

**Town of Carbondale, Colorado**

**Financial Report**

**December 31, 2023**



**Town of Carbondale, Colorado  
Financial Report  
December 31, 2023**

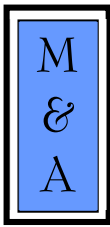
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## INDEPENDENT AUDITOR'S REPORT

**To the Honorable Mayor and Town Trustees  
Town of Carbondale, Colorado**

### **Report on the Audit of 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 Town of Carbondale, Colorado (the "Town"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Town of Carbondale basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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 Town of Carbondale 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 ("U.S. GAAP").

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

The Town's management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, 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 Town of Carbondale's ability to continue as a going concern for one year after the date that the financial statements are issued.

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**INDEPENDENT AUDITOR'S REPORT**  
**To the Honorable Mayor and Town Council**  
**Town of Carbondale**  
**Carbondale, Colorado**

***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 U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS, we:

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

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

***Required Supplementary Information***

U.S. GAAP require the Management's Discussion and Analysis in section B be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. GAAS, 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.

**INDEPENDENT AUDITOR'S REPORT**  
**To the Honorable Mayor and Town Council**  
**Town of Carbondale**  
**Carbondale, Colorado**

***Required Supplementary Information (continued)***

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by U.S. GAAP. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Supplementary 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 combining non-major fund financial statements, individual fund budgetary comparison information, and the Local Highway Finance Report in section F, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining non-major fund financial statements, individual fund budgetary comparison information, and the Local Highway Finance Report are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*McMahan and Associates, L.L.C.*  
**McMahan and Associates, L.L.C.**  
**Avon, Colorado**  
**June 2, 2024**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**



# Town of Carbondale, Colorado

## Management's Discussion and Analysis December 31, 2023

As management of the Town of Carbondale, Colorado (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2023.

### Financial Highlights

- Sales and use tax revenue increased 2.0% from 2022. Interest and other revenue increased by 201.4% from 2022.
- The Town's governmental fund balances increased \$4,147,964, of this amount the General Fund balance increase of \$2,567,541. Additionally, the Town's business-type activities increased \$1,712,570. The Town's General Fund increased due to increased investment income and expenditures over several departments being less than anticipated. The business-type activities increased primarily in the Wastewater fund. This increase comes mostly from ARPA grant funds used for capital purchases.

### Overview of the Financial Statements

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

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

The Statement of Net Position presents information on all Town assets, liabilities, and deferred inflows of resources, with the difference between the three reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e., uncollected revenues such as grants or earned but unused vacation leave.)

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include general government, public safety, streets, culture and recreation, and affordable housing. The business-type activities of the Town include water distribution and system maintenance, wastewater treatment and trash hauling services.

The government-wide financial statements can be found on pages C1 and C2 of this report.

## **Overview of the Financial Statements (continued)**

**Fund financial statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, 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 and proprietary funds.

**Governmental funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The Town adopts an annual appropriated budget for all governmental funds. A budgetary comparison statement has been provided for all funds to demonstrate compliance with the state budget statutes.

**Proprietary funds:** The Town maintains proprietary funds commonly known as enterprise funds. Enterprise 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, wastewater and trash operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the business-type services provided by the Town, which are considered to be major funds of the Town.

The basic proprietary fund financial statements can be found in Section C of this report. The Town also presents budgetary comparison for its proprietary funds.

**Notes to the Financial Statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found in Section D of this report.

**Government-wide financial analysis:** As previously mentioned, the government-wide financial statements are designed to provide readers with a broad overview and long-term analysis of the Town's finances, in a manner similar to a private-sector business.

**Overview of the Financial Statements (continued)**

**Government-wide financial analysis (continued):**

The following graph shows the Town's net position for 2023:

|                                   | Governmental<br>Activities |                   | Business-type<br>Activities |                   | Total             |                   |
|-----------------------------------|----------------------------|-------------------|-----------------------------|-------------------|-------------------|-------------------|
|                                   | 2023                       | 2022              | 2023                        | 2022              | 2023              | 2022              |
| Current and other assets          | \$ 34,777,555              | 29,348,113        | 11,502,077                  | 11,491,606        | 46,279,632        | 40,839,719        |
| Capital assets                    | 27,642,988                 | 27,727,188        | 18,551,158                  | 17,549,282        | 46,194,146        | 45,276,470        |
| <b>Total assets</b>               | <b>62,420,543</b>          | <b>57,075,301</b> | <b>30,053,235</b>           | <b>29,040,888</b> | <b>92,473,778</b> | <b>86,116,189</b> |
| Other liabilities                 | 2,567,196                  | 1,512,416         | 828,879                     | 1,529,102         | 3,396,075         | 3,041,518         |
| Long-term liabilities outstanding | 8,743,015                  | 8,961,012         | -                           | -                 | 8,743,015         | 8,961,012         |
| <b>Total liabilities</b>          | <b>11,310,211</b>          | <b>10,473,428</b> | <b>828,879</b>              | <b>1,529,102</b>  | <b>12,139,090</b> | <b>12,002,530</b> |
| Deferred Inflows of Resources     | 875,924                    | 637,844           | -                           | -                 | 875,924           | 637,844           |
| Net Position:                     |                            |                   |                             |                   |                   |                   |
| Net invested in capital assets    | 18,899,973                 | 18,766,176        | 18,551,158                  | 17,549,282        | 37,451,131        | 36,315,458        |
| Restricted                        | 14,090,791                 | 13,141,378        | -                           | -                 | 14,090,791        | 13,141,378        |
| Unrestricted                      | 17,243,644                 | 14,056,475        | 10,673,198                  | 9,962,504         | 27,916,842        | 24,018,979        |
| <b>Total net position</b>         | <b>\$ 50,234,408</b>       | <b>45,964,029</b> | <b>29,224,356</b>           | <b>27,511,786</b> | <b>79,458,764</b> | <b>73,475,815</b> |

The largest portion of the Town's assets is reflected in the investment in capital assets (i.e., land, buildings, improvements, and equipment). Capital assets account for 50% of the total assets. The Town uses these assets to provide services to its citizens. The Town's remaining assets are generally available to pay liabilities or fund operations. At the end of the current fiscal year, the Town is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The Town's capital assets increased due to purchased and donated capital assets being more than depreciation expense in 2023. Maturity for the Town's 2018 long-term debt and 2022 long-term bond issues will be retired in 2024 and 2047, respectively. Additional information regarding the Town's long-term liabilities can be found in the Notes to the Financial Statements in Section D of this report.

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## Overview of the Financial Statements (continued)

### Government-wide financial analysis (continued):

The following chart provides financial information from the Town's Statement of Activities:

|  | Governmental<br>Activities |                   | Business-type<br>Activities |                   | Total             |                   |
|--|----------------------------|-------------------|-----------------------------|-------------------|-------------------|-------------------|
|  | 2023                       | 2022              | 2023                        | 2022              | 2023              | 2022              |
| <b>REVENUES:</b>                                 |                            |                   |                             |                   |                   |                   |
| Program revenues:                                |                            |                   |                             |                   |                   |                   |
| Charges for services                             | \$ 1,808,095               | 1,844,777         | 4,402,537                   | 4,029,266         | 6,210,632         | 5,874,043         |
| Operating grants and contributions               | 2,307,506                  | 810,314           | -                           | -                 | 2,307,506         | 810,314           |
| Capital grants and contributions                 | 109,836                    | 37,792            | 764,427                     | 940,469           | 874,263           | 978,261           |
| General revenues:                                |                            |                   |                             |                   |                   |                   |
| Property taxes                                   | 638,894                    | 632,472           | -                           | -                 | 638,894           | 632,472           |
| Sales and use taxes                              | 9,541,189                  | 9,353,520         | -                           | -                 | 9,541,189         | 9,353,520         |
| Other taxes                                      | 1,417,239                  | 1,335,561         | -                           | -                 | 1,417,239         | 1,335,561         |
| Interest and other revenue                       | 1,568,510                  | 515,970           | 1,441,041                   | 482,502           | 3,009,551         | 998,472           |
| <b>Total Revenues</b>                            | <u>17,391,269</u>          | <u>14,530,406</u> | <u>6,608,005</u>            | <u>5,452,237</u>  | <u>23,999,274</u> | <u>19,982,643</u> |
| <b>EXPENSES:</b>                                 |                            |                   |                             |                   |                   |                   |
| General government                               | 3,696,016                  | 3,501,098         | -                           | -                 | 3,696,016         | 3,501,098         |
| Public safety                                    | 2,574,148                  | 2,310,446         | -                           | -                 | 2,574,148         | 2,310,446         |
| Public works                                     | 2,140,129                  | 1,846,541         | -                           | -                 | 2,140,129         | 1,846,541         |
| Culture and recreation                           | 4,093,238                  | 2,535,125         | -                           | -                 | 4,093,238         | 2,535,125         |
| Interest   | 384,096                    | 96,746            | -                           | -                 | 384,096           | 96,746            |
| Affordable housing                               | 433,263                    | 21,168            | -                           | -                 | 433,263           | 21,168            |
| Water  | -                          | -                 | 1,974,753                   | 1,770,110         | 1,974,753         | 1,770,110         |
| Wastewater                                       | -                          | -                 | 1,970,494                   | 1,651,769         | 1,970,494         | 1,651,769         |
| Trash  | -                          | -                 | 750,188                     | 653,766           | 750,188           | 653,766           |
| <b>Total Expenses</b>                            | <u>13,320,890</u>          | <u>10,311,124</u> | <u>4,695,435</u>            | <u>4,075,645</u>  | <u>18,016,325</u> | <u>14,386,769</u> |
| Excess (deficiency) of Revenues<br>over expenses | 4,070,379                  | 4,219,282         | 1,912,570                   | 1,376,592         | 5,982,949         | 5,595,874         |
| <b>Transfers in (out)</b>                        | <u>200,000</u>             | <u>-</u>          | <u>(200,000)</u>            | <u>-</u>          | <u>-</u>          | <u>-</u>          |
| <b>Change in Net Position</b>                    | <u>4,270,379</u>           | <u>4,219,282</u>  | <u>1,712,570</u>            | <u>1,376,592</u>  | <u>5,982,949</u>  | <u>5,595,874</u>  |
| <b>Net Position - Beginning</b>                  | <u>45,964,029</u>          | <u>41,744,747</u> | <u>27,511,786</u>           | <u>26,135,194</u> | <u>73,475,815</u> | <u>67,879,941</u> |
| <b>Net Position - Ending</b>                     | <u>\$ 50,234,408</u>       | <u>45,964,029</u> | <u>29,224,356</u>           | <u>27,511,786</u> | <u>79,458,764</u> | <u>73,475,815</u> |

The following provide additional insight into the above chart:

- Overall, revenues increased compared to 2022, partially due to ARPA grant funds.
- Interest and other income increased primarily due to higher interest rates and investable balances.
- Culture and recreation increases due to expenses relating to the Crystal River restoration projects.

## Overview of the Financial Statements (continued)

**Governmental activities:** Governmental activities increased the Town’s net position by \$4,270,379. Key elements of this change are as follows:

- The Town capitalized \$1,007,991 in fixed asset additions less depreciation expense of \$1,092,192 during 2023. Net invested in capital assets increased \$200,000 during 2023. Increase in Net Position – restricted for other purposes increased by \$896,691 while unrestricted increased by \$3,239,901.

**Business-type activities:** Business-type activities increased the Town’s net position by \$1,712,570. Key elements of this increase are as follows:

- Depreciation expense of \$787,766 was recognized between the Water Fund and Wastewater Fund in 2023.
- Tap fee revenues totaling \$729,327 were recognized between the Water and Wastewater Funds in 2023.
- The Water Fund had an increase in net position of \$529,470, the Wastewater Fund had an increase in net position of \$1,180,170, and the Trash Fund had an increase in net position of \$2,930. On a cash basis, the Funds cumulatively increased their cash and investment holdings by \$26,148.

## Financial Analysis of the Town’s Funds

As mentioned on page B2 of this analysis, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

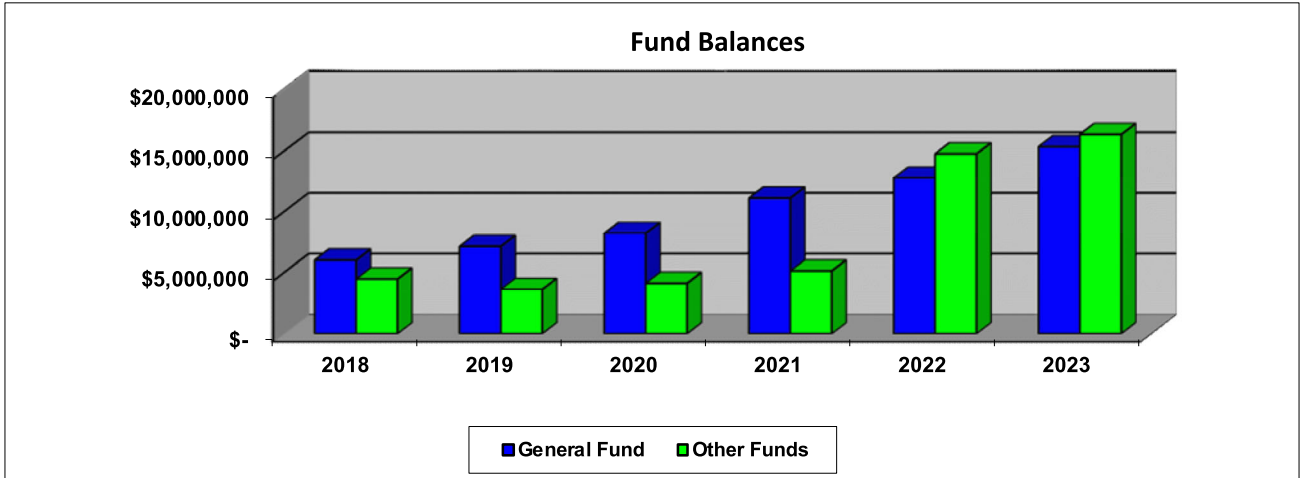
**Governmental funds:** The focus of the Town’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town’s financing requirements. In particular, fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Town’s governmental funds reported combined ending fund balances of \$31,725,796; an increase of \$4,147,964 from the prior year’s restated ending fund balances. The following details ending fund balances for the past several years:

| Fund                     | 2018                 | 2019              | 2020              | 2021<br>(as restated) | 2022              | 2023              |
|--------------------------|----------------------|-------------------|-------------------|-----------------------|-------------------|-------------------|
| General                  | 6,014,929            | 7,108,311         | 8,221,659         | 11,119,244            | 12,795,649        | 15,363,190        |
| Recreation Sales and Use | 1,571,632            | 1,910,234         | 1,887,682         | 2,235,369             | 11,007,474        | 11,578,285        |
| Sales and Use            | 769,302              | 832,858           | 970,551           | 1,071,464             | 1,071,456         | 1,071,456         |
| Streetscape              | 730,954              | (389,683)         | (142,552)         | 102,483               | 399,169           | 684,565           |
| Development Dedication   | 351,764              | 455,038           | 573,064           | 680,702               | 755,338           | 849,524           |
| Capital Projects         | 492,883              | 323,220           | 177,108           | 167,960               | 319,713           | 619,557           |
| Other Governmental       | 569,772              | 517,304           | 671,630           | 878,473               | 1,229,033         | 1,559,219         |
| <b>Total</b>             | <b>\$ 10,501,236</b> | <b>10,757,282</b> | <b>12,359,142</b> | <b>16,255,695</b>     | <b>27,577,832</b> | <b>31,725,796</b> |

**Financial Analysis of the Town's Funds (continued)**

**Governmental funds (continued):**

As indicated on the table on the previous page, the Capital Projects Fund balance decreased while balances increased for other funds. Certain Town fund balances are reduced from the prior year due to projects undertaken in the current year. The following graph is based on the table previously presented:



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

Cash in the Water Fund at the end of the current fiscal year was \$4,763,329. The Wastewater Fund had cash of \$6,455,238.

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**Budget variances in the General Fund:** The Town's General Fund revenues were over budget by \$847,383; General Fund expenditures were under budget by \$2,201,741. The General Fund's significant budget variances are detailed as follows:

|                               | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Final Budget Variance Positive (Negative)</u> | <u>Reason</u>                                    |
|-------------------------------|------------------------|---------------------|---------------|--|--|
| <b>Revenues:</b>              |                        |                     |               |  |  |
| Intergovernmental             | 1,384,112              | 1,384,112           | 1,167,427     | (216,685)  | ARPA and other revenues                          |
| Investment income             | 80,000                 | 80,000              | 812,538       | 732,538  | Increased rates & improved investment monitoring |
| <b>Expenditures:</b>          |                        |                     |               |  |  |
| Administrative services       | 1,035,313              | 1,035,313           | 707,594       | 327,719  | Salary Survey adjustment here in budget          |
| Police department             | 2,181,232              | 2,181,232           | 2,009,067     | 172,165  | Not fully staffed                                |
| Streets, alleys, snow removal | 1,173,436              | 1,173,436           | 975,424       | 198,012  | Maintenance less than anticipated                |
| Community affairs             | 985,273                | 985,273             | 208,216       | 777,057  | ARPA spent out utility budgets                   |

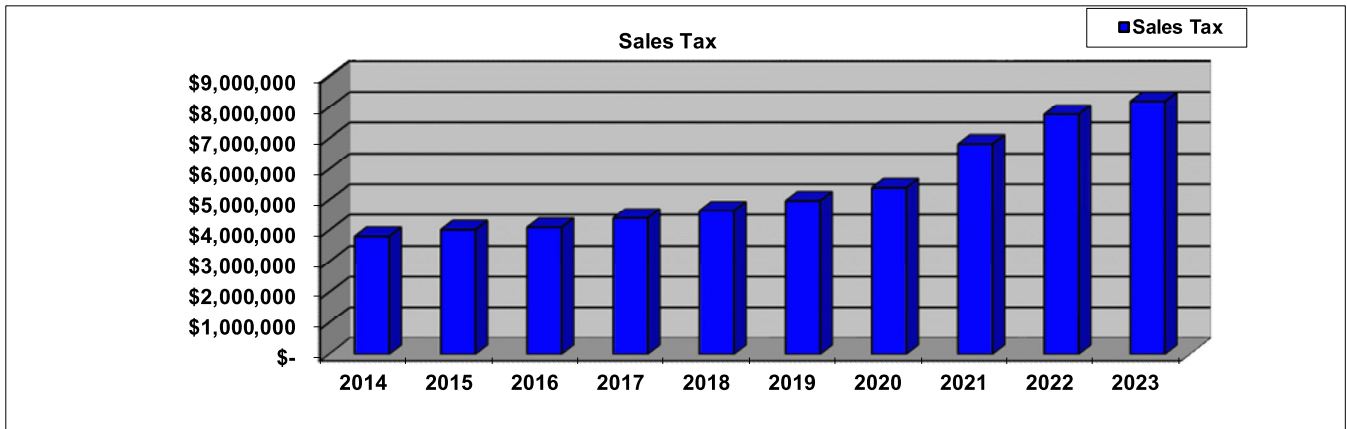
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## Financial Analysis of the Town's Funds (continued)

**Capital assets:** The Town's government-wide capital assets, net of accumulated depreciation, increased due to capital expenditures and donations exceeding depreciation. Additional information as well as a detailed classification of the Town's net capital assets can be found in the Notes to the Financial Statements in Section D of this report.

**Long-term debt:** As of the end of the current fiscal year, the Town had \$8,743,015 in long-term debt. Additional information regarding the Town's debt can be found in the Notes to the Financial Statements in Section D of this report.

**Sales tax:** The Town has a 3.5% sales tax that is used to fund its governmental operations. One half percent of the tax is dedicated to recreation expenditures. Sales tax revenues increased from 2022 by approximately 5.5%. The following chart indicates changes in the sales tax:



**Next year's budget and rates:** The Town's General Fund balance at the end of fiscal year 2023 was \$15,363,190. In the 2024 budget, the Town anticipates reducing accumulated fund balance by approximately \$2,542,207.

**Other information:** The budget for 2024 includes:

- An increase in interest income totaling \$387,065;
- A 1% increase in sales tax projected for 2023 during the 2024 budget season;
- Transfer to Capital Construction Fund of \$1,625,000
- A 5% cost of living increase for employees

### Request 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 any of the information provided in this report or requests for additional financial information should be addressed to the Town of Carbondale, Finance Department, 511 Colorado Ave., Carbondale, Colorado 81623.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**



**Town of Carbondale, Colorado**  
**Statement of Net Position**  
**December 31, 2023**

|  | <u>Governmental<br/>Activities</u> | <u>Business-type<br/>Activities</u> | <u>Total</u>      |
|--|------------------------------------|-------------------------------------|-------------------|
| <b>Assets:</b>                             |                                    |                                     |                   |
| Cash and investments - Unrestricted        | 30,505,849                         | 11,218,567                          | 41,724,416        |
| Receivables, net:                          |                                    |                                     |                   |
| Taxes                                      | 875,924                            | -                                   | 875,924           |
| Accounts                                   | -                                  | 356,482                             | 356,482           |
| Other                                      | 833,600                            | -                                   | 833,600           |
| Intergovernmental                          | 2,252,958                          | 63,852                              | 2,316,810         |
| Internal balances                          | 136,824                            | (136,824)                           | -                 |
| Prepaid expenses                           | 171,931                            | -                                   | 171,931           |
| Inventories                                | 469                                | -                                   | 469               |
| Capital assets, net                        | 27,642,988                         | 18,551,158                          | 46,194,146        |
| <b>Total Assets</b>                        | <u>62,420,543</u>                  | <u>30,053,235</u>                   | <u>92,473,778</u> |
| <b>Liabilities:</b>                        |                                    |                                     |                   |
| Accounts payable                           | 504,015                            | 429,394                             | 933,409           |
| Other liabilities                          | 1,671,824                          | 317,893                             | 1,989,717         |
| Compensated absences                       | 357,887                            | 81,592                              | 439,479           |
| Accrued interest                           | 33,470                             | -                                   | 33,470            |
| Bonds payable:                             |                                    |                                     |                   |
| Due within one year                        | 200,700                            | -                                   | 200,700           |
| Due in more than one year                  | 8,542,315                          | -                                   | 8,542,315         |
| <b>Total Liabilities</b>                   | <u>11,310,211</u>                  | <u>828,879</u>                      | <u>12,139,090</u> |
| <b>Deferred Inflows of Resources:</b>      |                                    |                                     |                   |
| Unavailable property tax revenue           | 875,924                            | -                                   | 875,924           |
| <b>Total Deferred Inflows of Resources</b> | <u>875,924</u>                     | <u>-</u>                            | <u>875,924</u>    |
| <b>Net Position:</b>                       |                                    |                                     |                   |
| Net invested in capital assets             | 18,899,973                         | 18,551,158                          | 37,451,131        |
| Restricted for other purposes              | 14,090,791                         | -                                   | 14,090,791        |
| Unrestricted                               | 17,243,644                         | 10,673,198                          | 27,916,842        |
| <b>Total Net Position</b>                  | <u>50,234,408</u>                  | <u>29,224,356</u>                   | <u>79,458,764</u> |

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

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

|                                       | Program Revenues        |  |  | Net (Expense) Revenue and<br>Changes in Net Position |                             |                    |
|---------------------------------------|-------------------------|--|--|--|-----------------------------|--------------------|
|                                       | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Governmental<br>Activities                           | Business-type<br>Activities | Total              |
| <b>Functions/Programs:</b>            |                         |  |  |  |                             |                    |
| Governmental activities:              |                         |  |  |  |                             |                    |
| General government                    | 3,696,016               | 989,298                                  | 102,895                                | (2,507,331)  | -                           | (2,507,331)        |
| Public safety                         | 2,574,148               | 76,963                                   | 9,743                                  | (2,487,442)  | -                           | (2,487,442)        |
| Public works                          | 2,140,129               | 31,826                                   | 757,152                                | (1,337,807)  | -                           | (1,337,807)        |
| Culture and recreation                | 4,093,238               | 636,414                                  | 1,229,716                              | (2,227,108)  | -                           | (2,227,108)        |
| Affordable housing                    | 433,263                 | 73,594                                   | 208,000                                | (151,669)  | -                           | (151,669)          |
| Interest on long-term debt            | 384,096                 | -  | -                                      | (384,096)  | -                           | (384,096)          |
| <b>Total governmental activities</b>  | <b>13,320,890</b>       | <b>1,808,095</b>                         | <b>2,307,506</b>                       | <b>(9,095,453)</b>                                   | <b>-</b>                    | <b>(9,095,453)</b> |
| Business-type activities:             |                         |  |  |  |                             |                    |
| Water                                 | 1,974,753               | 1,947,249                                | 465,411                                | -  | 437,907                     | 437,907            |
| Wastewater                            | 1,970,494               | 1,702,170                                | 299,016                                | -  | 30,692                      | 30,692             |
| Trash                                 | 750,188                 | 753,118                                  | -                                      | -  | 2,930                       | 2,930              |
| <b>Total business-type activities</b> | <b>4,695,435</b>        | <b>4,402,537</b>                         | <b>764,427</b>                         | <b>-</b>   | <b>471,529</b>              | <b>471,529</b>     |
| <b>Total</b>                          | <b>18,016,325</b>       | <b>6,210,632</b>                         | <b>874,263</b>                         | <b>(9,095,453)</b>                                   | <b>471,529</b>              | <b>(8,623,924)</b> |

General revenues:

|  |  |  |  |                   |                   |                   |
|--|--|--|--|-------------------|-------------------|-------------------|
| Taxes:   |  |  |  |                   |                   |                   |
| Property tax, levied for general purposes                    |  |  |  | 638,894           | -                 | 638,894           |
| Specific ownership tax                                       |  |  |  | 41,579            | -                 | 41,579            |
| Sales and use tax  |  |  |  | 9,541,189         | -                 | 9,541,189         |
| Franchise tax  |  |  |  | 367,453           | -                 | 367,453           |
| Lodging Tax  |  |  |  | 194,595           | -                 | 194,595           |
| Other miscellaneous taxes                                    |  |  |  | 813,612           | -                 | 813,612           |
| Investment earnings  |  |  |  | 1,404,808         | 449,736           | 1,854,544         |
| Grants and contributions not restricted to specific programs |  |  |  | 142,547           | 991,305           | 1,133,852         |
| Miscellaneous  |  |  |  | 21,155            | -                 | 21,155            |
| Transfers  |  |  |  | 200,000           | (200,000)         | -                 |
| <b>Total general revenues and special items</b>              |  |  |  | <b>13,365,832</b> | <b>1,241,041</b>  | <b>14,606,873</b> |
| <b>Change in Net Position</b>                                |  |  |  | <b>4,270,379</b>  | <b>1,712,570</b>  | <b>5,982,949</b>  |
| <b>Net Position - Beginning</b>                              |  |  |  | <b>45,964,029</b> | <b>27,511,786</b> | <b>73,475,815</b> |
| <b>Net Position - Ending</b>                                 |  |  |  | <b>50,234,408</b> | <b>29,224,356</b> | <b>79,458,764</b> |

The accompanying notes are an integral part of these financial statements.  
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**FUND FINANCIAL STATEMENTS**



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

|   | General           | Recreation<br>Sales and<br>Use Tax | Sales and<br>Use Tax | Streetscape      | Development<br>Dedication | Capital<br>Projects | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|-------------------|------------------------------------|----------------------|------------------|---------------------------|---------------------|-----------------------------------|--------------------------------|
| <b>Assets:</b>  |                   |                                    |                      |                  |                           |                     |                                   |                                |
| Cash and investments - Unrestricted   | 15,661,914        | 11,085,345                         | 189,719              | 683,335          | 849,524                   | 627,120             | 1,408,894                         | 30,505,851                     |
| Receivables, net of allowance<br>for uncollectibles                           | 627,703           | 146,307                            | -                    | -                | -                         | -                   | 59,590                            | 833,600                        |
| Due from other governments  | -                 | 1,169,991                          | 881,737              | 1,230            | -                         | -                   | 200,000                           | 2,252,958                      |
| Due from other funds  | 136,824           | -                                  | -                    | -                | -                         | -                   | -                                 | 136,824                        |
| Property tax receivable   | 510,346           | -                                  | -                    | 365,578          | -                         | -                   | -                                 | 875,924                        |
| Prepaid items   | 171,931           | -                                  | -                    | -                | -                         | -                   | -                                 | 171,931                        |
| Inventory   | 469               | -                                  | -                    | -                | -                         | -                   | -                                 | 469                            |
| <b>Total Assets</b>   | <b>17,109,187</b> | <b>12,401,643</b>                  | <b>1,071,456</b>     | <b>1,050,143</b> | <b>849,524</b>            | <b>627,120</b>      | <b>1,668,484</b>                  | <b>34,777,557</b>              |
| <b>Liabilities:</b>   |                   |                                    |                      |                  |                           |                     |                                   |                                |
| Accounts/vouchers payable   | 258,650           | 94,529                             | -                    | -                | -                         | 7,563               | 11,375                            | 372,117                        |
| Other liabilities   | 651,401           | 728,829                            | -                    | -                | -                         | -                   | 97,890                            | 1,478,120                      |
| Accrued payroll and related liabilities                                       | 325,600           | -                                  | -                    | -                | -                         | -                   | -                                 | 325,600                        |
| <b>Total Liabilities</b>  | <b>1,235,651</b>  | <b>823,358</b>                     | <b>-</b>             | <b>-</b>         | <b>-</b>                  | <b>7,563</b>        | <b>109,265</b>                    | <b>2,175,837</b>               |
| <b>Deferred Inflows of Resources:</b>   |                   |                                    |                      |                  |                           |                     |                                   |                                |
| Unavailable property tax revenue  | 510,346           | -                                  | -                    | 365,578          | -                         | -                   | -                                 | 875,924                        |
| <b>Total Deferred Inflows of Resources</b>                                    | <b>510,346</b>    | <b>-</b>                           | <b>-</b>             | <b>365,578</b>   | <b>-</b>                  | <b>-</b>            | <b>-</b>                          | <b>875,924</b>                 |
| <b>Fund Balance:</b>  |                   |                                    |                      |                  |                           |                     |                                   |                                |
| Nonspendable  | 205,733           | -                                  | -                    | -                | -                         | -                   | -                                 | 205,733                        |
| Restricted  | 475,263           | 11,578,285                         | 1,071,456            | 684,565          | -                         | -                   | 281,222                           | 14,090,791                     |
| Committed   | 375,800           | -                                  | -                    | -                | 849,524                   | -                   | 1,277,997                         | 2,503,321                      |
| Assigned  | 232,993           | -                                  | -                    | -                | -                         | 619,557             | -                                 | 852,550                        |
| Unassigned  | 14,073,401        | -                                  | -                    | -                | -                         | -                   | -                                 | 14,073,401                     |
| <b>Total Fund Balance</b>   | <b>15,363,190</b> | <b>11,578,285</b>                  | <b>1,071,456</b>     | <b>684,565</b>   | <b>849,524</b>            | <b>619,557</b>      | <b>1,559,219</b>                  | <b>31,725,796</b>              |
| <b>Total Liabilities, Deferred Inflows<br/>of Resources, and Fund Balance</b> | <b>17,109,187</b> | <b>12,401,643</b>                  | <b>1,071,456</b>     | <b>1,050,143</b> | <b>849,524</b>            | <b>627,120</b>      | <b>1,668,484</b>                  | <b>34,777,557</b>              |

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

|                                       |            |
|---------------------------------------|------------|
| Governmental Funds Total Fund Balance | 31,725,796 |
|---------------------------------------|------------|

Capital assets used in governmental activities are not considered current financial resources and, therefore, not reported in the governmental funds.

Details of these amounts are as follows:

|                          |                     |            |
|--------------------------|---------------------|------------|
| Capital asset            | 44,024,095          |            |
| Accumulated depreciation | <u>(16,381,108)</u> |            |
|                          |                     | 27,642,987 |

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. This is the amount of Town long-term liabilities. Details of these amounts are as follows:

|                          |                  |                    |
|--------------------------|------------------|--------------------|
| Accrued interest payable | (33,470)         |                    |
| Bonds payable            | (8,200,700)      |                    |
| Unamortized bond premium | (542,318)        |                    |
| Compensated absences     | <u>(357,887)</u> |                    |
|                          |                  | <u>(9,134,375)</u> |

|                                      |                          |
|--------------------------------------|--------------------------|
| Governmental Activities Net Position | <u><u>50,234,408</u></u> |
|--------------------------------------|--------------------------|

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

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

|  | General            | Recreation<br>Sales and<br>Use Tax | Sales and<br>Use Tax | Streetscape    | Development<br>Dedication | Capital<br>Projects | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|--------------------|------------------------------------|----------------------|----------------|---------------------------|---------------------|-----------------------------------|--------------------------------|
| <b>Revenues:</b>   |                    |                                    |                      |                |                           |                     |                                   |                                |
| Taxes  | 1,260,963          | 1,324,692                          | 7,940,929            | 284,004        | -                         | -                   | 511,166                           | 11,321,754                     |
| Licenses, permits, and fees                                  | 290,110            | -                                  | -                    | -              | 58,484                    | -                   | -                                 | 348,594                        |
| Intergovernmental revenue                                    | 1,167,427          | 1,128,678                          | -                    | -              | -                         | -                   | 299,580                           | 2,595,685                      |
| Charges for services   | 280,367            | 361,775                            | -                    | -              | -                         | -                   | -                                 | 642,142                        |
| Fines and forfeitures  | 60,952             | -                                  | -                    | -              | -                         | -                   | 16,011                            | 76,963                         |
| Investment income  | 812,538            | 457,707                            | 11,296               | 42,338         | 35,702                    | 42,482              | 2,745                             | 1,404,808                      |
| Miscellaneous  | 798,882            | 31,966                             | -                    | -              | -                         | 13,344              | 142,132                           | 986,324                        |
| <b>Total Revenues</b>  | <b>4,671,239</b>   | <b>3,304,818</b>                   | <b>7,952,225</b>     | <b>326,342</b> | <b>94,186</b>             | <b>55,826</b>       | <b>971,634</b>                    | <b>17,376,270</b>              |
| <b>Expenditures:</b>   |                    |                                    |                      |                |                           |                     |                                   |                                |
| General government   | 3,136,650          | -                                  | 12,424               | -              | -                         | -                   | 463,290                           | 3,612,364                      |
| Public safety  | 2,471,568          | -                                  | -                    | -              | -                         | -                   | 7,606                             | 2,479,174                      |
| Public works   | 1,287,189          | -                                  | -                    | 40,946         | -                         | 980,982             | -                                 | 2,309,117                      |
| Culture and recreation                                       | 1,423,092          | 2,727,999                          | -                    | -              | -                         | -                   | 274,020                           | 4,425,111                      |
| Debt service:  |                    |                                    |                      |                |                           |                     |                                   |                                |
| Principal  | -                  | -                                  | -                    | -              | -                         | -                   | 195,400                           | 195,400                        |
| Interest   | -                  | -                                  | -                    | -              | -                         | -                   | 407,140                           | 407,140                        |
| <b>Total Expenditures</b>                                    | <b>8,318,499</b>   | <b>2,727,999</b>                   | <b>12,424</b>        | <b>40,946</b>  | <b>-</b>                  | <b>980,982</b>      | <b>1,347,456</b>                  | <b>13,428,306</b>              |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | <b>(3,647,260)</b> | <b>576,819</b>                     | <b>7,939,801</b>     | <b>285,396</b> | <b>94,186</b>             | <b>(925,156)</b>    | <b>(375,822)</b>                  | <b>3,947,964</b>               |
| <b>Other Financing Sources (Uses):</b>                       |                    |                                    |                      |                |                           |                     |                                   |                                |
| Operating transfers in                                       | 7,939,801          | 600,000                            | -                    | -              | -                         | 1,625,000           | 706,008                           | 10,870,809                     |
| Operating transfers (out)                                    | (1,725,000)        | (606,008)                          | (7,939,801)          | -              | -                         | (400,000)           | -                                 | (10,670,809)                   |
| <b>Total Other Financing<br/>Sources (Uses)</b>              | <b>6,214,801</b>   | <b>(6,008)</b>                     | <b>(7,939,801)</b>   | <b>-</b>       | <b>-</b>                  | <b>1,225,000</b>    | <b>706,008</b>                    | <b>200,000</b>                 |
| <b>Net Change in Fund Balance</b>                            | <b>2,567,541</b>   | <b>570,811</b>                     | <b>-</b>             | <b>285,396</b> | <b>94,186</b>             | <b>299,844</b>      | <b>330,186</b>                    | <b>4,147,964</b>               |
| <b>Fund Balance - Beginning</b>                              | <b>12,795,649</b>  | <b>11,007,474</b>                  | <b>1,071,456</b>     | <b>399,169</b> | <b>755,338</b>            | <b>319,713</b>      | <b>1,229,033</b>                  | <b>27,577,832</b>              |
| <b>Fund Balance - Ending</b>                                 | <b>15,363,190</b>  | <b>11,578,285</b>                  | <b>1,071,456</b>     | <b>684,565</b> | <b>849,524</b>            | <b>619,557</b>      | <b>1,559,219</b>                  | <b>31,725,796</b>              |

The accompanying notes are an integral part of these financial statements.  
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**Town of Carbondale, Colorado**  
**Reconciliation of Revenues, Expenditures and Changes in Fund Balances (Deficit)**  
**of Governmental Funds to the Statement of Activities**  
**December 31, 2023**

Governmental Funds Changes in Fund Balances (Deficit) 4,147,964

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. The amount of capital outlay and depreciation are as follows:

|                      |             |          |
|----------------------|-------------|----------|
| Capital outlay       | 1,007,991   |          |
| Depreciation expense | (1,092,191) |          |
|                      | (84,200)    | (84,200) |

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

|                                      |         |         |
|--------------------------------------|---------|---------|
| Debt service - principal             | 195,400 |         |
| Debt service - premium               | 22,596  |         |
| Adjustments to current year interest | 447     |         |
|                                      | 218,443 | 218,443 |

Changes in the Town employees' accrued compensated absences are considered changes in long-term liabilities. This is the change in accrued compensated absences during the year. (11,828)

Governmental Activities Change in Net Position 4,270,379

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

|   | <u>Water<br/>Fund</u> | <u>Wastewater<br/>Fund</u> | <u>Trash<br/>Fund</u> | <u>Total</u>      |
|---|-----------------------|----------------------------|-----------------------|-------------------|
| <b>Assets:</b>  |                       |                            |                       |                   |
| Current assets:   |                       |                            |                       |                   |
| Cash and investments  | 4,763,329             | 6,455,238                  | -                     | 11,218,567        |
| Accounts receivable,<br>net of allowance for uncollectibles | 139,175               | 147,493                    | 69,814                | 356,482           |
| Due from other governments                                  | 63,852                | -                          | -                     | 63,852            |
| <b>Total current assets</b>                                 | <u>4,966,356</u>      | <u>6,602,731</u>           | <u>69,814</u>         | <u>11,638,901</u> |
| <b>Non-current assets:</b>                                  |                       |                            |                       |                   |
| Land  | 51,048                | 133,391                    | -                     | 184,439           |
| Plant and system  | 15,922,234            | 16,167,037                 | -                     | 32,089,271        |
| Building and improvements                                   | 405,535               | 445,929                    | -                     | 851,464           |
| Machinery and equipment                                     | 671,823               | 1,534,338                  | -                     | 2,206,161         |
| Water rights  | 356,945               | -                          | -                     | 356,945           |
| Construction in progress                                    | 608,468               | -                          | -                     | 608,468           |
| Accumulated depreciation                                    | (7,484,356)           | (10,261,233)               | -                     | (17,745,589)      |
| <b>Total non-current assets</b>                             | <u>10,531,697</u>     | <u>8,019,462</u>           | <u>-</u>              | <u>18,551,159</u> |
| <b>Total Assets</b>   | <u>15,498,053</u>     | <u>14,622,193</u>          | <u>69,814</u>         | <u>30,190,060</u> |
| <b>Liabilities:</b>   |                       |                            |                       |                   |
| Current liabilities:  |                       |                            |                       |                   |
| Accounts/vouchers payable                                   | 311,870               | 61,495                     | 56,030                | 429,395           |
| Other liabilities   | 37,917                | 4,318                      | -                     | 42,235            |
| Unearned revenue  | 274,355               | -                          | 1,303                 | 275,658           |
| Due to other funds  | -                     | -                          | 136,824               | 136,824           |
| <b>Total current liabilities</b>                            | <u>624,142</u>        | <u>65,813</u>              | <u>194,157</u>        | <u>884,112</u>    |
| <b>Long-term liabilities:</b>                               |                       |                            |                       |                   |
| Accrued compensated absences                                | 40,796                | 40,796                     | -                     | 81,592            |
| <b>Total long-term liabilities</b>                          | <u>40,796</u>         | <u>40,796</u>              | <u>-</u>              | <u>81,592</u>     |
| <b>Total Liabilities</b>                                    | <u>664,938</u>        | <u>106,609</u>             | <u>194,157</u>        | <u>965,704</u>    |
| <b>Net Position:</b>  |                       |                            |                       |                   |
| Net invested in capital assets                              | 10,531,697            | 8,019,462                  | -                     | 18,551,159        |
| Unrestricted  | 4,301,418             | 6,496,122                  | (124,343)             | 10,673,197        |
| <b>Total Net Position</b>                                   | <u>14,833,115</u>     | <u>14,515,584</u>          | <u>(124,343)</u>      | <u>29,224,356</u> |

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

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

|   | <u>Water<br/>Fund</u>    | <u>Wastewater<br/>Fund</u> | <u>Trash<br/>Fund</u>   | <u>Total</u>             |
|---|--------------------------|----------------------------|-------------------------|--------------------------|
| <b>Operating Revenues:</b>                            |                          |                            |                         |                          |
| Charges for services:                                 |                          |                            |                         |                          |
| Service fees  | 1,856,982                | 1,632,233                  | 753,118                 | 4,242,333                |
| Sale of meters  | 30,079                   | -                          | -                       | 30,079                   |
| Other revenues:                                       |                          |                            |                         |                          |
| Penalty assessments                                   | 4,353                    | -                          | -                       | 4,353                    |
| Miscellaneous   | 55,835                   | 69,937                     | -                       | 125,772                  |
| <b>Total Operating Revenues</b>                       | <u>1,947,249</u>         | <u>1,702,170</u>           | <u>753,118</u>          | <u>4,402,537</u>         |
| <b>Operating Expenses:</b>                            |                          |                            |                         |                          |
| Operations and maintenance                            | 556,168                  | 481,081                    | 684,092                 | 1,721,341                |
| Personnel costs                                       | 585,293                  | 777,000                    | 50,892                  | 1,413,185                |
| Administration  | 431,765                  | 302,279                    | 15,204                  | 749,248                  |
| Depreciation  | 401,527                  | 386,239                    | -                       | 787,766                  |
| <b>Total Operating Expenses</b>                       | <u>1,974,753</u>         | <u>1,946,599</u>           | <u>750,188</u>          | <u>4,671,540</u>         |
| <b>Operating (Loss)</b>                               | <u>(27,504)</u>          | <u>(244,429)</u>           | <u>2,930</u>            | <u>(269,003)</u>         |
| <b>Non-operating Revenue (Expenses):</b>              |                          |                            |                         |                          |
| Investment income                                     | 190,212                  | 259,524                    | -                       | 449,736                  |
| Grants  | 101,351                  | 889,954                    | -                       | 991,305                  |
| Gain (loss) on disposal of capital assets             | -                        | (23,895)                   | -                       | (23,895)                 |
| <b>Total Non-operating<br/>    Revenue (Expenses)</b> | <u>291,563</u>           | <u>1,125,583</u>           | <u>-</u>                | <u>1,417,146</u>         |
| <b>(Loss) Before Contributions<br/>and Transfers</b>  | 264,059                  | 881,154                    | 2,930                   | 1,148,143                |
| Capital contributions, and tap fees                   | 465,411                  | 299,016                    | -                       | 764,427                  |
| Transfers (out)                                       | (200,000)                | -                          | -                       | (200,000)                |
| <b>Change in Net Position</b>                         | 529,470                  | 1,180,170                  | 2,930                   | 1,712,570                |
| <b>Total Net Position - Beginning (Deficit)</b>       | <u>14,303,645</u>        | <u>13,335,414</u>          | <u>(127,273)</u>        | <u>27,511,786</u>        |
| <b>Total Net Position - Ending (Deficit)</b>          | <u><u>14,833,115</u></u> | <u><u>14,515,584</u></u>   | <u><u>(124,343)</u></u> | <u><u>29,224,356</u></u> |

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

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

|   | <u>Water<br/>Fund</u>   | <u>Wastewater<br/>Fund</u> | <u>Trash<br/>Fund</u> | <u>Total</u>             |
|---|-------------------------|----------------------------|-----------------------|--------------------------|
| <b>Cash Flows From Operating Activities:</b>  |                         |                            |                       |                          |
| Cash received from customers and others   | 1,921,504               | 1,626,283                  | 747,437               | 4,295,224                |
| Cash paid for goods, services and employees   | (1,322,572)             | (1,525,463)                | (744,655)             | (3,592,690)              |
| Transfers   | (200,000)               | -                          | (2,782)               | (202,782)                |
| Other cash receipts   | 55,835                  | 69,937                     | -                     | 125,772                  |
| <b>Net Cash Provided (Used) by Operating Activities</b>   | <u>454,767</u>          | <u>170,757</u>             | <u>-</u>              | <u>625,524</u>           |
| <b>Cash Flows From Capital Financing Activities:</b>  |                         |                            |                       |                          |
| Proceeds from tap and meter sales   | 430,311                 | 299,016                    | -                     | 729,327                  |
| Acquisition of capital assets   | (726,872)               | (1,051,566)                | -                     | (1,778,438)              |
| Proceeds from capital grants  | (1,397)                 | 1,397                      | -                     | -                        |
| <b>Net Cash Provided (Used) by Capital Financing Activities</b>                                       | <u>(297,958)</u>        | <u>(751,154)</u>           | <u>-</u>              | <u>(1,049,112)</u>       |
| <b>Cash Flows From Investing Activities</b>   |                         |                            |                       |                          |
| Interest received   | 190,212                 | 259,524                    | -                     | 449,736                  |
| <b>Net Cash Provided by Investing Activities</b>  | <u>190,212</u>          | <u>259,524</u>             | <u>-</u>              | <u>449,736</u>           |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>   | 347,021                 | (320,873)                  | -                     | 26,148                   |
| <b>Cash and Cash Equivalents - Beginning</b>  | <u>4,416,308</u>        | <u>6,776,111</u>           | <u>-</u>              | <u>11,192,419</u>        |
| <b>Cash and Cash Equivalents - Ending</b>   | <u><u>4,763,329</u></u> | <u><u>6,455,238</u></u>    | <u><u>-</u></u>       | <u><u>11,218,567</u></u> |
| <b>Reconciliation of Operating (Loss) to Net Cash Provided (Used) by Operating Activities:</b>        |                         |                            |                       |                          |
| Operating (loss)  | (27,504)                | (244,429)                  | 2,930                 | (269,003)                |
| <b>Adjustments to reconcile operating (loss) to net cash provided (used) by operating activities:</b> |                         |                            |                       |                          |
| Depreciation expense  | 401,527                 | 386,239                    | -                     | 787,766                  |
| (Increase) decrease in operating accounts receivable  | 30,090                  | (5,950)                    | (5,681)               | 18,459                   |
| Increase (decrease) in other liabilities  | 267,360                 | 51,603                     | 5,533                 | 324,496                  |
| Increase (decrease) in compensated absences   | (16,706)                | (16,706)                   | -                     | (33,412)                 |
| Transfers   | (200,000)               | -                          | (2,782)               | (202,782)                |
| <b>Total Adjustments</b>  | <u>482,271</u>          | <u>415,186</u>             | <u>(2,930)</u>        | <u>894,527</u>           |
| <b>Net Cash Provided (Used) by Operating Activities</b>   | <u><u>454,767</u></u>   | <u><u>170,757</u></u>      | <u><u>-</u></u>       | <u><u>625,524</u></u>    |
| <b>Noncash Investing, Capital and Financing Activities:</b>   |                         |                            |                       |                          |
| Contributed capital assets  | 35,100                  | -                          | -                     | 35,100                   |
| <b>Total Noncash Investing, Capital and Financing Activities:</b>                                     | <u>35,100</u>           | <u>-</u>                   | <u>-</u>              | <u>35,100</u>            |

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

**NOTES TO THE FINANCIAL STATEMENTS**



**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**

**I. Summary of Significant Accounting Policies**

The Town of Carbondale, Colorado (the "Town") is incorporated as a home rule municipality under Colorado statutes to provide public safety, highways and streets, water, sewer and trash service, culture-recreation, public health improvements, planning and zoning, and general administrative services. The Town is located in Garfield County, Colorado and operates under a Board of Trustees-Manager form of government.

An elected Mayor and Board of Trustees are responsible for setting policy, appointing administrative personnel and adopting an annual budget in accordance with state statutes. The Town's major operations include water and sewer operations, road maintenance, police services, and culture and recreation.

The Town's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the Town are discussed below.

**A. Reporting Entity**

The reporting entity consists of (a) the primary government; i.e., the Town, and (b) organizations for which the Town is financially accountable. The Town is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either 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. Consideration is also given to other organizations that are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the Town. Organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based upon the above criteria, the Town is not financially accountable for any other organization, nor is the Town a component unit of any other primary governmental entity.

**B. Government-wide and Fund Financial Statements**

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Town's public safety, road maintenance, culture and recreation, and administration are classified as governmental activities. The Town's utilities, water, sewer and trash service, are classified as business activities.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**B. Government-wide and Fund Financial Statements (continued)**

**1. Government-wide Financial Statements**

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts—net invested in capital assets; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions and business-type activities (public safety, highways and streets, utilities, etc.). The functions are also supported by general government revenues (property and sales taxes, intergovernmental revenue, fines and permits, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (police, roads, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net costs (by function or business-type activity) are normally covered by general revenue (property and sales taxes, interest income, etc.).

The government-wide focus is on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

**2. Fund Financial Statements**

The financial transactions of the Town are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

The Town reports the following major governmental funds:

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

The *Recreation Sales and Use Tax Fund* - accounts for a ½ cent sales and use tax which is restricted for recreation purposes and for repayment of long-term debt. The Recreation Sales and Use Tax Fund is considered a special revenue fund.

The *Sales and Use Tax Fund* - accounts for the 3% sales and use tax revenues. The Sales and Use Tax Fund is presented as a special revenue fund because the revenues are derived from specific sales and use taxes and the expenditures involving not only various capital projects, but specific functions, activities, and debt service of the Town.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**B. Government-wide and Fund Financial Statements (continued)**

**2. Fund Financial Statements (continued)**

The *Streetscape Fund* - accounts for a 1.5 mill ad valorem tax restricted to public streetscape improvements within the Town, including expanded downtown parking, pedestrian safety and street lights and beautification.

The *Development Dedication Fund* - accounts for revenue received from developers for new construction. It is based on a dollar value per square foot and assessed at time of building permit. This fee applies to all new annexations. Also represented in this fund is revenue derived from park dedication fees associated with new development.

The *Capital Projects Fund* - accounts for capital construction costs incurred by the Town.

The Town reports the following proprietary or business-type funds:

The *Water Fund* - accounts for the purchase and delivery of water to the citizens of the Town. The water fund also maintains the infrastructure needed to provide water service.

The *Wastewater Fund* - accounts for activities related to the sewage treatment facilities and sewage transmission lines.

The *Trash Fund* - accounts for activities related to the trash hauling services to the citizens of the Town.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

**1. Long-term Economic Focus and Accrual Basis**

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

**2. Current Financial Focus and Modified Accrual Basis**

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

**3. Financial Statement Presentation**

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise funds are charges to customers for sales and services. Operating expenses for the 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 non-operating revenues and expenses.

**D. Financial Statement Accounts**

**1. Cash, Cash Equivalents, and Investments**

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within 3 months of the date acquired by the Town.

Investments are stated at fair value. The change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**D. Financial Statement Accounts (continued)**

**1. Cash, Cash Equivalents, and Investments (continued)**

Colorado statutes specify instruments in which local governments may invest, including:

- U.S. Treasury Obligations (maximum maturity of 60 months)
- Federal Instrumentality Securities (maximum maturity of 60 months)
- FDIC-insured Certificates of Deposit (maximum maturity of 60 months)
- Corporate Bonds (maximum maturity of 60 months)
- Prime Commercial Paper (maximum maturity of 60 months)
- Eligible Bankers Acceptances
- Repurchase Agreements
- General Obligations and Revenue Obligations
- Local Government Investment Pools
- Money Market Mutual Funds

**2. Receivables**

Receivables are reported net of an allowance for uncollectible accounts. Uncollectible amounts are charged off when management determines that the receivable will not be collected.

**3. Property Taxes**

Property taxes are assessed in one year as a lien on the property, but not collected by the governmental units until the subsequent year. In accordance with generally accepted accounting principles, the assessed but uncollected property taxes have been recorded as a receivable and as deferred inflow of resources.

**4. Capital Assets**

Capital assets, which include land, buildings, equipment, vehicles, and infrastructure assets (only infrastructure acquired after January 1, 2002), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. The Town defines capital assets as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at acquisition value at the date of donation.

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is expensed as incurred.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**D. Financial Statement Accounts (continued)**

**4. Capital Assets (continued)**

Infrastructure, buildings, and equipment are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u>              | <u>Years</u> |
|----------------------------|--------------|
| Infrastructure             | 15 - 30      |
| Buildings and improvements | 15 - 40      |
| Distribution systems       | 40 - 60      |
| Equipment and vehicles     | 5 - 8        |

**5. Compensated Absences**

Earned but unused vacation benefits are accrued when incurred in the government-wide and proprietary fund financial statements.

**6. Deferred Inflows of Resources**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has one item that qualifies for reporting in this category. Unavailable property tax revenue is reported in both the government-wide statement of net position and the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**7. Categories and Classification of Fund Balance**

Governmental accounting standards establish fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications include Non-spendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the general fund. The general fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

The Town classifies governmental fund balances as follows:

*Nonspendable* – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**D. Financial Statement Accounts (continued)**

**7. Categories and Classification of Fund Balance (continued)**

Spendable Fund Balance:

*Restricted* – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

*Committed* – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority which is the Board of Trustees. The Town's original budget legislation begins with combining historical data, assessment of needs for the upcoming year and the Board of Trustees platform to review, and/or make changes to each department's budget. Before year end, a budgetary committee will meet again with each department for final review and approval of a preliminary budget. The Budget is then formally presented to the Board of Trustees via an advertised public process for their review, revisions and final approval by year end. All subsequent budget requests made during the year, after the Board of Trustees approval, must be presented via a public process and again approval by the Board of Trustees.

*Assigned* – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. Fund Balance may be assigned by the Board of Trustees or its management designee.

*Unassigned* – includes residual positive fund balance within a general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The Town uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. The Town does not have a formal minimum fund balance policy.

In addition to the above note disclosure, GASB 54 requires disclosure of the following fund definitions:

*General Fund:*

The general fund is used to account for and report all financial resources not accounted for and reported in another fund.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**D. Financial Statement Accounts (continued)**

**7. Categories and Classification of Fund Balance (continued)**

*Special Revenue Funds:*

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

*Capital Projects Funds:*

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

*Debt Service Funds:*

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

**E. Significant Accounting Policies**

**1. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires the Town's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

**2. Comparative Data**

Comparative data for the prior year have been presented in certain sections of the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**II. Stewardship, Compliance, and Accountability**

**A. Budgetary Information**

Budgets are adopted on a basis consistent with generally accepted accounting principles, except for the proprietary funds. Annual appropriations are adopted for all funds. Expenditures may not legally exceed appropriations at the fund level. All appropriations lapse at year end.

As required by Colorado Statutes, the Town followed the required timetable noted below in preparing, approving, and enacting its budget for 2023.

- (1) For the 2023 budget year, prior to August 25, 2022, the County Assessor sent to the Town an assessed valuation of all taxable property within the Town's boundaries.
- (2) The Town Manager, or other qualified person appointed by the Board of Trustees, submitted to the Board of Trustees, on or before October 15, 2022, a recommended budget which detailed the necessary property taxes needed along with other available revenues to meet the Town's operating requirements.
- (3) Prior to December 15, 2022, a public hearing was held for the budget, the Board of Trustees certified to the County Commissioners a levy rate that derived the necessary property taxes as computed in the proposed budget, and the Board of Trustees adopted the proposed budget and an appropriating resolution that legally appropriated expenditures for the upcoming year.
- (4) After adoption of the budget resolution, the Town may make the following changes: a) it may transfer appropriated money between funds; b) approve supplemental appropriations to the extent of revenues in excess of estimated revenues in the budget; c) approve emergency appropriations; and d) reduce appropriations for which originally estimated revenues are insufficient.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2022 were collected in 2023 and taxes certified in 2023 will be collected in 2024. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28th and June 15th) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16th.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**II. Stewardship, Compliance, and Accountability (continued)**

**A. Budgetary Information (continued)**

During the year, supplemental appropriations were necessary. The budgetary comparison statements reflect the original budget and the final budget after legally authorized revisions were made. As a result of the supplementary budget appropriations, the 2023 appropriations were increased as follows:

| <u>Fund</u>              | <u>Original<br/>Appropriation</u> | <u>Supplemental<br/>Appropriation</u> |
|--------------------------|-----------------------------------|---------------------------------------|
| Streetscape Capital Fund | 5,300                             | 50,300                                |
| Wastewater Fund          | 2,028,274                         | 2,541,001                             |
| Trash Fund               | 723,273                           | 738,273                               |
| CHA Housing Fund         | 66,000                            | 439,500                               |
| Lodging Tax Fund         | 165,000                           | 210,000                               |

**B. TABOR Amendment**

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

In 2002 the Town's electorate voted to allow the Town to collect, retain, and expend revenues notwithstanding any of TABOR's restrictions.

The Town's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

**III. Detailed Notes on all Funds**

**A. Cash and Investments**

The Town has adopted, by resolution, an investment policy governing the types of institutions and investments with which it may deposit funds and transact business. Under this policy, the Town may invest in U.S. Treasury obligations, federal agency securities, federal instrumentality securities, repurchase agreements, commercial paper, general obligation debt, revenue obligation debt, local government investment pools including 2a7-like pools, money market funds and time certificates of deposit subject to policy requirements.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**III. Detailed Notes on all Funds (continued)**

**A. Cash and Investments (continued)**

The Town's deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the Town's deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA. The carrying amount of the Town's deposits was \$12,331,537.

At year end, the Town had the following deposits and investment:

| <u>Type</u>              | <u>Standard &amp; Poor's Rating</u> | <u>Carrying Amount</u> | <u>Maturities</u>         |                             |
|--------------------------|-------------------------------------|------------------------|---------------------------|-----------------------------|
|                          |                                     |                        | <u>Less Than One Year</u> | <u>Less Than Five Years</u> |
| <i>Deposits:</i>         |                                     |                        |                           |                             |
| Petty cash               | Not Rated                           | \$ 700                 | -                         | -                           |
| Checking                 | Not Rated                           | 139,185                | -                         | -                           |
| Certificates of deposit  | Not Rated                           | 5,279,532              | 5,279,532                 | -                           |
| Savings and money market | Not Rated                           | 6,912,820              | -                         | -                           |
| <i>Investments</i>       |                                     |                        |                           |                             |
| COLOTRUST                | AAAm                                | 20,774,844             | -                         | -                           |
| CSAFE                    | AAAm                                | 8,617,335              | -                         | -                           |
|                          |                                     | <u>\$ 41,724,416</u>   | <u>5,279,532</u>          | <u>-</u>                    |

The Town had the following recurring measurements:

| <u>Investments Measured at Net Asset Value</u> | <u>Total</u>  |
|--|---------------|
| COLOTRUST                                      | \$ 20,774,844 |
| <u>Investments Measured at Amortized Cost</u>  | <u>Total</u>  |
| CSAFE  | \$ 8,617,335  |

The Town has invested in Colorado Government Liquid Asset Trust ("COLOTRUST") and Colorado Surplus Asset Fund Trust ("CSAFE"), which are investment vehicles established for local government entities in Colorado to pool surplus funds. They operate similarly to money market funds, whereby each share is equal in value to \$1. The local government investment pools are measured at the net asset valuation and amortized cost, respectively. Investments of the trusts consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury securities. The Town has no regulatory oversight for the pools.

*Interest Rate Risk:* As a means of limiting its exposure to interest rate risk, the Town diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer. The Town coordinates its investment maturities to closely match cash flow needs and restricts the maximum investments term to less than five years from the purchase date. As a result of the limited length on maturities, the Town has limited its interest rate risk.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**III. Detailed Notes on all Funds (continued)**

**A. Cash and Investments (continued)**

*Credit Risk:* State law and Town policy limit investments to those authorized by State statutes including U.S. Agencies and 2a7-like pools. The Town's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would expect to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

*Concentration of Credit Risk:* The Town places a forty percent (40%) limit in which the Town may invest in any one issuer. The asset allocation in a portfolio is flexible depending on the outlook for the economy, the securities market and the Town's anticipated cash flow needs.

**B. Receivables**

Receivables as of year-end for the Town's funds, including applicable allowances for uncollectible accounts, are as follows:

|                                   | <u>General</u>      | <u>Recreation<br/>Sales and<br/>Use Tax</u> | <u>Sales and<br/>Use Tax</u> | <u>Streetscape</u> | <u>Nonmajor<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|-----------------------------------|---------------------|---|------------------------------|--------------------|--|---|
| Receivables:                      |                     |   |                              |                    |  |   |
| Taxes                             | \$ 510,346          | -   | -                            | 365,578            | -  | 875,924                                 |
| Other                             | 627,703             | 146,307                                     | -                            | -                  | 59,590                                     | 833,600                                 |
| Intergovernmental                 | -                   | 1,169,991                                   | 881,737                      | 1,230              | 200,000                                    | 2,252,958                               |
| Gross receivables                 | <u>1,138,049</u>    | <u>1,316,298</u>                            | <u>881,737</u>               | <u>366,808</u>     | <u>259,590</u>                             | <u>3,962,482</u>                        |
| Less: allowance for uncollectible | -                   | -   | -                            | -                  | -  | -                                       |
| <b>Net receivables</b>            | <u>\$ 1,138,049</u> | <u>1,316,298</u>                            | <u>881,737</u>               | <u>366,808</u>     | <u>259,590</u>                             | <u>3,962,482</u>                        |

|                                   | <u>Water</u>      | <u>Wastewater</u> | <u>Trash</u>  | <u>Total<br/>Business<br/>Funds</u> |
|-----------------------------------|-------------------|-------------------|---------------|-------------------------------------|
| Receivables:                      |                   |                   |               |                                     |
| Accounts                          | \$ 139,175        | 147,493           | 69,814        | 356,482                             |
| Intergovernmental                 | 63,852            | -                 | -             | 63,852                              |
| Gross receivables                 | <u>203,027</u>    | <u>147,493</u>    | <u>69,814</u> | <u>420,334</u>                      |
| Less: allowance for uncollectible | -                 | -                 | -             | -                                   |
| <b>Net receivables</b>            | <u>\$ 203,027</u> | <u>147,493</u>    | <u>69,814</u> | <u>420,334</u>                      |

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. This includes \$875,924 of unearned revenue for property taxes levied in 2023 but not available until 2024.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**III. Detailed Notes on all Funds (continued)**

**C. Capital Assets**

Capital asset activity for the year ended December 31, 2023 was as follows:

|  | <b>Beginning<br/>Balance</b> | <b>Increases</b>   | <b>Decreases</b> | <b>Ending<br/>Balance</b> |
|--|------------------------------|--------------------|------------------|---------------------------|
| <b>Governmental activities:</b>                    |                              |                    |                  |                           |
| Capital assets, not being depreciated:             |                              |                    |                  |                           |
| Land and improvements                              | \$ 9,817,525                 | -                  | -                | 9,817,525                 |
| Construction in progress                           | 29,057                       | 287,316            | (29,059)         | 287,314                   |
| Total capital assets, not being depreciated        | <u>9,846,582</u>             | <u>287,316</u>     | <u>(29,059)</u>  | <u>10,104,839</u>         |
| Capital assets, being depreciated:                 |                              |                    |                  |                           |
| Infrastructure                                     | 12,170,890                   | 63,570             | -                | 12,234,460                |
| Buildings  | 11,501,898                   | 5,299              | -                | 11,507,197                |
| Improvements other than buildings                  | 4,780,316                    | 115,632            | -                | 4,895,948                 |
| Vehicles   | 1,672,194                    | 162,770            | -                | 1,834,964                 |
| Equipment  | 3,044,225                    | 402,463            | -                | 3,446,688                 |
| Total capital assets being depreciated             | <u>33,169,523</u>            | <u>749,734</u>     | <u>-</u>         | <u>33,919,257</u>         |
| Less accumulated depreciation for:                 |                              |                    |                  |                           |
| Infrastructure                                     | (4,554,820)                  | (443,168)          | -                | (4,997,988)               |
| Buildings  | (4,367,098)                  | (289,066)          | -                | (4,656,164)               |
| Improvements other than buildings                  | (3,180,079)                  | (90,966)           | -                | (3,271,045)               |
| Vehicles   | (1,289,342)                  | (78,171)           | -                | (1,367,513)               |
| Equipment  | (1,897,578)                  | (190,820)          | -                | (2,088,398)               |
| Total accumulated depreciation                     | <u>(15,288,917)</u>          | <u>(1,092,191)</u> | <u>-</u>         | <u>(16,381,108)</u>       |
| Total capital assets, being depreciated, net       | <u>17,880,606</u>            | <u>(342,457)</u>   | <u>-</u>         | <u>17,538,149</u>         |
| <b>Governmental activities capital assets, net</b> | <u>\$ 27,727,188</u>         | <u>(55,141)</u>    | <u>(29,059)</u>  | <u>27,642,988</u>         |

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**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**III. Detailed Notes on all Funds (continued)**

**C. Capital Assets (continued)**

|   | <u>Beginning<br/>Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending<br/>Balance</u> |
|---|------------------------------|------------------|------------------|---------------------------|
| <b>Business-type activities</b>                     |                              |                  |                  |                           |
| Capital assets, not being depreciated:              |                              |                  |                  |                           |
| Land  | \$ 184,439                   | -                | -                | 184,439                   |
| Water rights  | 356,945                      | -                | -                | 356,945                   |
| Construction in progress                            | 148,860                      | 514,922          | (55,314)         | 608,468                   |
| Total capital assets, not being depreciated         | <u>690,244</u>               | <u>514,922</u>   | <u>(55,314)</u>  | <u>1,149,852</u>          |
| Capital assets, being depreciated:                  |                              |                  |                  |                           |
| Water/wastewater system and improvements            | 31,146,654                   | 942,617          | -                | 32,089,271                |
| Buildings and improvements                          | 822,499                      | 28,965           | -                | 851,464                   |
| Equipment   | 1,853,638                    | 382,347          | (29,824)         | 2,206,161                 |
| Total capital assets being depreciated              | <u>33,822,791</u>            | <u>1,353,929</u> | <u>(29,824)</u>  | <u>35,146,896</u>         |
| Less accumulated depreciation for:                  |                              |                  |                  |                           |
| Water/wastewater system and improvements            | (15,277,692)                 | (636,624)        | -                | (15,914,316)              |
| Buildings and improvements                          | (476,386)                    | (29,151)         | -                | (505,537)                 |
| Equipment   | (1,209,675)                  | (121,992)        | 5,930            | (1,325,737)               |
| Total accumulated depreciation                      | <u>(16,963,753)</u>          | <u>(787,767)</u> | <u>5,930</u>     | <u>(17,745,590)</u>       |
| Total capital assets, being depreciated, net        | <u>16,859,038</u>            | <u>566,162</u>   | <u>(23,894)</u>  | <u>17,401,306</u>         |
| <b>Business-type activities capital assets, net</b> | <u>\$ 17,549,282</u>         | <u>1,081,084</u> | <u>(79,208)</u>  | <u>18,551,158</u>         |

The Town had the following capital outlay and depreciation expense for the following functions:

|   | <u>Capital<br/>Outlay</u> | <u>Depreciation<br/>Expense</u> |
|---|---------------------------|---------------------------------|
| Governmental activities:                |                           |                                 |
| General government                      | \$ -                      | 331,598                         |
| Public safety                           | 15,000                    | 111,837                         |
| Public works, including infrastructure  | 567,935                   | 382,665                         |
| Culture and recreation                  | 419,757                   | 264,757                         |
| Affordable housing                      | 5,299                     | 1,335                           |
| <b>Total - governmental activities</b>  | <u>\$ 1,007,991</u>       | <u>1,092,192</u>                |
| Business-type activities:               |                           |                                 |
| Water                                   | \$ 761,972                | 401,527                         |
| Wastewater                              | 1,051,566                 | 386,239                         |
| <b>Total - business-type activities</b> | <u>\$ 1,813,538</u>       | <u>787,766</u>                  |

Any difference between capital outlay and additions to the business-type activity funds generally consists of contributed assets. Contributions of assets largely consist of assets provided by developers upon annexation.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**III. Detailed Notes on all Funds (continued)**

**D. Interfund Receivables, Payables, and Transfers**

The Town had the following interfund receivables or payables as of December 31, 2023:

| <u>Fund</u>  | <u>Interfund<br/>Receivable</u> | <u>Interfund<br/>Payable</u> |
|--------------|---------------------------------|------------------------------|
| General Fund | \$ 136,824                      | -                            |
| Trash Fund   | -                               | 136,824                      |
| <b>Total</b> | <u>\$ 136,824</u>               | <u>136,824</u>               |

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Transfers were as follows:

| <u>Fund In (Out)</u>                          | <u>Amount</u> | <u>Reason</u>   |
|---|---------------|---|
| General / (Sales and Use Tax)                 | \$ 7,939,801  | Operating transfer                                    |
| Capital Projects / (General)                  | 1,625,000     | To increase fund balance for Capital Projects         |
| Housing Fund / (General)                      | 100,000       | Affordable housing acquisition                        |
| Recreation Sales and Use Tax / (Bond Reserve) | 600,000       | To allocate surplus to defray increased appropriation |
| Bond Fund / (Recreation Sales and Use Tax)    | 606,008       | Debt service for ANB Bank Loan                        |
| Recreation fund (Water)                       | 200,000       | Crystal River restoration                             |
| Capita Projects (Water)                       | 400,000       | Crystal River restoration                             |

**E. Long-term Debt**

**1. ANB Bank Loan**

On July 25, 2018, the Town issued a bank loan with ANB. The loan proceeds were used to redeem the Recreation Sales and Use Tax Series 2004 and 2006 Bonds and cover loan issuance costs. Interest is payable semi-annually on June 1 and December 1 at 2.75%. Principal payments are made December 1. The loan requires debt service payments through 2024.

**2. Recreation Sales and Use Tax Revenue Bonds**

On September 13, 2022, the Town issued Recreation Sales and Use Tax Revenue Bonds, Series 2022 to: (i) finance any of the projects authorized in the bond question approved by the Town's voters at the election held within the Town on April 5, 2022, which includes the construction, maintenance and operation of a park and recreation facility, including an aquatic center; (ii) purchase a municipal bond insurance policy and a reserve fund insurance policy; and (iii) pay the costs of issuing the Bonds. The Bonds carry an interest rate of 5.00% and 5.25% with final maturity date of 2047.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**III. Detailed Notes on all Funds (continued)**

**E. Long-term Debt (continued)**

**3. Schedule of Future Payment**

The Town's annual debt service is as follows:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u>  | <u>Total</u>      |
|-------------|------------------|------------------|-------------------|
| 2024        | \$ 200,700       | 401,644          | 602,344           |
| 2025        | 190,000          | 396,125          | 586,125           |
| 2026        | 200,000          | 386,625          | 586,625           |
| 2027        | 210,000          | 376,625          | 586,625           |
| 2028        | 220,000          | 366,125          | 586,125           |
| 2029 - 2033 | 1,290,000        | 1,652,875        | 2,942,875         |
| 2034 - 2038 | 1,650,000        | 1,285,239        | 2,935,239         |
| 2039 - 2043 | 2,135,000        | 803,551          | 2,938,551         |
| 2044 - 2047 | 2,105,000        | 242,100          | 2,347,100         |
| Total       | <u>8,200,700</u> | <u>5,910,909</u> | <u>14,111,609</u> |

**4. Compensated Absences**

The Town has a policy for the accumulation of sick pay, vacation pay and compensatory time up to certain limits. Earned vacation pay accrues on a graduated scale from the date of employment. Upon retirement, an employee's accrued sick leave may be converted to monetary payment based upon the following scale:

| <u>Length of<br/>Employment</u> | <u>Percentage<br/>Payment</u> |
|---------------------------------|-------------------------------|
| 0 - 9 years                     | 25%                           |
| 10 - 14 years                   | 33%                           |
| Over 15 years                   | 50%                           |

The estimated liability for accrued leave for the Water, Wastewater and Trash Fund employees is recorded on that fund's financial statements; the estimated liability for all other employees is recorded in governmental activities in the Statement of Net Position.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**III. Detailed Notes on all Funds (continued)**

**E. Long-term Debt (continued)**

**5. Changes in the Long-term Debt**

The following is a summary of changes in long-term debt for the year ended December 31, 2023:

|                                      | <u>Balance<br/>1/1/23</u> | <u>Additions</u> | <u>(Reductions)</u> | <u>Balance<br/>12/31/23</u> | <u>Due in<br/>One Year</u> |
|--------------------------------------|---------------------------|------------------|---------------------|-----------------------------|----------------------------|
| <b>Governmental Activities:</b>      |                           |                  |                     |                             |                            |
| ANB Bank Loan                        | \$ 396,100                | -                | (195,400)           | 200,700                     | 200,700                    |
| Recreation Sales and Use Tax Revenue |                           |                  |                     |                             |                            |
| Bonds, Series 2022                   | 8,000,000                 | -                | -                   | 8,000,000                   |                            |
| Premium on Revenue Bonds             | 564,911                   | -                | (22,596)            | 542,315                     |                            |
| Compensated absences                 | 346,059                   | 11,828           | -                   | 357,887                     |                            |
| <b>Business-Type Activities:</b>     |                           |                  |                     |                             |                            |
| Compensated absences                 | 115,004                   | -                | (33,412)            | 81,592                      |                            |
| <b>Total</b>                         | <u>\$ 9,422,074</u>       | <u>11,828</u>    | <u>(251,408)</u>    | <u>9,182,494</u>            | <u>200,700</u>             |

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**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**III. Detailed Notes on all Funds (continued)**

**F. Fund Balance**

Fund balance classifications are reported in the aggregate on the face of the balance sheet. The components of each classification are as follows:

|  | <b>General</b>          | <b>Recreation<br/>Sales and<br/>Use Tax</b> | <b>Sales and<br/>Use Tax</b> | <b>Streetscape</b> | <b>Development<br/>Dedication</b> | <b>Capital<br/>Projects</b>   | <b>Conservation<br/>Trust</b> | <b>Victims<br/>Assistance</b> |
|--|-------------------------|---|------------------------------|--------------------|-----------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Nonspendable:                                  |                         |   |                              |                    |                                   |                               |                               |                               |
| Prepaid expenses                               | \$ 171,931              | -   | -                            | -                  | -                                 | -                             | -                             | -                             |
| ED loans                                       | 33,333                  | -   | -                            | -                  | -                                 | -                             | -                             | -                             |
| Inventory                                      | 469                     | -   | -                            | -                  | -                                 | -                             | -                             | -                             |
| <b>Total Nonspendable:</b>                     | <b>205,733</b>          | <b>-</b>                                    | <b>-</b>                     | <b>-</b>           | <b>-</b>                          | <b>-</b>                      | <b>-</b>                      | <b>-</b>                      |
| Restricted:                                    |                         |   |                              |                    |                                   |                               |                               |                               |
| Constitutionally required<br>emergency reserve | 449,732                 | -   | -                            | -                  | -                                 | -                             | -                             | -                             |
| Capital projects                               | -                       | -   | 1,071,456                    | -                  | -                                 | -                             | -                             | -                             |
| Community enhancement                          | -                       | -   | -                            | 684,565            | -                                 | -                             | -                             | -                             |
| Culture and recreation                         | -                       | 11,578,285                                  | -                            | -                  | -                                 | -                             | 192,411                       | -                             |
| Tree funding                                   | 25,531                  | -   | -                            | -                  | -                                 | -                             | -                             | -                             |
| <b>Total Restricted:</b>                       | <b>475,263</b>          | <b>11,578,285</b>                           | <b>1,071,456</b>             | <b>684,565</b>     | <b>-</b>                          | <b>-</b>                      | <b>192,411</b>                | <b>-</b>                      |
| Committed:                                     |                         |   |                              |                    |                                   |                               |                               |                               |
| Developer improvements                         | -                       | -   | -                            | -                  | -                                 | -                             | -                             | -                             |
| General operating                              | -                       | -   | -                            | -                  | 849,524                           | -                             | -                             | -                             |
| Parking  | 40,700                  | -   | -                            | -                  | -                                 | -                             | -                             | -                             |
| Thompson House                                 | 69,400                  | -   | -                            | -                  | -                                 | -                             | -                             | -                             |
| Highway impact fees                            | 265,700                 | -   | -                            | -                  | -                                 | -                             | -                             | -                             |
| Public safety                                  | -                       | -   | -                            | -                  | -                                 | -                             | -                             | 13,118                        |
| Energy efficiency plan                         | -                       | -   | -                            | -                  | -                                 | -                             | -                             | -                             |
| <b>Total Committed:</b>                        | <b>375,800</b>          | <b>-</b>                                    | <b>-</b>                     | <b>-</b>           | <b>849,524</b>                    | <b>-</b>                      | <b>-</b>                      | <b>13,118</b>                 |
| Assigned:                                      |                         |   |                              |                    |                                   |                               |                               |                               |
| Other projects                                 | 89,843                  | -   | -                            | -                  | -                                 | -                             | -                             | -                             |
| Economic development                           | 143,150                 | -   | -                            | -                  | -                                 | -                             | -                             | -                             |
| Capital projects                               | -                       | -   | -                            | -                  | -                                 | 619,557                       | -                             | -                             |
| <b>Total Assigned:</b>                         | <b>232,993</b>          | <b>-</b>                                    | <b>-</b>                     | <b>-</b>           | <b>-</b>                          | <b>619,557</b>                | <b>-</b>                      | <b>-</b>                      |
|  | <b>CHA<br/>Mortgage</b> | <b>Community<br/>Enhancement</b>            | <b>Lodging<br/>Tax</b>       | <b>1% of Arts</b>  | <b>Efficient<br/>Building</b>     | <b>Disposable<br/>Bag Tax</b> | <b>Bond</b>                   |                               |
| Restricted:                                    |                         |   |                              |                    |                                   |                               |                               |                               |
| Culture and recreation                         | \$ -                    | 66,179                                      | 15,463                       | -                  | -                                 | -                             | -                             | -                             |
| Debt service                                   | -                       | -   | -                            | -                  | -                                 | -                             | 7,169                         | -                             |
| <b>Total Restricted:</b>                       | <b>-</b>                | <b>66,179</b>                               | <b>15,463</b>                | <b>-</b>           | <b>-</b>                          | <b>-</b>                      | <b>7,169</b>                  | <b>-</b>                      |
| Committed:                                     |                         |   |                              |                    |                                   |                               |                               |                               |
| Community enhancement                          | -                       | -   | -                            | 31,604             | -                                 | -                             | -                             | -                             |
| Affordable housing                             | 1,074,948               | -   | -                            | -                  | -                                 | -                             | -                             | -                             |
| Efficient building                             | -                       | -   | -                            | -                  | 78,043                            | -                             | -                             | -                             |
| Education and awareness                        | -                       | -   | -                            | -                  | -                                 | 80,284                        | -                             | -                             |
| <b>Total Committed:</b>                        | <b>1,074,948</b>        | <b>-</b>                                    | <b>-</b>                     | <b>31,604</b>      | <b>78,043</b>                     | <b>80,284</b>                 | <b>-</b>                      | <b>-</b>                      |

As of December 31, 2023, the Trash Fund in Business-type activities had a deficit fund balance of (\$124,343).

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**IV. Other Information**

**A. Benefits**

The Town has established three contributory benefit plans as follows.

**1. Contributory Pension Plan - IRC Section 401(a)**

The Town established a defined contribution pension plan for all full-time employees. The plan is administered and invested by AXA Equitable Life Insurance Company.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participants' benefits that may be allocated to such participant's account. All full time Town employees are eligible to participate in this plan. Eligibility is at the date of employment.

The Town contributes 5% of the employees' compensation to this plan. The Town's contributions vest 40% after two years, the vesting percentage increases 20% each year thereafter, and becomes fully vested after four years. Forfeitures may first be used to pay administrative expenses of the plan, with any remainder being applied to reduce the Town's contributions. Forfeitures during 2023 totaled \$27,962. The Town has no liability under the plan beyond the requirement to make the aforementioned contributions.

The Town's current year covered payroll was \$4,766,920 and current year total payroll was \$5,379,173. For 2023, the Town's required and actual contributions to the plan were \$210,384.

**2. Deferred Compensation Plan - IRC Section 457**

The Town offers its full-time employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The plan is a defined contribution plan, and the Town has no liability for losses under the plan and is only liable to pay the value of benefits credited to a participant. The Town previously matched employee contributions up to 2% of the employees' wages. The maximum amount of deferred compensation for any participant for any taxable year shall not exceed the lesser of \$7,500 or 33% of the participant's includible compensation for the taxable year. The Town does not administer the plan; therefore, it is not presented in the Town's financial statements.

Due to economic conditions, the Town indefinitely suspended all matching contributions to the plan on January 1, 2010. Reinstatement of the matching contributions will be considered in future budgets. The Town may at any time amend this plan.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**IV. Other Information (continued)**

**A. Benefits (continued)**

**3. Police Pension 401(a) Plan**

The Town's police department is covered by a defined contribution plan allowed under I.R.C. 401(a). The plan is administered and invested by AXA Equitable Life Insurance Company.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participants' benefits that may be allocated to such participant's account. Eligibility is at the date of employment.

Employees contribute 8% and the Town contributes 8% of the employee's annual salary. Employee contributions are 100% vested when paid. The Town's contributions vest 20% after one year, the vesting percentage increases 20% each year thereafter, and becomes fully vested after four years. Forfeitures may first be used to pay administrative expenses of the plan, with any remainder being applied to reduce the Town's contributions. Forfeitures during 2023 totaled \$6,209. The Town has no liability under the plan beyond the requirement to make the aforementioned contributions.

The Town's current year covered payroll was \$1,136,913 and current year total payroll was \$1,217,646. For 2023, the Town's required and actual contributions to the plan were \$84,744.

**B. Commitments and Contingencies - Landfill**

The Town stopped accepting waste at its landfill in 1993 and substantially completed closure in 1995. Due to the Town's landfill being closed, it is not subject to certain state and federal requirements. However, state and federal laws and regulations did require that the Town place a final cover on its landfill and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. No future costs associated with the Landfill are anticipated.

**C. Risk Management**

The Town is exposed to various risks of loss related to workers' compensation, general liability, and worker unemployment. The Town has acquired commercial coverage for these risks. Any settled claims are not expected to exceed the commercial insurance coverage. The Town is also exposed to the risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. The Town is a member of the insurance pool described below to cover these risks.

Pursuant to an inter-local agreement authorized by state statute, the Town joined the Colorado Intergovernmental Risk Sharing Agency ("CIRSA") to provide insurance coverage. Members of the Council of directors are nominated and elected by members to two-year, staggered terms and meet at least monthly to direct operations. CIRSA budgets are funded by contributions from member governments.

**Town of Carbondale, Colorado**  
**Notes to the Financial Statements**  
**December 31, 2023**  
**(Continued)**

**IV. Other Information (continued)**

**C. Risk Management (continued)**

The Town's share of assets, liabilities and fund equity as of December 31, 2023, is as follows:

| <b>Property and Casualty Pool:</b> | <b>%</b> |
|------------------------------------|----------|
| Loss fund                          | 0.715%   |
| Pooled excess fund                 | 0.671%   |

The December 31, 2023, combined financial information is as follows:

|                                       |                       |
|---------------------------------------|-----------------------|
| Cash and investments                  | \$ 33,093,922         |
| Capital and other assets              | 61,754,533            |
| <b>Total</b>                          | <b>\$ 94,848,455</b>  |
| Liabilities                           | \$ 60,691,640         |
| Members fund balance                  | 34,156,815            |
| <b>Total</b>                          | <b>\$ 94,848,455</b>  |
| Total revenue                         | \$ 44,242,681         |
| Total expense                         | (54,284,668)          |
| <b>Excess of Revenue Over Expense</b> | <b>\$(10,041,987)</b> |

Coverage provided by CIRSA is as follows: 1) \$250,000 per claim/occurrence property; 2) \$1,000,000 per claim/occurrence liability; and 3) \$150,000 per claim/occurrence crime. CIRSA has also acquired additional excess coverage from outside sources. The Town may be liable for any losses in excess of the above coverage. At December 31, 2023, the Town does not expect to incur losses in excess of the above coverage.

Surpluses or deficits for any year are subject to change for reasons which include: interest earnings on invested amounts for those years and funds, re-estimation of losses for those years and funds, and credits or distributions from surplus for those years and funds.

REQUIRED SUPPLEMENTARY INFORMATION



**Town of Carbondale, Colorado**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|                                 | <b>2023</b>         |                  | <b>Final Budget</b> | <b>2022</b>      |
|---------------------------------|---------------------|------------------|---------------------|------------------|
|                                 | <b>Original and</b> |                  | <b>Variance</b>     |                  |
|                                 | <b>Final</b>        | <b>Actual</b>    | <b>Positive</b>     | <b>Actual</b>    |
|                                 | <b>Budget</b>       |                  | <b>(Negative)</b>   |                  |
| <b>Revenues:</b>                |                     |                  |                     |                  |
| Taxes                           | 1,172,270           | 1,260,963        | 88,693              | 1,283,054        |
| Licenses and permits            | 234,350             | 290,110          | 55,760              | 368,838          |
| Intergovernmental               | 1,384,112           | 1,167,427        | (216,685)           | 892,398          |
| Charges for services            | 181,000             | 280,367          | 99,367              | 298,814          |
| Fines and forfeitures           | 45,000              | 60,952           | 15,952              | 55,217           |
| Investment income               | 80,000              | 812,538          | 732,538             | 162,027          |
| Administrative charges          | 488,625             | 488,625          | -                   | 475,230          |
| Developer reimbursable          | 25,000              | 26,101           | 1,101               | 67,211           |
| Other                           | 213,500             | 284,157          | 70,657              | 289,981          |
| <b>Total Revenues</b>           | <b>3,823,857</b>    | <b>4,671,240</b> | <b>847,383</b>      | <b>3,892,770</b> |
| <b>Expenditures:</b>            |                     |                  |                     |                  |
| <b>General Government:</b>      |                     |                  |                     |                  |
| Attorney                        | 155,000             | 106,076          | 48,924              | 84,305           |
| Municipal elections             | 9,500               | 1,046            | 8,454               | 20,528           |
| Trustees                        | 167,384             | 122,237          | 45,147              | 186,937          |
| Municipal Court                 | 44,457              | 47,769           | (3,312)             | 41,430           |
| Town Manager                    | 561,898             | 495,073          | 66,825              | 411,644          |
| Administrative services         | 1,035,313           | 707,594          | 327,719             | 658,132          |
| Finance and records             | 520,446             | 515,126          | 5,320               | 528,881          |
| Planning                        | 517,719             | 381,428          | 136,291             | 326,029          |
| Data processing                 | 197,000             | 166,474          | 30,526              | 160,842          |
| Building operations             | 242,802             | 115,043          | 127,759             | 99,817           |
| Motor pool                      | 328,971             | 326,177          | 2,794               | 314,461          |
| Economic development            | 52,000              | 52,000           | -                   | 55,000           |
| Sales tax administration        | 22,900              | 17,874           | 5,026               | 18,221           |
| Affordable housing              | 30,000              | 30,048           | (48)                | 30,000           |
| <b>Total General Government</b> | <b>3,885,390</b>    | <b>3,083,965</b> | <b>801,425</b>      | <b>2,936,227</b> |
| <b>Public Safety:</b>           |                     |                  |                     |                  |
| Police department               | 2,181,232           | 2,009,067        | 172,165             | 1,794,065        |
| Communications                  | 57,750              | 36,223           | 21,527              | 43,803           |
| Building inspection             | 416,083             | 397,981          | 18,102              | 279,314          |
| Ordinance control               | 117,123             | 28,298           | 88,825              | 92,363           |
| <b>Total Public Safety</b>      | <b>2,772,188</b>    | <b>2,471,569</b> | <b>300,619</b>      | <b>2,209,545</b> |
| <b>Public Works:</b>            |                     |                  |                     |                  |
| Streets, alleys, snow removal   | 1,173,436           | 975,424          | 198,012             | 911,696          |
| Public works administration     | 322,308             | 311,765          | 10,543              | 272,891          |
| <b>Total Public Works</b>       | <b>1,495,744</b>    | <b>1,287,189</b> | <b>208,555</b>      | <b>1,184,587</b> |

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

**Town of Carbondale, Colorado**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**  
**(Continued)**

|  | 2023                            |             | Final Budget<br>Variance<br>Positive<br>(Negative) | 2022        |
|--|---------------------------------|-------------|--|-------------|
|  | Original and<br>Final<br>Budget | Actual      |  | Actual      |
| <b>Expenditures (continued):</b>                             |                                 |             |  |             |
| <b>Culture and Recreation:</b>                               |                                 |             |  |             |
| Recreation   | 502,464                         | 504,536     | (2,072)  | 442,514     |
| Municipal pool   | -                               | 131         | (131)  | -           |
| Parks and cemetery   | 734,717                         | 647,861     | 86,856   | 551,871     |
| RV park  | 51,765                          | 50,540      | 1,225  | 73,793      |
| Boat ramp  | 12,000                          | 11,808      | 192  | 5,408       |
| Community affairs  | 985,273                         | 208,216     | 777,057  | 98,837      |
| <b>Total Culture and Recreation</b>                          | 2,286,219                       | 1,423,092   | 863,127  | 1,172,423   |
| <b>Other:</b>  |                                 |             |  |             |
| Environmental health and recycling                           | 80,700                          | 52,685      | 28,015   | 58,175      |
| <b>Total Other</b>   | 80,700                          | 52,685      | 28,015   | 58,175      |
| <b>Total Expenditures</b>                                    | 10,520,241                      | 8,318,500   | 2,201,741  | 7,560,957   |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | (6,696,384)                     | (3,647,260) | 3,049,124  | (3,668,187) |
| <b>Other Financing Sources (Uses):</b>                       |                                 |             |  |             |
| Gain (loss) on disposal of capital assets                    | 10,000                          | -           | (10,000)   | 9,610       |
| Transfers (out)  | (1,725,000)                     | (1,725,000) | -  | (2,500,000) |
| Transfers in   | 7,145,969                       | 7,939,801   | 793,832  | 7,834,982   |
| <b>Total Other Financing Sources (Uses)</b>                  | 5,430,969                       | 6,214,801   | 783,832  | 5,344,592   |
| <b>Net Change in Fund Balance</b>                            | (1,265,415)                     | 2,567,541   | 3,832,956  | 1,676,405   |
| <b>Fund Balance - Beginning</b>                              |                                 | 12,795,649  |  | 11,119,244  |
| <b>Fund Balance - Ending</b>                                 |                                 | 15,363,190  |  | 12,795,649  |

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

**Town of Carbondale, Colorado**  
**Recreation Sales and Use Tax Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|  | <u>2023</u>                              |                   | <b>Final Budget<br/>Variance<br/>Positive<br/>(Negative)</b> | <u>2022</u>       |
|--|--|-------------------|--|-------------------|
|  | <b>Original and<br/>Final<br/>Budget</b> | <b>Actual</b>     |  | <b>Actual</b>     |
| <b>Revenues:</b>   |  |                   |  |                   |
| Sales tax revenue  | 1,096,201                                | 1,136,975         | 40,774   | 1,050,482         |
| Use tax - motor vehicle                                      | 70,000                                   | 111,391           | 41,391   | 107,487           |
| Use tax - building permits                                   | 53,060                                   | 76,326            | 23,266   | 116,468           |
| Investment income  | 130,000                                  | 457,707           | 327,707  | 104,930           |
| Intergovernmental  | 2,203,233                                | 1,128,678         | (1,074,555)  | 20,772            |
| Charges for services   | 328,900                                  | 361,775           | 32,875   | 277,367           |
| Other income   | 30,600                                   | 31,966            | 1,366  | 21,362            |
| <b>Total Revenues</b>  | <u>3,911,994</u>                         | <u>3,304,818</u>  | <u>(607,176)</u>   | <u>1,698,868</u>  |
| <b>Expenditures:</b>   |  |                   |  |                   |
| Pool   | 5,021,650                                | 314,845           | 4,706,805  | 47,438            |
| Park improvements  | 2,570,233                                | 1,483,166         | 1,087,067  | 29,352            |
| Trail improvements   | 15,000                                   | -                 | 15,000   | 65,020            |
| Riding area and building                                     | 2,000                                    | 2,894             | (894)  | -                 |
| Salaries and benefits  | 641,676                                  | 622,207           | 19,469   | 576,015           |
| Park and recreation facilities                               | 436,485                                  | 304,887           | 131,598  | 290,987           |
| <b>Total Expenditures</b>                                    | <u>8,687,044</u>                         | <u>2,727,999</u>  | <u>5,959,045</u>   | <u>1,008,812</u>  |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | (4,775,050)                              | 576,819           | 5,351,869  | 690,056           |
| <b>Other Financing Sources (Uses):</b>                       |  |                   |  |                   |
| Operating transfers in                                       | -  | 600,000           | 600,000  | -                 |
| Operating transfers (out)                                    | (606,008)                                | (606,008)         | -  | (276,643)         |
| Bond proceeds  | -  | -                 | -  | 8,000,000         |
| Bond premium   | -  | -                 | -  | 587,508           |
| Bond issuance costs  | -  | -                 | -  | (228,816)         |
| <b>Total Other Financing Sources (Uses)</b>                  | <u>(606,008)</u>                         | <u>(6,008)</u>    | <u>600,000</u>   | <u>8,082,049</u>  |
| <b>Net Change in Fund Balance</b>                            | <u>(5,381,058)</u>                       | 570,811           | <u>5,951,869</u>   | 8,772,105         |
| <b>Fund Balance - Beginning</b>                              |  | 11,007,474        |  | 2,235,369         |
| <b>Fund Balance - Ending</b>                                 |  | <u>11,578,285</u> |  | <u>11,007,474</u> |

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

**Town of Carbondale, Colorado**  
**Sales and Use Tax Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|  | <u>2023</u>                              |                    |  | <u>2022</u>        |
|--|--|--------------------|--|--------------------|
|  | <u>Original and<br/>Final<br/>Budget</u> | <u>Actual</u>      | <u>Final Budget<br/>Variance<br/>Positive<br/>(Negative)</u> | <u>Actual</u>      |
| <b>Revenues:</b>   |  |                    |  |                    |
| Sales tax  | 6,556,969                                | 6,817,488          | 260,519  | 6,498,879          |
| Use tax - motor vehicle                                      | 425,000                                  | 668,344            | 243,344  | 645,135            |
| Use tax - building permits                                   | 175,000                                  | 455,097            | 280,097  | 698,565            |
| Investment income  | -  | 11,296             | 11,296   | 2                  |
| <b>Total Revenues</b>  | <u>7,156,969</u>                         | <u>7,952,225</u>   | <u>795,256</u>   | <u>7,842,581</u>   |
| <b>Expenditures:</b>   |  |                    |  |                    |
| Miscellaneous  | 11,000                                   | 12,424             | (1,424)  | 7,607              |
| <b>Total Expenditures</b>                                    | <u>11,000</u>                            | <u>12,424</u>      | <u>(1,424)</u>   | <u>7,607</u>       |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | 7,145,969                                | 7,939,801          | 793,832  | 7,834,974          |
| <b>Other Financing (Uses):</b>                               |  |                    |  |                    |
| Operating transfers (out)                                    | (7,145,969)                              | (7,939,801)        | (793,832)  | (7,834,982)        |
| <b>Total Other Financing (Uses)</b>                          | <u>(7,145,969)</u>                       | <u>(7,939,801)</u> | <u>(793,832)</u>   | <u>(7,834,982)</u> |
| <b>Net Change in Fund Balance</b>                            | <u>-</u>                                 | <u>-</u>           | <u>-</u>   | (8)                |
| <b>Fund Balance - Beginning</b>                              |  | <u>1,071,456</u>   |  | <u>1,071,464</u>   |
| <b>Fund Balance - Ending</b>                                 |  | <u>1,071,456</u>   |  | <u>1,071,456</u>   |

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

Town of Carbondale, Colorado  
Streetscape Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual  
For the Year Ended December 31, 2023  
(With Comparative Totals For 2022)

|                                   | 2023               |                 |                | Final Budget<br>Variance<br>Positive<br>(Negative) | 2022           |
|-----------------------------------|--------------------|-----------------|----------------|--|----------------|
|                                   | Original<br>Budget | Final<br>Budget | Actual         |  | Actual         |
| <b>Revenues:</b>                  |                    |                 |                |  |                |
| Property tax                      | 265,878            | 265,878         | 265,989        | 111  | 264,828        |
| Specific ownership tax            | 12,500             | 12,500          | 17,353         | 4,853  | 19,576         |
| Delinquent tax and interest       | 150                | 150             | 662            | 512  | 502            |
| Investment income                 | 5,750              | 5,750           | 42,338         | 36,588   | 17,082         |
| <b>Total Revenues</b>             | <u>284,278</u>     | <u>284,278</u>  | <u>326,342</u> | <u>42,064</u>                                      | <u>301,988</u> |
| <b>Expenditures:</b>              |                    |                 |                |  |                |
| Treasurer fee                     | 5,300              | 5,300           | 5,325          | (25)   | 5,302          |
| Streetscape improvements          | -                  | 45,000          | 35,621         | 9,379  | -              |
| <b>Total Expenditures</b>         | <u>5,300</u>       | <u>50,300</u>   | <u>40,946</u>  | <u>9,354</u>                                       | <u>5,302</u>   |
| <b>Net Change in Fund Balance</b> | <u>278,978</u>     | <u>233,978</u>  | 285,396        | <u>51,418</u>                                      | 296,686        |
| <b>Fund Balance - Beginning</b>   |                    |                 | <u>399,169</u> |  | <u>102,483</u> |
| <b>Fund Balance - Ending</b>      |                    |                 | <u>684,565</u> |  | <u>399,169</u> |

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

**Town of Carbondale, Colorado**  
**Special Revenue Funds**  
**Development Dedication Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|                                   | <u>2023</u>                              |                | <u>Final Budget<br/>Variance<br/>Positive<br/>(Negative)</u> | <u>2022</u>    |
|-----------------------------------|--|----------------|--|----------------|
|                                   | <u>Original and<br/>Final<br/>Budget</u> | <u>Actual</u>  |  | <u>Actual</u>  |
| <b>Revenues:</b>                  |  |                |  |                |
| General development fee           | 35,000                                   | 58,484         | 23,484   | 72,575         |
| Investment income                 | 2,500                                    | 35,702         | 33,202   | 2,061          |
| <b>Total Revenues</b>             | <u>37,500</u>                            | <u>94,186</u>  | <u>56,686</u>  | <u>74,636</u>  |
| <b>Net Change in Fund Balance</b> | <u>37,500</u>                            | 94,186         | <u>56,686</u>  | 74,636         |
| <b>Fund Balance - Beginning</b>   |  | <u>755,338</u> |  | <u>680,702</u> |
| <b>Fund Balance - Ending</b>      |  | <u>849,524</u> |  | <u>755,338</u> |

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

**SUPPLEMENTARY INFORMATION**



**Town of Carbondale, Colorado**  
**Capital Projects Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|  | 2023            |           | Final Budget<br>Variance<br>Positive<br>(Negative) | 2022        |
|--|-----------------|-----------|--|-------------|
|  | Final<br>Budget | Actual    |  | Actual      |
| <b>Revenues:</b>   |                 |           |  |             |
| Investment income  | 150             | 42,482    | 42,332   | 2,524       |
| Miscellaneous  | 14,446          | 13,344    | (1,102)  | 17,020      |
| <b>Total Revenues</b>  | 14,596          | 55,826    | 41,230   | 19,544      |
| <b>Expenditures:</b>   |                 |           |  |             |
| Property acquisition   | -               | -         | -  | 1,260,576   |
| Highway 133  | 220,000         | 124,879   | 95,121   | 36,133      |
| Construction   | 550,000         | 86,859    | 463,141  | 575,920     |
| Street resurfacing   | 322,000         | 226,081   | 95,919   | 236,461     |
| Vehicles   | 573,200         | 543,163   | 30,037   | 158,701     |
| <b>Total Expenditures</b>                                    | 1,665,200       | 980,982   | 684,218  | 2,267,791   |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | (1,650,604)     | (925,156) | 725,448  | (2,248,247) |
| <b>Other Financing Sources (Uses):</b>                       |                 |           |  |             |
| Operating transfers in                                       | 1,625,000       | 1,625,000 | -  | 2,400,000   |
| Operating transfers (out)                                    | (400,000)       | (400,000) | -  | -           |
| <b>Total Other Financing Sources (Uses)</b>                  | 1,225,000       | 1,225,000 | -  | 2,400,000   |
| <b>Net Change in Fund Balance</b>                            | (425,604)       | 299,844   | 725,448  | 151,753     |
| <b>Fund Balance - Beginning</b>                              |                 | 319,713   |  | 167,960     |
| <b>Fund Balance - Ending</b>                                 |                 | 619,557   |  | 319,713     |

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

Town of Carbondale, Colorado  
Schedule of Revenues and Expenditures Budget (Non-GAAP Basis)  
and Actual With Reconciliation to GAAP Basis  
Proprietary Funds  
Water Fund  
For the Year Ended December 31, 2023  
(With Comparative Totals For 2022)

|  | 2023               |                  |                                    | 2022             |
|--|--------------------|------------------|------------------------------------|------------------|
|  | Final<br>Budget    | Actual           | Variance<br>Positive<br>(Negative) | Actual           |
| <b>Revenues:</b>   |                    |                  |                                    |                  |
| <b>Charges for services:</b>   |                    |                  |                                    |                  |
| Sale of meters   | 10,000             | 30,079           | 20,079                             | 38,864           |
| Service fees   | 1,622,245          | 1,856,982        | 234,737                            | 1,695,469        |
| Penalty assessments  | 7,600              | 4,353            | (3,247)                            | 4,367            |
| Miscellaneous  | 4,300              | 55,835           | 51,535                             | 26,105           |
| <b>Total Revenues</b>  | <u>1,644,145</u>   | <u>1,947,249</u> | <u>303,104</u>                     | <u>1,764,805</u> |
| <b>Operating Expenses:</b>   |                    |                  |                                    |                  |
| Operations and maintenance   | 874,695            | 376,246          | 498,449                            | 337,338          |
| Personnel costs  | 747,739            | 585,293          | 162,446                            | 555,041          |
| Administration   | 629,740            | 431,765          | 197,975                            | 369,972          |
| Capital outlay   | 1,275,665          | 906,794          | 368,871                            | 334,053          |
| <b>Total operating expenses</b>  | <u>3,527,839</u>   | <u>2,300,098</u> | <u>1,227,741</u>                   | <u>1,596,404</u> |
| <b>Operating Income (Loss) Budget Basis</b>  | (1,883,694)        | (352,849)        | 1,530,845                          | 168,401          |
| <b>Non-operating revenues (expenses):</b>  |                    |                  |                                    |                  |
| Investment income  | 8,000              | 190,212          | 182,212                            | 13,132           |
| Grant revenue  | 375,000            | 101,351          | (273,649)                          | 235,231          |
| <b>Total non-operating revenues (expenses):</b>  | <u>383,000</u>     | <u>291,563</u>   | <u>(91,437)</u>                    | <u>248,363</u>   |
| Capital contributions  | 214,000            | 430,311          | 216,311                            | 370,838          |
| Transfers (out)  | (200,000)          | (200,000)        | -                                  | -                |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures Budget<br/>(Non-GAAP) Basis</b> | <u>(1,486,694)</u> | <u>169,025</u>   | <u>1,655,719</u>                   | <u>787,602</u>   |
| <b>Reconciliation to GAAP Basis:</b>   |                    |                  |                                    |                  |
| Capitalized assets   |                    | 726,872          |                                    | 201,946          |
| Contributed capital assets   |                    | 35,100           |                                    | 220,984          |
| Depreciation   |                    | (401,527)        |                                    | (375,652)        |
| Loss on disposal of capital assets   |                    | -                |                                    | 753              |
| <b>Net Income - GAAP Basis</b>   |                    | <u>529,470</u>   |                                    | <u>835,633</u>   |

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

**Town of Carbondale, Colorado**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual**  
**Proprietary Funds**  
**Wastewater Fund**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|  | <u>2023</u>                |                         |                  | <u>2022</u>                                 |                  |
|--|----------------------------|-------------------------|------------------|---|------------------|
|  | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance<br/>Positive<br/>(Negative)</u> | <u>Actual</u>    |
| <b>Revenues:</b>   |                            |                         |                  |   |                  |
| <b>Charges for services:</b>   |                            |                         |                  |   |                  |
| Service fees   | 1,608,000                  | 1,608,000               | 1,632,233        | 24,233                                      | 1,538,308        |
| Penalty assessments  | 4,261                      | 4,261                   | -                | (4,261)                                     | -                |
| Miscellaneous  | 76,700                     | 76,700                  | 69,937           | (6,763)                                     | 68,485           |
| <b>Total Revenues</b>  | <u>1,688,961</u>           | <u>1,688,961</u>        | <u>1,702,170</u> | <u>13,209</u>                               | <u>1,606,793</u> |
| <b>Operating Expenses:</b>   |                            |                         |                  |   |                  |
| Operations and maintenance   | 743,513                    | 1,256,240               | 1,241,915        | 14,325                                      | 506,298          |
| Personnel costs  | 789,901                    | 789,901                 | 777,000          | 12,901                                      | 604,109          |
| Administration   | 303,860                    | 303,860                 | 302,279          | 1,581                                       | 254,355          |
| Capital outlay   | 191,000                    | 191,000                 | 290,732          | (99,732)                                    | 174,899          |
| <b>Total operating expenses</b>  | <u>2,028,274</u>           | <u>2,541,001</u>        | <u>2,611,926</u> | <u>(70,925)</u>                             | <u>1,539,661</u> |
| <b>Operating Income (Loss) Budget Basis</b>  | (339,313)                  | (852,040)               | (909,756)        | (57,716)                                    | 67,132           |
| <b>Non-operating revenues (expenses):</b>  |                            |                         |                  |   |                  |
| Investment income  | 16,000                     | 16,000                  | 259,524          | 243,524                                     | 19,777           |
| Grant revenue  | 362,273                    | 875,000                 | 889,954          | 14,954                                      | 212,856          |
| <b>Total non-operating revenues (expenses):</b>  | <u>378,273</u>             | <u>891,000</u>          | <u>1,149,478</u> | <u>258,478</u>                              | <u>232,633</u>   |
| Capital contributions  | 103,000                    | 103,000                 | 299,016          | 196,016                                     | 270,480          |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures Budget<br/>(Non-GAAP) Basis</b> | <u>141,960</u>             | <u>141,960</u>          | <u>538,738</u>   | <u>396,778</u>                              | <u>570,245</u>   |
| <b>Reconciliation to GAAP Basis:</b>   |                            |                         |                  |   |                  |
| Capitalized assets   |                            |                         | 1,051,566        |   | 265,562          |
| Contributed capital assets   |                            |                         | -                |   | 78,167           |
| Depreciation   |                            |                         | (386,239)        |   | (377,670)        |
| Loss on disposal of capital assets   |                            |                         | (23,895)         |   | 753              |
| <b>Net Income - GAAP Basis</b>   |                            |                         | <u>1,180,170</u> |   | <u>537,057</u>   |

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

**Town of Carbondale, Colorado**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual**  
**Proprietary Funds**  
**Trash Fund**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|  | <u>2023</u>                |                         |                |   | <u>2022</u>    |
|--|----------------------------|-------------------------|----------------|---|----------------|
|  | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual</u>  | <u>Variance<br/>Positive<br/>(Negative)</u> | <u>Actual</u>  |
| <b>Revenues:</b>   |                            |                         |                |   |                |
| <b>Charges for services:</b>   |                            |                         |                |   |                |
| Service fees   | 754,274                    | 754,274                 | 753,118        | (1,156)                                     | 657,668        |
| <b>Total Revenues</b>  | <u>754,274</u>             | <u>754,274</u>          | <u>753,118</u> | <u>(1,156)</u>                              | <u>657,668</u> |
| <b>Operating Expenses:</b>   |                            |                         |                |   |                |
| Operations and maintenance   | 660,240                    | 675,240                 | 684,092        | (8,852)                                     | 599,338        |
| Personnel costs  | 47,293                     | 47,293                  | 50,892         | (3,599)                                     | 38,961         |
| Administration   | 15,740                     | 15,740                  | 15,204         | 536   | 15,467         |
| <b>Total operating expenses</b>  | <u>723,273</u>             | <u>738,273</u>          | <u>750,188</u> | <u>(11,915)</u>                             | <u>653,766</u> |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures Budget<br/>(Non-GAAP) Basis</b> | <u>31,001</u>              | <u>16,001</u>           | <u>2,930</u>   | <u>(13,071)</u>                             | <u>3,902</u>   |
| <b>Net Income - GAAP Basis</b>   |                            |                         | <u>2,930</u>   |   | <u>3,902</u>   |

Town of Carbondale, Colorado  
Combining Balance Sheet  
Non-Major Governmental Funds  
December 31, 2023

|   | Special Revenue       |                       |                  |                          |                | Sub-total<br>Non-Major<br>Governmental<br>Funds |
|---|-----------------------|-----------------------|------------------|--------------------------|----------------|---|
|   | Conservation<br>Trust | Victims<br>Assistance | CHA<br>Mortgage  | Community<br>Enhancement | Lodging<br>Tax |   |
| <b>Assets:</b>  |                       |                       |                  |                          |                |   |
| Cash and investments - Unrestricted   | 192,411               | 13,118                | 952,385          | 58,254                   | 11,874         | 1,228,042                                       |
| Receivables, net of allowance<br>for uncollectibles                           | -                     | -                     | 21,051           | 7,925                    | 14,366         | 43,342  |
| Due from other governments  | -                     | -                     | 200,000          | -                        | -              | 200,000   |
| <b>Total Assets</b>   | <u>192,411</u>        | <u>13,118</u>         | <u>1,173,436</u> | <u>66,179</u>            | <u>26,240</u>  | <u>1,471,384</u>                                |
| <b>Liabilities:</b>   |                       |                       |                  |                          |                |   |
| Accounts/vouchers payable   | -                     | -                     | 598              | -                        | 10,777         | 11,375  |
| Other liabilities   | -                     | -                     | 97,890           | -                        | -              | 97,890  |
| <b>Total Liabilities</b>  | <u>-</u>              | <u>-</u>              | <u>98,488</u>    | <u>-</u>                 | <u>10,777</u>  | <u>109,265</u>                                  |
| <b>Fund Balance:</b>  |                       |                       |                  |                          |                |   |
| Restricted  | 192,411               | -                     | -                | 66,179                   | 15,463         | 274,053   |
| Committed   | -                     | 13,118                | 1,074,948        | -                        | -              | 1,088,066                                       |
| <b>Total Fund Balance</b>   | <u>192,411</u>        | <u>13,118</u>         | <u>1,074,948</u> | <u>66,179</u>            | <u>15,463</u>  | <u>1,362,119</u>                                |
| <b>Total Liabilities, Deferred Inflows<br/>of Resources, and Fund Balance</b> | <u>192,411</u>        | <u>13,118</u>         | <u>1,173,436</u> | <u>66,179</u>            | <u>26,240</u>  | <u>1,471,384</u>                                |

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

Town of Carbondale, Colorado  
Combining Balance Sheet  
Non-Major Governmental Funds  
December 31, 2023  
(Continued)

|   | Special Revenue |                       |                       | Debt Service |  | Sub-total<br>Non-Major<br>Governmental<br>Funds | Total<br>Non-Major<br>Governmental<br>Funds |
|---|-----------------|-----------------------|-----------------------|--------------|--|---|---|
|   | 1% of Arts      | Efficient<br>Building | Disposable<br>Bag Tax | Bond         |  |   |   |
| <b>Assets:</b>  |                 |                       |                       |              |  |   |   |
| Cash and investments - Unrestricted   | 31,604          | 78,043                | 64,036                | 7,169        |  | 1,228,042                                       | 1,408,894                                   |
| Receivables, net of allowance<br>for uncollectibles                           | -               | -                     | 16,248                | -            |  | 43,342  | 59,590                                      |
| Due from other governments  | -               | -                     | -                     | -            |  | 200,000   | 200,000                                     |
| <b>Total Assets</b>   | <u>31,604</u>   | <u>78,043</u>         | <u>80,284</u>         | <u>7,169</u> |  | <u>1,471,384</u>                                | <u>1,668,484</u>                            |
| <b>Liabilities:</b>   |                 |                       |                       |              |  |   |   |
| Accounts/vouchers payable   | -               | -                     | -                     | -            |  | 11,375  | 11,375                                      |
| Other liabilities   | -               | -                     | -                     | -            |  | 97,890  | 97,890                                      |
| <b>Total Liabilities</b>  |                 |                       |                       |              |  | <u>109,265</u>                                  | <u>109,265</u>                              |
| <b>Fund Balance:</b>  |                 |                       |                       |              |  |   |   |
| Restricted  | -               | -                     | -                     | 7,169        |  | 274,053   | 281,222                                     |
| Committed   | 31,604          | 78,043                | 80,284                | -            |  | 1,088,066                                       | 1,277,997                                   |
| <b>Total Fund Balance</b>   | <u>31,604</u>   | <u>78,043</u>         | <u>80,284</u>         | <u>7,169</u> |  | <u>1,362,119</u>                                | <u>1,559,219</u>                            |
| <b>Total Liabilities, Deferred Inflows<br/>of Resources, and Fund Balance</b> | <u>31,604</u>   | <u>78,043</u>         | <u>80,284</u>         | <u>7,169</u> |  | <u>1,471,384</u>                                | <u>1,668,484</u>                            |

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

**Town of Carbondale, Colorado**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the Year Ended December 31, 2023**

|  | Special Revenue       |                       |                  |                          |                |          | Sub-total<br>Non-major<br>Governmental<br>Funds |
|--|-----------------------|-----------------------|------------------|--------------------------|----------------|----------|---|
|  | Conservation<br>Trust | Victims<br>Assistance | CHA<br>Mortgage  | Community<br>Enhancement | Lodging<br>Tax |          |   |
| <b>Revenues:</b>   |                       |                       |                  |                          |                |          |   |
| Taxes  | -                     | -                     | 246,212          | -                        | 194,595        | -        | 440,807   |
| Intergovernmental revenue                                    | 91,580                | -                     | 208,000          | -                        | -              | -        | 299,580   |
| Fines and forfeitures  | -                     | 16,011                | -                | -                        | -              | -        | 16,011  |
| Investment income  | 2,745                 | -                     | -                | -                        | -              | -        | 2,745   |
| Miscellaneous  | -                     | -                     | 79,025           | 15,556                   | -              | -        | 94,581  |
| <b>Total Revenues</b>  | <b>94,325</b>         | <b>16,011</b>         | <b>533,237</b>   | <b>15,556</b>            | <b>194,595</b> | <b>-</b> | <b>853,724</b>                                  |
| <b>Expenditures:</b>   |                       |                       |                  |                          |                |          |   |
| General government   | -                     | -                     | 437,226          | -                        | -              | -        | 437,226   |
| Public safety  | -                     | 7,606                 | -                | -                        | -              | -        | 7,606   |
| Culture and recreation                                       | 71,025                | -                     | -                | -                        | 194,595        | -        | 265,620   |
| <b>Total Expenditures</b>                                    | <b>71,025</b>         | <b>7,606</b>          | <b>437,226</b>   | <b>-</b>                 | <b>194,595</b> | <b>-</b> | <b>710,452</b>                                  |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | <b>23,300</b>         | <b>8,405</b>          | <b>96,011</b>    | <b>15,556</b>            | <b>-</b>       | <b>-</b> | <b>143,272</b>                                  |
| <b>Other Financing Sources (Uses):</b>                       |                       |                       |                  |                          |                |          |   |
| Operating transfers in                                       | -                     | -                     | 100,000          | -                        | -              | -        | 100,000   |
| <b>Total Other Financing<br/>Sources (Uses)</b>              | <b>-</b>              | <b>-</b>              | <b>100,000</b>   | <b>-</b>                 | <b>-</b>       | <b>-</b> | <b>100,000</b>                                  |
| <b>Net Change in Fund Balance</b>                            | <b>23,300</b>         | <b>8,405</b>          | <b>196,011</b>   | <b>15,556</b>            | <b>-</b>       | <b>-</b> | <b>243,272</b>                                  |
| <b>Fund Balance - Beginning</b>                              | <b>169,111</b>        | <b>4,713</b>          | <b>878,937</b>   | <b>50,623</b>            | <b>15,463</b>  | <b>-</b> | <b>1,118,847</b>                                |
| <b>Fund Balance - Ending</b>                                 | <b>192,411</b>        | <b>13,118</b>         | <b>1,074,948</b> | <b>66,179</b>            | <b>15,463</b>  | <b>-</b> | <b>1,362,119</b>                                |

The accompanying notes are an integral part of these financial statements.  
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**Town of Carbondale, Colorado**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the Year Ended December 31, 2023**  
**(Continued)**

|  | Special Revenue |                       |                       | Debt Service     |          | Sub-total<br>Non-major<br>Governmental<br>Funds | Total<br>Non-major<br>Governmental<br>Funds |
|--|-----------------|-----------------------|-----------------------|------------------|----------|---|---|
|  | 1% of Arts      | Efficient<br>Building | Disposable<br>Bag Tax | Bond             |          |   |   |
| <b>Revenues:</b>   |                 |                       |                       |                  |          |   |   |
| Taxes  | -               | -                     | 70,359                | -                | -        | 440,807   | 511,166                                     |
| Intergovernmental revenue                                    | -               | -                     | -                     | -                | -        | 299,580   | 299,580                                     |
| Fines and forfeitures  | -               | -                     | -                     | -                | -        | 16,011  | 16,011                                      |
| Investment income  | -               | -                     | -                     | -                | -        | 2,745   | 2,745                                       |
| Miscellaneous  | 15,725          | 31,826                | -                     | -                | -        | 94,581  | 142,132                                     |
| <b>Total Revenues</b>  | <b>15,725</b>   | <b>31,826</b>         | <b>70,359</b>         | <b>-</b>         | <b>-</b> | <b>853,724</b>                                  | <b>971,634</b>                              |
| <b>Expenditures:</b>   |                 |                       |                       |                  |          |   |   |
| General government   | -               | -                     | 24,214                | 1,850            | -        | 437,226   | 463,290                                     |
| Public safety  | -               | -                     | -                     | -                | -        | 7,606   | 7,606                                       |
| Culture and recreation                                       | 8,400           | -                     | -                     | -                | -        | 265,620   | 274,020                                     |
| Debt service:  |                 |                       |                       |                  |          |   |   |
| Principal  | -               | -                     | -                     | 195,400          | -        | -   | 195,400                                     |
| Interest   | -               | -                     | -                     | 407,140          | -        | -   | 407,140                                     |
| <b>Total Expenditures</b>                                    | <b>8,400</b>    | <b>-</b>              | <b>24,214</b>         | <b>604,390</b>   | <b>-</b> | <b>710,452</b>                                  | <b>1,347,456</b>                            |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | <b>7,325</b>    | <b>31,826</b>         | <b>46,145</b>         | <b>(604,390)</b> | <b>-</b> | <b>143,272</b>                                  | <b>(375,822)</b>                            |
| <b>Other Financing Sources (Uses):</b>                       |                 |                       |                       |                  |          |   |   |
| Operating transfers in                                       | -               | -                     | -                     | 606,008          | -        | 100,000   | 706,008                                     |
| <b>Total Other Financing<br/>Sources (Uses)</b>              | <b>-</b>        | <b>-</b>              | <b>-</b>              | <b>606,008</b>   | <b>-</b> | <b>100,000</b>                                  | <b>706,008</b>                              |
| <b>Net Change in Fund Balance</b>                            | <b>7,325</b>    | <b>31,826</b>         | <b>46,145</b>         | <b>1,618</b>     | <b>-</b> | <b>243,272</b>                                  | <b>330,186</b>                              |
| <b>Fund Balance - Beginning</b>                              | <b>24,279</b>   | <b>46,217</b>         | <b>34,139</b>         | <b>5,551</b>     | <b>-</b> | <b>1,118,847</b>                                | <b>1,229,033</b>                            |
| <b>Fund Balance - Ending</b>                                 | <b>31,604</b>   | <b>78,043</b>         | <b>80,284</b>         | <b>7,169</b>     | <b>-</b> | <b>1,362,119</b>                                | <b>1,559,219</b>                            |

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

**Town of Carbondale, Colorado**  
**Special Revenue Funds**  
**Conservation Trust Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|                                   | 2023                            |         |  | 2022    |
|-----------------------------------|---------------------------------|---------|--|---------|
|                                   | Original and<br>Final<br>Budget | Actual  | Final Budget<br>Variance<br>Positive<br>(Negative) | Actual  |
| <b>Revenues:</b>                  |                                 |         |  |         |
| Intergovernmental revenue         | 75,000                          | 91,580  | 16,580   | 82,442  |
| Investment income                 | 600                             | 2,745   | 2,145  | 842     |
| <b>Total Revenues</b>             | 75,600                          | 94,325  | 18,725   | 83,284  |
| <b>Expenditures:</b>              |                                 |         |  |         |
| Personnel                         | 70,256                          | 50,371  | 19,885   | 46,010  |
| Park maintenance                  | 12,000                          | 20,654  | (8,654)  | 15,437  |
| <b>Total Expenditures</b>         | 82,256                          | 71,025  | 11,231   | 61,447  |
| <b>Net Change in Fund Balance</b> | (6,656)                         | 23,300  | 29,956   | 21,837  |
| <b>Fund Balance - Beginning</b>   |                                 | 169,111 |  | 147,274 |
| <b>Fund Balance - Ending</b>      |                                 | 192,411 |  | 169,111 |

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

**Town of Carbondale, Colorado**  
**Special Revenue Funds**  
**Victims Assistance Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|   | <u>2023</u>                              |               |  | <u>2022</u>    |
|---|--|---------------|--|----------------|
|   | <u>Original and<br/>Final<br/>Budget</u> | <u>Actual</u> | <u>Final Budget<br/>Variance<br/>Positive<br/>(Negative)</u> | <u>Actual</u>  |
| <b>Revenues:</b>                          |  |               |  |                |
| Fines and surcharge                       | 11,000                                   | 16,011        | 5,011  | 13,056         |
| <b>Total Revenues</b>                     | <u>11,000</u>                            | <u>16,011</u> | <u>5,011</u>   | <u>13,056</u>  |
| <b>Expenditures:</b>                      |  |               |  |                |
| Victim's assistance                       | 5,000                                    | 5,000         | -  | 5,000          |
| Police training                           | 2,000                                    | 2,606         | (606)  | 895            |
| <b>Total Expenditures</b>                 | <u>7,000</u>                             | <u>7,606</u>  | <u>(606)</u>   | <u>5,895</u>   |
| <b>Net Change in Fund Balance</b>         | <u>4,000</u>                             | 8,405         | <u>4,405</u>   | 7,161          |
| <b>Fund Balance - Beginning (Deficit)</b> |  | <u>4,713</u>  |  | <u>(2,448)</u> |
| <b>Fund Balance - Ending</b>              |  | <u>13,118</u> |  | <u>4,713</u>   |

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

**Town of Carbondale, Colorado**  
**Special Revenue Funds**  
**Housing Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|  | 2023               |                 |           | Final Budget<br>Variance<br>Positive<br>(Negative) | 2022    |
|--|--------------------|-----------------|-----------|--|---------|
|  | Original<br>Budget | Final<br>Budget | Actual    |  | Actual  |
| <b>Revenues:</b>   |                    |                 |           |  |         |
| Real estate transfer assessment                              | 5,000              | 5,000           | 25,810    | 20,810   | 156,703 |
| Short-term rental tax  | -                  | -               | 220,402   | 220,402  | -       |
| Lease income   | 56,000             | 56,000          | 73,594    | 17,594   | 58,060  |
| Grant revenue  | -                  | 300,000         | 208,000   | (92,000)   | 1,900   |
| Other revenue  | -                  | -               | 5,430     | 5,430  | -       |
| <b>Total Revenues</b>  | 61,000             | 361,000         | 533,236   | 172,236  | 216,663 |
| <b>Expenditures:</b>   |                    |                 |           |  |         |
| Affordable housing expense                                   | 15,500             | 27,000          | 23,622    | 3,378  | 52,161  |
| Short-term rental expense                                    | -                  | 12,000          | 12,000    | -  | -       |
| Grant expense  | 50,500             | 400,500         | 401,603   | (1,103)  | -       |
| <b>Total Expenditures</b>                                    | 66,000             | 439,500         | 437,225   | 2,275  | 52,161  |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | (5,000)            | (78,500)        | 96,011    | 174,511  | 164,502 |
| <b>Other Financing Sources (Uses):</b>                       |                    |                 |           |  |         |
| Operating transfers in                                       | 100,000            | 100,000         | 100,000   | -  | 100,000 |
| <b>Total Other Financing<br/>Sources (Uses)</b>              | 100,000            | 100,000         | 100,000   | -  | 100,000 |
| <b>Net Change in Fund Balance</b>                            | 95,000             | 21,500          | 196,011   | 174,511  | 264,502 |
| <b>Fund Balance - Beginning</b>                              |                    |                 | 878,937   |  | 614,435 |
| <b>Fund Balance - Ending</b>                                 |                    |                 | 1,074,948 |  | 878,937 |

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

**Town of Carbondale, Colorado**  
**Special Revenue Funds**  
**Community Enhancement Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|                                   | 2023                            |        |  | 2022   |
|-----------------------------------|---------------------------------|--------|--|--------|
|                                   | Original and<br>Final<br>Budget | Actual | Final Budget<br>Variance<br>Positive<br>(Negative) | Actual |
| <b>Revenues:</b>                  |                                 |        |  |        |
| Community enhancement             | 7,500                           | 15,556 | 8,056  | 7,299  |
| <b>Total Revenues</b>             | 7,500                           | 15,556 | 8,056  | 7,299  |
| <b>Net Change in Fund Balance</b> | 7,500                           | 15,556 | 8,056  | 7,299  |
| <b>Fund Balance - Beginning</b>   |                                 | 50,623 |  | 43,324 |
| <b>Fund Balance - Ending</b>      |                                 | 66,179 |  | 50,623 |

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

**Town of Carbondale, Colorado**  
**Special Revenue Funds**  
**Lodging Tax Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|                                   | <u>2023</u>                |                         |                | <b>Final Budget<br/>Variance<br/>Positive<br/>(Negative)</b> | <u>2022</u>    |
|-----------------------------------|----------------------------|-------------------------|----------------|--|----------------|
|                                   | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>  |  | <b>Actual</b>  |
| <b>Revenues:</b>                  |                            |                         |                |  |                |
| Lodging tax                       | 165,000                    | 165,000                 | 194,595        | 29,595   | 199,697        |
| <b>Total Revenues</b>             | <u>165,000</u>             | <u>165,000</u>          | <u>194,595</u> | <u>29,595</u>  | <u>199,697</u> |
| <b>Expenditures:</b>              |                            |                         |                |  |                |
| Chamber of Commerce               | 165,000                    | 210,000                 | 194,595        | 15,405   | 200,176        |
| <b>Total Expenditures</b>         | <u>165,000</u>             | <u>210,000</u>          | <u>194,595</u> | <u>15,405</u>  | <u>200,176</u> |
| <b>Net Change in Fund Balance</b> | <u>-</u>                   | <u>(45,000)</u>         | <u>-</u>       | <u>45,000</u>  | <u>(479)</u>   |
| <b>Fund Balance - Beginning</b>   |                            |                         | 15,463         |  | 15,942         |
| <b>Fund Balance - Ending</b>      |                            |                         | <u>15,463</u>  |  | <u>15,463</u>  |

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

**Town of Carbondale, Colorado**  
**Special Revenue Funds**  
**1% of Arts Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|                                   | <u>2023</u>                              |                      | <u>Final Budget<br/>Variance<br/>Positive<br/>(Negative)</u> | <u>2022</u>          |
|-----------------------------------|--|----------------------|--|----------------------|
|                                   | <u>Original and<br/>Final<br/>Budget</u> | <u>Actual</u>        |  | <u>Actual</u>        |
| <b>Revenues:</b>                  |  |                      |  |                      |
| Miscellaneous                     | 2,000                                    | 15,725               | 13,725   | 9,600                |
| <b>Total Revenues</b>             | <u>2,000</u>                             | <u>15,725</u>        | <u>13,725</u>  | <u>9,600</u>         |
| <b>Expenditures:</b>              |  |                      |  |                      |
| Reserve                           | 7,000                                    | 8,400                | (1,400)  | 7,125                |
| <b>Total Expenditures</b>         | <u>7,000</u>                             | <u>8,400</u>         | <u>(1,400)</u>   | <u>7,125</u>         |
| <b>Net Change in Fund Balance</b> | <u>(5,000)</u>                           | 7,325                | <u>12,325</u>  | 2,475                |
| <b>Fund Balance - Beginning</b>   |  | <u>24,279</u>        |  | <u>21,804</u>        |
| <b>Fund Balance - Ending</b>      |  | <u><u>31,604</u></u> |  | <u><u>24,279</u></u> |

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

**Town of Carbondale, Colorado**  
**Special Revenue Funds**  
**Efficient Building Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|                                   | 2023                            |        | Final Budget<br>Variance<br>Positive<br>(Negative) | 2022   |
|-----------------------------------|---------------------------------|--------|--|--------|
|                                   | Original and<br>Final<br>Budget | Actual |  | Actual |
| <b>Revenues:</b>                  |                                 |        |  |        |
| Miscellaneous                     | -                               | 31,826 | 31,826   | 24,199 |
| <b>Total Revenues</b>             | -                               | 31,826 | 31,826   | 24,199 |
| <b>Net Change in Fund Balance</b> | -                               | 31,826 | 31,826   | 24,199 |
| <b>Fund Balance - Beginning</b>   |                                 | 46,217 |  | 22,018 |
| <b>Fund Balance - Ending</b>      |                                 | 78,043 |  | 46,217 |

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

**Town of Carbondale, Colorado**  
**Special Revenue Funds**  
**Disposable Bag Tax Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|                                   | <u>2023</u>                              |                      | <b>Final Budget<br/>Variance<br/>Positive<br/>(Negative)</b> | <u>2022</u>          |
|-----------------------------------|--|----------------------|--|----------------------|
|                                   | <b>Original and<br/>Final<br/>Budget</b> | <b>Actual</b>        |  | <b>Actual</b>        |
| <b>Revenues:</b>                  |  |                      |  |                      |
| Taxes                             | 30,000                                   | 70,359               | 40,359   | 43,674               |
| <b>Total Revenues</b>             | <u>30,000</u>                            | <u>70,359</u>        | <u>40,359</u>  | <u>43,674</u>        |
| <b>Expenditures:</b>              |  |                      |  |                      |
| Miscellaneous                     | 30,750                                   | 24,214               | 6,536  | 19,885               |
| <b>Total Expenditures</b>         | <u>30,750</u>                            | <u>24,214</u>        | <u>6,536</u>   | <u>19,885</u>        |
| <b>Net Change in Fund Balance</b> | <u>(750)</u>                             | 46,145               | <u>46,895</u>  | 23,789               |
| <b>Fund Balance - Beginning</b>   |  | <u>34,139</u>        |  | <u>10,350</u>        |
| <b>Fund Balance - Ending</b>      |  | <u><u>80,284</u></u> |  | <u><u>34,139</u></u> |

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

**Town of Carbondale, Colorado**  
**Debt Service Funds**  
**Bond Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual**  
**For the Year Ended December 31, 2023**  
**(With Comparative Totals For 2022)**

|  | 2023                            |           | Final Budget<br>Variance<br>Positive<br>(Negative) | 2022      |
|--|---------------------------------|-----------|--|-----------|
|  | Original and<br>Final<br>Budget | Actual    |  | Actual    |
| <b>Expenditures:</b>   |                                 |           |  |           |
| Long-term debt principal                                     | 195,400                         | 195,400   | -  | 190,100   |
| Long-term debt interest                                      | 407,108                         | 407,140   | (32)   | 86,766    |
| Agents fee   | 3,500                           | 1,850     | 1,650  | -         |
| <b>Total Expenditures</b>                                    | 606,008                         | 604,390   | 1,618  | 276,866   |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | (606,008)                       | (604,390) | 1,618  | (276,866) |
| <b>Other Financing Sources (Uses):</b>                       |                                 |           |  |           |
| Operating transfers in                                       | 606,008                         | 606,008   | -  | 276,643   |
| <b>Total Other Financing Sources (Uses)</b>                  | 606,008                         | 606,008   | -  | 276,643   |
| <b>Net Change in Fund Balance</b>                            | -                               | 1,618     | 1,618  | (223)     |
| <b>Fund Balance - Beginning</b>                              |                                 | 5,551     |  | 5,774     |
| <b>Fund Balance - Ending</b>                                 |                                 | 7,169     |  | 5,551     |

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

LOCAL HIGHWAY FINANCE REPORT



|                                     |   |
|-------------------------------------|---|
| <b>LOCAL HIGHWAY FINANCE REPORT</b> | STATE:<br><b>COLORADO</b>               |
|                                     | YEAR ENDING (mm/yy):<br><b>12/31/23</b> |

|  |   |
|--|---|
| This Information From The Records Of:<br><b>Town of Carbondale</b> | Prepared By:<br><b>Christine Chicoine</b> |
|--|---|

**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          |
|---|-----------------|--|-----------------|
| <b>A. Receipts from local sources:</b>                      |                 | <b>A. Local highway expenditures:</b>            |                 |
| 1. Local highway-user taxes                                 |                 | 1. Capital outlay (from page 2)                  | \$ 408,194.00   |
| a. Motor Fuel (from Item I.A.5.)                            |                 | 2. Maintenance:                                  | \$ 978,267.00   |
| b. Motor Vehicle (from Item I.B.5.)                         |                 | 3. Road and street services:                     |                 |
| c. Total (a.+b.)  |                 | a. Traffic control operations                    | \$ -            |
| 2. General fund appropriations                              | \$ 961,812.00   | b. Snow and ice removal                          | \$ 160,930.00   |
| 3. Other local imposts (from page 2)                        | \$ 645,327.00   | c. Other   | \$ 7,796.00     |
| 4. Miscellaneous local receipts (from page 2)               | \$ 190,527.00   | d. Total (a. through c.)                         | \$ 168,726.00   |
| 5. Transfers from toll facilities                           | \$ -            | 4. General administration & miscellaneous        | \$ 183,553.00   |
| 6. Proceeds of sale of bonds and notes:                     |                 | 5. Highway law enforcement and safety            | \$ 832,288.00   |
| a. Bonds - Original Issues                                  | \$ -            | 6. Total (1 through 5)                           | \$ 2,571,028.00 |
| b. Bonds - Refunding Issues                                 | \$ -            | <b>B. Debt service on local obligations:</b>     |                 |
| c. Notes  | \$ -            | 1. Bonds:  |                 |
| d. Total (a. + b. + c.)                                     | \$ -            | a. Interest                                      | \$ -            |
| 7. Total (1 through 6)                                      | \$ 1,797,666.00 | b. Redemption                                    | \$ -            |
| <b>B. Private Contributions</b>                             | \$ -            | c. Total (a. + b.)                               | \$ -            |
| <b>C. Receipts from State government</b><br>(from page 2)   | \$ 222,282.00   | 2. Notes:  |                 |
| <b>D. Receipts from Federal Government</b><br>(from page 2) | \$ 551,080.00   | a. Interest                                      | \$ -            |
| <b>E. Total receipts (A.7 + B + C + D)</b>                  | \$ 2,571,028.00 | b. Redemption                                    | \$ -            |
|   |                 | c. Total (a. + b.)                               | \$ -            |
|   |                 | 3. Total (1.c + 2.c)                             | \$ -            |
|   |                 | <b>C. Payments to State for highways</b>         | \$ -            |
|   |                 | <b>D. Payments to toll facilities</b>            | \$ -            |
|   |                 | <b>E. Total expenditures (A.6 + B.3 + C + D)</b> | \$ 2,571,028.00 |

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

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

**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 |
|--|----------------------|-------------------|------------------------|-------------------|-------------------|
|  |                      | \$ 2,571,028.00   | \$ 2,571,028.00        |                   | \$ -              |

Notes and Comments:

**LOCAL HIGHWAY FINANCE REPORT**

STATE:  
**COLORADO**  
 YEAR ENDING (mm/yy):  
**12/31/23**

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

| ITEM                             | AMOUNT        | ITEM                                      | AMOUNT        |
|----------------------------------|---------------|---|---------------|
| <b>A.3. Other local imposts:</b> |               | <b>A.4. Miscellaneous local receipts:</b> |               |
| a. Property Taxes and Assesments | \$ 544,478.00 | a. Interest on investments                | \$ 144,813.00 |
| b. Other local imposts:          |               | b. Traffic Fines & Penalties              | \$ 45,714.00  |
| 1. Sales Taxes                   |               | c. Parking Garage Fees                    |               |
| 2. Infrastructure & Impact Fees  | \$ 65,327.00  | d. Parking Meter Fees                     |               |
| 3. Liens                         |               | e. Sale of Surplus Property               |               |
| 4. Licenses                      |               | f. Charges for Services                   |               |
| 5. Specific Ownership &/or Other | \$ 35,522.00  | g. Other Misc. Receipts                   |               |
| 6. Total (1. through 5.)         | \$ 100,849.00 | h. Other                                  |               |
| c. Total (a. + b.)               | \$ 645,327.00 | i. Total (a. through h.)                  | \$ 190,527.00 |
| <i>(Carry forward to page 1)</i> |               | <i>(Carry forward to page 1)</i>          |               |

| ITEM                                     | AMOUNT        | ITEM                                       | AMOUNT        |
|--|---------------|--|---------------|
| <b>C. Receipts from State Government</b> |               | <b>D. Receipts from Federal Government</b> |               |
| 1. Highway-user taxes (from Item I.C.5.) | \$ 197,730.00 | 1. FHWA (from Item I.D.5.)                 |               |
| 2. State general funds                   |               | 2. Other Federal agencies:                 |               |
| 3. Other State funds:                    |               | a. Forest Service                          |               |
| a. State bond proceeds                   |               | b. FEMA                                    |               |
| b. Project Match                         |               | c. HUD                                     |               |
| c. Motor Vehicle Registrations           | \$ 24,552.00  | d. Federal Transit Administration          |               |
| d. DOLA Grant                            |               | e. U.S. Corps of Engineers                 |               |
| e. Other                                 |               | f. Other Federal ARPA                      | \$ 551,080.00 |
| f. Total (a. through e.)                 | \$ 24,552.00  | g. Total (a. through f.)                   | \$ 551,080.00 |
| 4. Total (1. + 2. + 3.f)                 | \$ 222,282.00 | 3. Total (1. + 2.g)                        | \$ 551,080.00 |
| <i>(Carry forward to page 1)</i>         |               | <i>(Carry forward to page 1)</i>           |               |

**III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL**

|   | ON NATIONAL<br>HIGHWAY<br>SYSTEM<br>(a) | OFF NATIONAL<br>HIGHWAY<br>SYSTEM<br>(b) | TOTAL<br>(c)  |
|---|---|--|---------------|
| <b>A.1. Capital outlay:</b>                         |   |  |               |
| a. Right-Of-Way Costs                               |   |  | \$ -          |
| b. Engineering Costs                                |   |  | \$ -          |
| c. Construction:                                    |   |  |               |
| (1). New Facilities                                 |   |  | \$ -          |
| (2). Capacity Improvements                          |   |  | \$ -          |
| (3). System Preservation                            |   | \$ 408,194.00                            | \$ 408,194.00 |
| (4). System Enhancement And Operation               |   |  | \$ -          |
| (5). Total Construction (1)+(2)+(3)+(4)             | \$ -                                    | \$ 408,194.00                            | \$ 408,194.00 |
| d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4) | \$ -                                    | \$ 408,194.00                            | \$ 408,194.00 |
| <i>(Carry forward to page 1)</i>                    |   |  |               |

Notes and Comments: