALANCES	69,697	2,439	72,136
FUND BALANCES, Beginning	<u>714,680</u>	<u>31,529</u>	<u>746,209</u>
FUND BALANCES, Ending	<u>\$ 784,377</u>	<u>\$ 33,968</u>	<u>\$ 818,345</u>

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

TOWN OF CALHAN, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

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

Net Changes in Fund Balances - Total Governmental Funds	\$ 72,136
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 outlay \$622,121 exceeded by depreciation (\$100,361) in the current period.	521,760
Financing lease proceeds are reported as financing sources in the governmental funds and increase fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities.	(64,849)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This includes principal payments of financing leases payable.	28,198
Some expense 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. This includes the change in accrued compensated absences.	<u>(789)</u>
Change in Net Position of Governmental Activities	<u>\$ 556,456</u>

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

TOWN OF CALHAN, COLORADO

STATEMENT OF NET POSITION
 PROPRIETARY FUND TYPE
 December 31, 2023

	WATER FUND	SEWER FUND	TOTALS
ASSETS			
Current Assets			
Cash and Investments	\$ 107,887	\$ 5,616	\$ 113,503
Cash and Investments - Restricted	-	134,468	134,468
Accounts Receivable, Net	18,923	27,185	46,108
Inventory	21,853	600	22,453
Total Current Assets	<u>148,663</u>	<u>167,869</u>	<u>316,532</u>
Noncurrent Assets			
Investments - Long-term	227,962	50,068	278,030
Capital Assets, Not Being Depreciated	-	49,840	49,840
Capital Assets, Net of Accumulated Depreciation	<u>1,577,813</u>	<u>556,798</u>	<u>2,134,611</u>
Total Noncurrent Assets	<u>1,805,775</u>	<u>656,706</u>	<u>2,462,481</u>
TOTAL ASSETS	<u>1,954,438</u>	<u>824,575</u>	<u>2,779,013</u>
LIABILITIES			
Current Liabilities			
Customer Deposits	4,230	-	4,230
Unearned Revenue	-	134,468	134,468
Bonds Payable - Current Portion	6,900	-	6,900
Financing Leases Payable - Current Portion	<u>15,653</u>	<u>15,653</u>	<u>31,306</u>
Total Current Liabilities	<u>26,783</u>	<u>150,121</u>	<u>176,904</u>
Noncurrent Liabilities			
Bonds Payable	71,400	-	71,400
Financing Leases Payable	<u>67,509</u>	<u>67,509</u>	<u>135,018</u>
Total Noncurrent Liabilities	<u>138,909</u>	<u>67,509</u>	<u>206,418</u>
TOTAL LIABILITIES	<u>165,692</u>	<u>217,630</u>	<u>383,322</u>
NET POSITION			
Net Investment in Capital Assets	1,416,351	523,476	1,939,827
Restricted for Debt Service	11,460	-	11,460
Unreserved	<u>360,935</u>	<u>83,469</u>	<u>444,404</u>
TOTAL NET POSITION	<u>\$ 1,788,746</u>	<u>\$ 606,945</u>	<u>\$ 2,395,691</u>

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

TOWN OF CALHAN, COLORADO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPES
Year Ended December 31, 2023

	WATER FUND	SEWER FUND	TOTALS
OPERATING REVENUES			
Charges for Services	\$ 310,135	\$ 210,532	\$ 520,667
Connection and Late Fees	9,883	-	9,883
Miscellaneous	828	-	828
	<hr/>	<hr/>	<hr/>
TOTAL OPERATING REVENUES	320,846	210,532	531,378
OPERATING EXPENSES			
Operations and Maintenance	215,979	194,670	410,649
Administrative and General	21,491	16,441	37,932
Depreciation	74,596	26,360	100,956
	<hr/>	<hr/>	<hr/>
TOTAL OPERATING EXPENSES	312,066	237,471	549,537
OPERATING INCOME	<hr/>	<hr/>	<hr/>
	8,780	(26,939)	(18,159)
NON-OPERATING REVENUES (EXPENSES)			
Interest Income	7,410	2,466	9,876
Interest Expense	(6,588)	(2,012)	(8,600)
	<hr/>	<hr/>	<hr/>
TOTAL NON-OPERATING REVENUES (EXPENSES)	822	454	1,276
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	<hr/>	<hr/>	<hr/>
	9,602	(26,485)	(16,883)
CAPITAL CONTRIBUTIONS			
Tap Fees	10,700	2,200	12,900
System Development Fees	5,300	800	6,100
Grant Revenue	276,344	-	276,344
	<hr/>	<hr/>	<hr/>
TOTAL CAPITAL CONTRIBUTIONS	292,344	3,000	295,344
CHANGE IN NET POSITION	<hr/>	<hr/>	<hr/>
	301,946	(23,485)	278,461
NET POSITION, Beginning	<hr/>	<hr/>	<hr/>
	1,486,800	630,430	2,117,230
NET POSITION, Ending	<hr/>	<hr/>	<hr/>
	\$ 1,788,746	\$ 606,945	\$ 2,395,691

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

TOWN OF CALHAN, COLORADO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUND TYPES
 Year Ended December 31, 2023
 Increase (Decrease) in Cash and Cash Equivalents

	WATER FUND	SEWER FUND	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 321,940	\$ 211,246	\$ 533,186
Cash Paid to Suppliers	(88,874)	(86,657)	(175,531)
Cash Paid to Employees	(149,638)	(124,716)	(274,354)
Net Cash Provided (Used) by Operating Activities	<u>84,256</u>	<u>(127)</u>	<u>84,129</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	(371,625)	(55,302)	(426,927)
Tap Fees	10,700	2,200	12,900
System Development Fees	5,300	800	6,100
Grant Proceeds	276,344	(50,179)	226,165
Financing Lease Proceeds	47,032	47,032	94,064
Bonds and Financing Lease Payments	(24,024)	(17,525)	(41,549)
Interest Payments	(6,588)	(2,012)	(8,600)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(62,861)</u>	<u>(74,986)</u>	<u>(137,847)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	7,410	2,466	9,876
Sale (Purchase) of Investments	(28,455)	18,676	(9,779)
Net Cash Provided (Used) by Investing Activities	<u>(21,045)</u>	<u>21,142</u>	<u>97</u>
Net Increase (Decrease) in Cash and Cash Equivalents	350	(53,971)	(53,621)
CASH AND CASH EQUIVALENTS, Beginning	<u>107,537</u>	<u>194,055</u>	<u>301,592</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 107,887</u>	<u>\$ 140,084</u>	<u>\$ 247,971</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income	\$ 8,780	\$ (26,939)	\$ (18,159)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Depreciation and Amortization	74,596	26,360	100,956
Changes in Assets and Liabilities			
Accounts Receivable	2,372	714	3,086
Inventory	(1,042)	(262)	(1,304)
Customer Deposits	(450)	-	(450)
Total Adjustments	<u>75,476</u>	<u>26,812</u>	<u>102,288</u>
Net Cash Provided by Operating Activities	<u>\$ 84,256</u>	<u>\$ (127)</u>	<u>\$ 84,129</u>

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

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Town of Calhan (the "Town") is a Colorado statutory town (a municipal corporation), incorporated in 1919 and is governed by a Mayor and six member Board of Trustees elected by the residents. The Town provides public safety, public works, municipal court, parks and recreation, water, sewer, and general administrative services to its residents.

The accounting policies of the Town conform to generally accepted accounting principles 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. A summary of the Town's more significant accounting policies follows.

Reporting Entity

In accordance with governmental accounting standards, the Town has considered the possibility of including additional entities in its financial statements.

The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if the Town officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Town. The Town may also be financially accountable for organizations that are fiscally dependent upon it. Based on the application of the criteria, the Town does not include additional organizations in its report 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 nonfiduciary 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 net position reports all financial, capital and debt resources of the Town. The difference between assets plus deferred outflows, and liabilities plus deferred inflows of the Town is reported as net position.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses and allocated indirect expenses of a 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.

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund 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 granting agency 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, except for expenditure driven grants as defined in the following paragraph.

Taxes, intergovernmental revenue and interest associated with the current fiscal year are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. Grant and similar revenues are recorded as revenues when all eligibility requirements are met, including any time requirements. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenues are considered to be measurable and available only when cash is received by the Town.

TOWN OF CALHAN, 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)

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 proprietary 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 or capital contributions.

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

The Town reports the following major governmental fund in the fund financial statements:

General Fund – The General Fund is used to account for the general operations and specific programs of the Town.

The Town reports the following major proprietary funds:

Water Fund – The Water Fund accounts for the financial activities associated with providing water services.

Sewer Fund – The Sewer Fund accounts for the financial activities associated with providing sewer services.

Assets, Liabilities, Fund Balance/Net Assets

Cash and Investments – For the purposes of reporting in the statement of cash flows, cash equivalents include certificates of deposit and investments with original maturities of three months or less. Investments are reported at fair value.

Receivables – Due from other governments and accounts receivable are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Inventory – Inventory is valued at cost using the first-in, first-out method in the proprietary funds. The cost of inventory is recorded as expense when consumed rather than when purchased.

Capital Assets – Capital assets, which include property, plant, buildings and related improvements, equipment, vehicles, and all infrastructure owned by the Town, are reported in the applicable government-wide or business-type activities columns of 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 more than \$2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Land Improvements	10 – 20 years
Buildings	20 – 50 years
Infrastructure	40 years
Park Equipment and Improvements	10 – 20 years
Collection and Distribution Systems	10 – 50 years
Equipment, Machinery, and Vehicles	5 – 20 years

General infrastructure assets acquired prior to January 1, 2002 are not being reported in the basic financial statements. General infrastructure assets include all roads, bridges, and other infrastructure acquired subsequent to January 1, 2002.

Compensated Absences – Full-time employees of the Town are allowed to accumulate unused vacation and sick time. Vacation accumulates based on years of service. Sick time is accrued at a rate of twelve (12) days per year, up to a maximum of 36 days accumulation. Employees who accumulate in excess of 36 days are paid 50% of the days in excess at their current rate at the end of each year. Employees will be paid for all accrued vacation time, but not accumulated sick time, upon separation of employment. Therefore, no liability for accumulated sick time is reported in the financial statements. Accrued vacation time is recognized as current salary costs when earned in the proprietary funds and when due in the governmental funds. A long-term liability is reported in the government-wide financial statements for accrued compensated absences.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Debt premiums and discounts are reported as other financing sources and uses, respectively. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. In the government-wide and proprietary funds, debt premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

Net Position - In the government-wide and proprietary fund financial statements, net position is restricted when constraints placed on the net position are externally imposed.

- Net Investment in Capital Assets - this classification is intended to report the portion of net position which is associated with non-liquid, capital assets less outstanding debt related to those capital assets.
- Restricted Net Position - this classification includes liquid assets which have third party limitations on their use.
- Unrestricted Net Position - this classification includes assets that do not have any third party limitation on their use.

Fund Balance Classification - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form (such as prepaid items) or (b) are legally or contractually required to be maintained intact.
- Restricted - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Town’s highest level of decision-making authority, the Town Board of Trustees. The constraint may be removed or changed only through formal action of the Town Board of Trustees.
- Assigned – This classification includes amounts that are constrained by the Town’s intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Town Board of Trustees to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or changed than those imposed on committed amounts.
- Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

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

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and are 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, a receivable and corresponding deferred inflow of resources are reported at December 31.

Use of Estimates

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

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

The Town has evaluated events subsequent to the year ended December 31, 2023 through May 6, 2024, the date of these financial statements were issued, and has incorporated any required recognition into these financial statements.

NOTE 2: CASH AND INVESTMENTS

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

Cash Deposits	\$ 730,762
Investments	<u>544,473</u>
Total	<u>\$ 1,275,235</u>

Cash is reported in the financial statements as follows:

Cash and Investments	\$ 840,035
Cash and Investments – Restricted	134,468
Investments – Long-term	<u>300,732</u>
Total	<u>\$ 1,275,235</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all local government entities deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of Federal Deposit Insurance Corporation (FDIC) levels must be collateralized by eligible collateral as determined by the PDPA. The FDIC insures depositors up to \$250,000 for each financial institution. 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 totaling \$755,374 of which \$250,000 were insured by FDIC, and \$505,374 were collateralized with securities held by the financial institution's agent but not in their name.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments

The Town has not adopted a formal investment policy; however, the Town follows State statutes regarding investments. The Town generally limits its concentration of investments to Local Government Investment Pools, obligations of the United States and certain U.S. government agency securities, which are believed to have a minimal credit risk; minimal interest rate risk and no foreign currency risk. Additionally, the Town is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Town Board of Trustees, such actions are generally associated with debt service reserve or sinking fund requirements.

State statutes specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest which include the following:

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

The Town measures and records its investments using fair market value measurement guidelines established by generally accepted accounting principles, except for local government investment pools, which are recorded using the net asset value method. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investment in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

At December 31, 2023, the Town had the following investments:

<u>Investment Type</u>	Standards & Poors Rating	<u>Maturities (in Years)</u>		
		<u>1 or Less</u>	<u>1 to 5</u>	<u>Total</u>
Colorado Liquid Asset Trust (COLOTRUST)	AAAm	\$ 461,657	\$ -	\$ 461,657
U.S. Treasury Notes	N/A	-	57,567	57,567
Federal Home Loan Bank Money Market Fund	AA+	-	22,132	22,132
	AAAm	<u>3,117</u>	<u>-</u>	<u>3,117</u>
Totals		<u>\$ 464,774</u>	<u>\$ 79,699</u>	<u>\$ 544,473</u>

The Town invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the "Trust"), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner 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 share in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury 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 any security allowed under CRS 24-75-601. 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. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAA by Standard and Poor's. COLOTRUST records its investments at fair value and the Town records its investments in COLOTRUST using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

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

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. U.S. Government securities explicitly or implicitly guaranteed by the U.S. Government are not considered to have credit risk exposure, including U.S.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

Treasury Bills, U.S. Treasury Notes, Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), and Federal National Mortgage Association (FNMA).

State statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Securities and Exchange Commission's Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by a nationally recognized statistical rating organization ("NRSROs"). The Dreyfus Government Cash Management Money Market Fund has assets in excess of one billion dollars and is rated AAAM by S&P.

Concentration of Credit Risk – State statutes do not limit the amount the Town may invest in a single issuer, except for corporate securities.

Restricted Cash and Investments

Restricted cash and investments consist of amounts restricted for the American Rescue Plan Act grant expenditures.

The remainder of this page is intentionally left blank.

TOWN OF CALHAN, 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:

	Balances 12/31/2022	Additions	Deletions	Balances 12/31/2023
Governmental Activities:				
Capital Assets, not being depreciated				
Land	\$ 1,346	\$ -	\$ -	\$ 1,346
Construction in Progress	-	22,194	-	22,194
	<u>1,346</u>	<u>22,194</u>	<u>-</u>	<u>23,540</u>
Capital Assets, being depreciated				
Land Improvements	179,902	-	-	179,902
Buildings	547,081	-	-	547,081
Infrastructure	1,541,032	417,685	-	1,958,717
Park Equipment and Improvements	124,082	103,900	-	227,982
Equipment and Vehicles	554,880	78,342	61,552	571,670
Total Capital Assets, being depreciated	<u>2,946,977</u>	<u>599,927</u>	<u>61,552</u>	<u>3,485,352</u>
Less accumulated depreciation				
Land Improvements	(114,387)	(7,447)	-	(121,834)
Buildings	(369,096)	(8,457)	-	(377,553)
Infrastructure	(341,729)	(48,954)	-	(390,683)
Park Equipment and Improvements	(96,679)	(4,172)	-	(100,851)
Equipment and Vehicles	(345,636)	(31,331)	(61,552)	(315,415)
Total accumulated depreciation	<u>(1,267,527)</u>	<u>(100,361)</u>	<u>(61,552)</u>	<u>(1,306,336)</u>
Total Capital Assets, being depreciated, net	<u>1,679,450</u>	<u>499,566</u>	<u>-</u>	<u>2,179,016</u>
Governmental Activities Capital Assets, net	<u>\$ 1,680,796</u>	<u>\$ 499,566</u>	<u>\$ -</u>	<u>\$ 2,180,362</u>

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

General Government	\$ 6,775
Public Safety	14,908
Public Works	54,445
Parks and Recreation	<u>24,233</u>
Total	<u>\$ 100,361</u>

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2023

NOTE 3: CAPITAL ASSETS (Continued)

	Balances 12/31/2022	Additions	Deletions	Balances 12/31/2023
Business-type Activities:				
Capital Assets, not being depreciated				
Land	\$ 49,840	\$ -	\$ -	\$ 49,840
Construction in Progress	214,593	-	214,593	-
	<u>264,433</u>	<u>-</u>	<u>214,593</u>	<u>49,840</u>
Capital Assets, being depreciated				
Collection and Distribution Systems	3,205,220	542,968		3,748,188
Buildings	210,113	-	-	210,113
Machinery and Equipment	423,186	98,552	-	521,738
Total Capital Assets, being depreciated	<u>3,838,519</u>	<u>641,520</u>	<u>-</u>	<u>4,480,039</u>
Less accumulated depreciation				
Collection and Distribution Systems	(1,890,498)	(73,754)		(1,964,252)
Buildings	(59,138)	(4,380)	-	(63,518)
Machinery and Equipment	(294,836)	(22,822)	-	(317,658)
Total accumulated depreciation	<u>(2,244,472)</u>	<u>(100,956)</u>	<u>-</u>	<u>(2,345,428)</u>
Total Capital Assets, being depreciated, net	<u>1,594,047</u>	<u>540,564</u>	<u>-</u>	<u>2,134,611</u>
Business-type Activities Capital Assets, net	<u>\$ 1,858,480</u>	<u>\$ 540,564</u>	<u>\$ 214,593</u>	<u>\$ 2,184,451</u>

Depreciation expense for the Business-type Activities was charged to the functions/programs as follows:

Water Fund	\$ 74,596
Sewer Fund	<u>26,360</u>
Total	<u>\$ 100,956</u>

During the year ended December 31, 2023, the Town entered into a contract in the amount of \$76,371 for the purchase of dash cameras for the police vehicles to be installed in 2024.

The remainder of this page is intentionally left blank.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 4: LONG-TERM DEBT

Governmental Activities

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

	Balance 12/31/2022	Additions	Deletions	Balance 12/31/2023	Due Within One Year
Governmental Activities					
Financing Lease - Building	\$ 23,559	\$ -	\$ 2,097	\$ 21,462	\$ 2,137
Financing Leases - PS Equipment	22,896	17,817	13,353	27,360	10,656
Financing Lease - PW Equipment	-	47,032	12,748	34,284	10,786
Accrued Compensated Absences	20,739	789	-	21,528	21,528
	<u>\$ 67,194</u>	<u>\$ 65,638</u>	<u>\$ 28,198</u>	<u>\$ 104,634</u>	<u>\$ 45,107</u>

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

Financing Leases Payable

The Town has entered into financing lease agreements to purchase a building, police tasers, body cameras and backhoe loader. These financing leases bear interest at rates ranging from 0% to 6.9% per annum, and mature between March 2023 and September 2032.

During the year ended December 31, 2023, the Town entered into an agreement in the amount of \$76,371 to purchase dash cameras for the police cars. The dash cameras will be installed during 2024. The Town will make five annual payments in the amount of \$15,274 through January 2028, with 0% interest per annum.

Following is a summary of the future debt service requirements for these financing leases for the year ended December 31, 2023:

<u>Year Ended December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 23,579	\$ 3,025	\$ 26,604
2025	24,223	2,382	26,605
2026	17,485	1,488	18,973
2027	5,421	533	5,954
2028	2,488	442	2,930
2029 - 2032	9,910	796	10,706
	<u>\$ 83,106</u>	<u>\$ 8,666</u>	<u>\$ 91,772</u>

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 4: LONG-TERM DEBT (Continued)

Business-type Activities

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2023.

	Balance 12/31/2022	Additions	Deletions	Balance 12/31/2023	Due Within One Year
Business-type Activities					
1992 Water Revenue Bonds	\$ 84,800	\$ -	6,500	\$ 78,300	\$ 6,900
Financing Lease - Building	107,309	-	9,553	97,756	9,734
Financing Lease - Equipment	-	94,064	25,496	68,568	21,572
	<u>\$ 192,109</u>	<u>\$ 94,064</u>	<u>\$ 41,549</u>	<u>\$ 244,624</u>	<u>\$ 38,206</u>

Water Revenue Bonds

During 1992, the Town issued Water Revenue Bonds in the principal amount of \$175,200 for the construction of certain water system improvements. Principal and interest payments are due semi-annually on February 1, and August 1, through August 1, 2032. Interest accrues at a rate of 5.5% per annum. The bonds required a reserve fund be established in the total amount of \$11,460, which is reported as restricted net position in the water fund. The bonds are payable solely from revenues of the Town's water utility system, after deducting operation and maintenance costs. During the year ended December 31, 2023, net revenues of \$104,867 were available to pay annual debt service of \$11,076. Remaining debt service at December 31, 2023 was \$100,375.

Following is a summary of the water revenue bonds future debt service requirements for the business-type activities for the year ended December 31, 2023:

<u>Year Ended December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 6,900	\$ 4,213	\$ 11,113
2025	7,300	3,828	11,128
2026	7,700	3,421	11,121
2027	8,100	2,992	11,092
2028	8,600	2,541	11,141
2029 - 2032	39,700	5,080	44,780
	<u>\$ 78,300</u>	<u>\$ 22,075</u>	<u>\$ 100,375</u>

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 4: LONG-TERM DEBT (Continued)

Business-type Activities (Continued)

Financing Leases Payable

The Town has entered into financing lease agreements to purchase a building and a backhoe loader for the water and sewer systems. The financing leases bear interest at rates ranging from 3.75% to 6.9% per annum and mature in October 2027 and September 2032.

Following is a summary of the future debt service requirements for these financing leases for the year ended December 31, 2023:

<u>Year Ended December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 31,306	\$ 8,077	\$ 39,383
2025	32,811	6,573	39,384
2026	34,819	4,566	39,385
2027	10,919	2,428	13,347
2028	11,335	2,011	13,346
2029 - 2032	45,134	3,473	48,607
	<u>\$ 166,324</u>	<u>\$ 27,128</u>	<u>\$ 193,452</u>

NOTE 5: 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 is involved with 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 provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and 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 in preventing and reducing 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.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 5: PUBLIC ENTITY RISK POOL (Continued)

It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the Town does not approve budgets nor does it have the ability to significantly affect the operations of entity.

NOTE 6: PENSION PLANS

Defined Contribution Pension Plan

The Town contributes to a single employer defined contribution money purchase pension plan on behalf of its employees. The contribution requirements of the Plan participants and the Town are established and may be amended by the Town Board of Trustees. The Plan is administered by Colorado Retirement Association. Employees are eligible to participate after six months of service. The Town will match 100% of the employee's contribution, which is a minimum of 3% and maximum of 4%. Employees are fully vested in the Town's contributions immediately. During the year ended December 31, 2023, employee contributions totaled \$18,977 and the Town recognized pension expense of \$12,327.

Deferred Compensation Pension Plan

The Town contributes to a 457 deferred compensation pension plan on behalf of its employees. The contribution requirements of the Plan participants and the Town are established and may be amended by the Town Board of Trustees. The Plan is administered by Colorado Retirement Association. Employees are eligible to participate after six months of service. The Town will match 100% of the employee's contribution, which is a minimum of 3% and maximum of 4%. Employees are fully vested in the Town's contributions immediately. During the year ended December 31, 2023, employee contributions totaled \$9,994 and the Town recognized pension expense of \$8,283.

NOTE 7: COMMITMENTS AND CONTINGENCIES

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the "Amendment"), which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. The Amendment requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of an expiring tax, or tax policy change directly causing a net tax revenue gain to the

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE 7: COMMITMENTS AND CONTINGENCIES (Continued)

Tabor Amendment (Continued)

Town. Revenue in excess of the fiscal spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue.

In April 1996, voters within the Town authorized the Town to levy a mill of 17.683 mills and to collect, retain and expend the full amount of revenues generated during 1995 and each subsequent year, and to spend such revenues for (a) snow removal, (b) street sweeping, (c) street construction, repair and maintenance, (d) capital improvements, (e) police protection, (f) storm drainage, (g) parks and recreation, and (h) other municipal services, without limiting in any year the amount of other revenues that may be collected and spent by the Town under provisions of the Amendment.

In November 2012, the voters approved collection and spending of a one (1) percent sales and use tax, commencing January 1, 2013, without any limitations of the Amendment.

The Town's management believes it is in compliance with the provisions of the Amendment. However, the Amendment is complex and subject to interpretation. Many of its provisions may require judicial interpretation.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2023, the emergency reserve of \$37,000 was reported as restricted fund balance in the General Fund.

Claims and Judgments

The Town participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental entities. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. At December 31, 2023, significant amounts of grant expenses have not been audited but management believes that subsequent audits will not have a material effect on the overall financial position of the Town.

Litigation

The Town was named as a defendant in pending litigation. In June 2022, the court issued a summary judgment in favor of the Town. The plaintiffs sought certiorari review in the United State Supreme Court, which petition was denied. Therefore, this case is now officially over, with the Town prevailing.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF CALHAN, COLORADO

GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2023
 (With Comparative Totals for December 31, 2022)

	2023		VARIANCE Positive (Negative)	2022
	ORIGINAL AND FINAL BUDGET	ACTUAL		ACTUAL
REVENUES				
Taxes	\$ 737,866	\$ 934,005	\$ 196,139	\$ 996,490
Licenses and Permits	15,200	24,577	9,377	14,971
Fines and Forfeitures	42,000	38,258	(3,742)	21,935
Charges for Services	18,150	12,475	(5,675)	23,300
Intergovernmental	749,400	157,718	(591,682)	58,451
Interest	1,000	31,857	30,857	4,930
Miscellaneous	10,600	33,026	22,426	47,545
TOTAL REVENUES	<u>1,574,216</u>	<u>1,231,916</u>	<u>(342,300)</u>	<u>1,167,622</u>
EXPENDITURES				
Current				
General Government	145,015	104,099	40,916	118,860
Judicial	13,768	11,604	2,164	12,705
Public Safety	513,925	441,068	72,857	412,894
Public Works	239,336	147,182	92,154	118,740
Parks and Recreation	13,503	16,345	(2,842)	7,909
Capital Outlay	1,008,000	477,469	530,531	133,274
Debt Service				
Principal	14,928	28,198	(13,270)	24,256
Interest	-	1,103	(1,103)	1,225
TOTAL EXPENDITURES	<u>1,948,475</u>	<u>1,227,068</u>	<u>721,407</u>	<u>829,863</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(374,259)	4,848	379,107	337,759
OTHER FINANCING SOURCES				
Financing Lease Proceeds	-	64,849	64,849	-
NET CHANGE IN FUND BALANCE	(374,259)	69,697	443,956	337,759
FUND BALANCE, Beginning	<u>374,259</u>	<u>714,680</u>	<u>340,421</u>	<u>376,921</u>
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ 784,377</u>	<u>\$ 784,377</u>	<u>\$ 714,680</u>

See the accompanying Independent Auditor's Report.

TOWN OF CALHAN, COLORADO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2023

NOTE 1: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets

Budgets are legally adopted for all funds of the Town. Budgets for 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 long-term debt principal are budgeted as expenditures and depreciation is not budgeted.

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

- In September, Management submits to the Town 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 and public comments.
- Prior to December 31, the budget is legally enacted through passage of an ordinance.
- Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures must be approved by the Town Board of Trustees.
- All budget appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

SUPPLEMENTARY INFORMATION

TOWN OF CALHAN, COLORADO

CONSERVATION TRUST FUND
BUDGETARY COMPARISON SCHEDULE

Year Ended December 31, 2023

(With Comparative Totals for December 31, 2022)

	2023		VARIANCE Positive (Negative)	2022
	ORIGINAL AND FINAL BUDGET	ACTUAL		ACTUAL
REVENUES				
Lottery Revenues	\$ 10,000	\$ 10,743	\$ 743	\$ 9,733
Interest	50	61	11	53
TOTAL REVENUES	<u>10,050</u>	<u>10,804</u>	<u>754</u>	<u>9,786</u>
EXPENDITURES				
Parks and Recreation	10,000	8,365	1,635	4,591
Contingency	26,394	-	26,394	-
TOTAL EXPENDITURES	<u>36,394</u>	<u>8,365</u>	<u>1,635</u>	<u>4,591</u>
NET CHANGE IN FUND BALANCE	(26,344)	2,439	28,783	5,195
FUND BALANCE, Beginning	<u>26,344</u>	<u>31,529</u>	<u>5,185</u>	<u>26,334</u>
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ 33,968</u>	<u>\$ 33,968</u>	<u>\$ 31,529</u>

See the accompanying Independent Auditor's Report.

TOWN OF CALHAN, COLORADO
WATER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2023
(With Comparative Totals for December 31, 2022)

	2023			2022
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	ACTUAL
REVENUES				
Charges for Services	\$ 295,000	\$ 310,135	\$ 15,135	\$ 296,843
Connection and Late Fees	6,200	9,883	3,683	9,700
Tap Fees	2,200	10,700	8,500	7,800
System Development Fees	800	5,300	4,500	2,200
Investment Income	700	7,410	6,710	976
Grant Revenue	200,000	276,344	76,344	54,429
Financing Lease Proceeds	-	47,032	47,032	-
Miscellaneous	-	828	828	2,208
TOTAL REVENUES	504,900	667,632	162,732	374,156
EXPENDITURES				
Operations and Maintenance	613,507	215,979	397,528	230,047
Administration and General	26,650	21,491	5,159	19,602
Capital Outlay	200,000	371,625	(171,625)	180,389
Debt Service				
Principal	5,600	24,024	(18,424)	10,616
Interest	12,091	6,588	5,503	4,917
TOTAL EXPENDITURES	857,848	639,707	218,141	445,571
NET INCOME, Budget Basis	\$ (352,948)	27,925	\$ 380,873	(71,415)
GAAP BASIS ADJUSTMENTS				
Capital Outlay		371,625		180,389
Depreciation		(74,596)		(58,800)
Financing Lease Proceeds		(47,032)		-
Principal Paid on Long-Term Debt		24,024		10,616
NET INCOME, GAAP Basis		301,946		60,790
NET POSITION, Beginning		1,486,800		1,426,010
NET POSITION, Ending		\$ 1,788,746		\$ 1,486,800

See the accompanying Independent Auditor's Report.

TOWN OF CALHAN, COLORADO
 SEWER FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2023
 (With Comparative Totals for December 31, 2022)

	2023			2022
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	ACTUAL
REVENUES				
Charges for Services	\$ 200,000	\$ 210,532	\$ 10,532	\$ 201,212
Tap Fees	2,200	2,200	-	2,200
System Development Fees	800	800	-	800
Investment Income	250	2,466	2,216	185
Grants	405,000	-	(405,000)	-
Financing Lease Proceeds	-	47,032	47,032	-
TOTAL REVENUES	608,250	263,030	(345,220)	204,397
EXPENDITURES				
Operations and Maintenance	203,251	194,670	8,581	177,718
Administration and General	21,600	16,441	5,159	15,179
Capital Outlay	589,547	55,302	534,245	5,547
Debt Service				
Principal	18,674	17,525	1,149	4,515
Interest	-	2,012	(2,012)	2,159
Contingency Reserve	16,622	-	16,622	-
TOTAL EXPENDITURES	849,694	285,950	563,744	205,118
NET INCOME, Budget Basis	\$ (241,444)	(22,920)	\$ 218,524	(721)
GAAP BASIS ADJUSTMENTS				
Capital Outlay		55,302		5,547
Depreciation		(26,360)		(25,366)
Financing Lease Proceeds		(47,032)		-
Principal Paid on Long-term Debt		17,525		4,515
NET INCOME, GAAP Basis		(23,485)		(16,025)
NET POSITION, Beginning		630,430		646,455
NET POSITION, Ending		\$ 606,945		\$ 630,430

See the accompanying Independent Auditor's Report.

OTHER INFORMATION

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

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

This Information From The Records Of: Town of Calhan	Prepared By: Cindy Tompkins
--	---------------------------------------

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)	\$ 287,130.00
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 83,031.56
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ 123.57
2. General fund appropriations		b. Snow and ice removal	\$ 968.23
3. Other local imposts (from page 2)	\$ 532,001.91	c. Other	\$ 12,496.07
4. Miscellaneous local receipts (from page 2)	\$ 10,847.40	d. Total (a. through c.)	\$ 13,587.87
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 63,170.43
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 132,608.58
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 579,528.44
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)	\$ 542,849.31	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 36,679.13	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 579,528.44	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)	\$ 579,528.44

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ -	\$ 579,528.44	\$ 579,528.44	\$ -	\$ -

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 Assesments	\$ 38,370.65	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	\$ 10,847.40
1. Sales Taxes	\$ 480,055.03	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	\$ 13,576.23	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 493,631.26	h. Other	
c. Total (a. + b.)	\$ 532,001.91	i. Total (a. through h.)	\$ 10,847.40
<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.)	\$ 32,136.99	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	\$ 3,357.43	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other (ie. ARPA) Road and Bridge	\$ 1,184.71	f. Other Federal	
f. Total (a. through e.)	\$ 4,542.14	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 36,679.13	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		\$ 287,130.00	\$ 287,130.00
(3). System Preservation			\$ -
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 287,130.00	\$ 287,130.00
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 287,130.00	\$ 287,130.00
<i>(Carry forward to page 1)</i>			

Notes and Comments:

FORM FHWA-536

See the accompanying Independent Auditor's Report.