

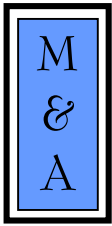
**Town of De Beque
De Beque, Colorado**

**Financial Statements
December 31, 2023**

**Town of De Beque, Colorado
Financial Report
December 31, 2023**

Table of Contents

	Page(s)
INDEPENDENT AUDITOR'S REPORT	A1 – A3
Management's Discussion and Analysis	i - vi
Government-wide Financial Statements:	
Statement of Net Position	B1
Statement of Activities	B2
Fund Financial Statements:	
Balance Sheet - Governmental Funds	C1
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	C2
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C3
Statement of Net Position - Proprietary Funds	C4
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	C5
Statement of Cash Flows - Proprietary Funds	C6
Notes to the Financial Statements	D1 – D22
Required Supplementary Information:	
Schedule of Revenues – Budget and Actual - General Fund	E1
Schedule of Revenues and Expenditures - Budget and Actual - Conservation Trust Fund	E2
Schedule of the Town's Proportionate Share of Net Pension Liability (Asset)	E3
Schedule of Town Contributions	E4
Notes to the Required Supplementary Information	E5 – E6
Supplementary Information:	
Schedule of Revenues and Expenditures - Budget and Actual - Capital Improvement Fund	F1
Schedule of Revenues and Expenditures - Budget (Non-GAAP Basis) and Actual With Reconciliation to GAAP Basis –	
Water Fund	F2
Sewer Fund	F3
Irrigation Fund	F4
Local Highway Finance Report	F5 – F6



MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

CHAPEL SQUARE, BLDG C
245 CHAPEL PLACE, SUITE 300
P.O. Box 5850, AVON, CO 81620

WEB SITE: WWW.MCMAHANCPA.COM
MAIN OFFICE: (970) 845-8800
FACSIMILE: (970) 845-8108
E-MAIL: MCMAHAN@MCMAHANCPA.COM

INDEPENDENT AUDITOR'S REPORT

**To the Mayor and Board of Trustees
Town of De Beque, Colorado**

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of De Beque, Colorado (the "Town"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Town of De Beque's 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, and each major fund of the Town of De Beque 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 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 the Town of De Beque's ability to continue as a going concern for one year after the date that the financial statements are issued.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
MATTHEW D. MILLER, CPA

AVON: (970) 845-8800
ASPEN: (970) 544-3996
FRISCO: (970) 668-3481

INDEPENDENT AUDITOR'S REPORT
To the Mayor and Board of Trustees
Town of De Beque, 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 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 on pages i - vi, and the Schedule of Town's Proportionate Share of the Net Pension Liability (Asset) and the Schedule of Town Contributions in section E 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.

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.

**INDEPENDENT AUDITOR'S REPORT
To the Mayor and Board of Trustees
Town of De Beque, Colorado**

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 individual fund budgetary comparison information and 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 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
September 5, 2024**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Town of De Beque, Colorado

Management's Discussion and Analysis December 31, 2023

The financial managers of the Town of De Beque (the "Town") present the following discussion and analysis of the Town's financial performance to provide an overview of the Town's financial activities for the fiscal year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our basic financial statements to better understand the financial position of the Town.

Financial Highlights

The Governmental Funds reported fund balances of \$4,520,629 at December 31, 2023, an increase of \$345,857 from December 31, 2022.

The Business-type Funds reported net position of \$4,118,090 at December 31, 2023, an increase of \$975,205 from December 31, 2022.

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 are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

The government-wide financial statements, fund financial statements and notes to the financial statements are discussed below.

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. They are prepared using the full accrual basis of accounting.

The Statement of Net Position presents information on all the Town's assets, liabilities (both short-term and long-term, if any), and differed inflow of resources, with the difference between the amounts 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 taxes and 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, conservation trust, and capital improvements. The business-type activities of the Town include water, sewer, and irrigation.

The government-wide financial statements can be found on pages B1 and B2 of this report.

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 funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. 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. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the conservation trust fund, and capital improvement fund.

The basic governmental fund financial statements can be found on pages C1 through C3 of this report.

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, sewer, and irrigation 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.

The basic proprietary fund financial statements can be found on pages C4 through C6 of this report.

Notes to the financial statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the Town's budgetary comparisons for the general fund, the conservation trust fund, and capital improvement fund. Required supplemental information can be found on pages E1 through E4 of this report. Schedules of Revenues and Expenditures – Actual and Budget for proprietary funds are presented immediately following the required supplemental information. They can be found on pages F2 through F4 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve, over time, as a useful indicator of the government's financial position. In the case of the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by #REF! at December 31, 2023 and by #REF! at December 31, 2022.

The following summarized the Town's net position at December 31:

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	4,910,119	4,664,397	1,175,108	570,568	6,085,227	5,234,965
Capital assets, net of accumulated depreciation	1,286,699	1,311,282	3,544,423	2,670,473	4,831,122	3,981,755
Total assets	6,196,818	5,975,679	4,719,531	3,241,041	10,916,349	9,216,720
Deferred outflows of resources	172,568	93,850	-	-	172,568	93,850
Current liabilities	311,842	294,586	580,135	70,414	891,977	365,000
Noncurrent liabilities	-	-	21,306	27,742	21,306	27,742
Total liabilities	311,842	294,586	601,441	98,156	913,283	392,742
Deferred inflows of resources	127,862	199,646	-	-	127,862	199,646
Net position:						
Net investment in capital assets	1,286,699	1,311,282	3,523,117	2,642,731	4,809,816	3,954,013
Restricted	163,531	262,477	77,000	-	240,531	262,477
Unrestricted	4,479,452	4,001,538	517,973	500,154	4,997,425	4,501,692
Total net position	5,929,682	5,575,297	4,118,090	3,142,885	10,047,772	8,718,182

Most of the Town's assets are reflected in the investment in capital assets (i.e. land, buildings, equipment, and infrastructure). Capital assets account for 44% of the total assets. The Town will use these assets to provide services to the residents. Therefore, these assets are not an available source for funding of future spending.

Government-wide Financial Analysis (continued)

The following summarizes the change in the Town's net position for the year ended December 31:

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
REVENUES:						
Charges for services	185,214	126,319	540,975	400,194	726,189	526,513
Operating grants	11,058	167	-	-	11,058	167
Capital grants	6,876	6,318	3,001,898	43,058	3,008,774	49,376
General revenues:						
Taxes	2,028,868	2,070,576	-	-	2,028,868	2,070,576
Earnings on investments	215,050	67,772	-	-	215,050	67,772
Rental income	-	21,741	-	-	-	21,741
Licenses and permits	-	29,991	-	-	-	29,991
Miscellaneous	28,783	65,174	6,885	5,777	35,668	70,951
Gain on disposal of assets	2,606	-	-	-	2,606	-
Total revenues	2,478,455	2,388,058	3,549,758	449,029	6,028,213	2,837,087
EXPENSES:						
General government	860,784	813,228	-	-	860,784	813,228
Municipal court	29,144	19,465	-	-	29,144	19,465
Public safety	836,675	719,768	-	-	836,675	719,768
Public works	211,846	205,504	-	-	211,846	205,504
Culture and recreation	87,289	67,564	-	-	87,289	67,564
Cemetery	625	1,052	-	-	625	1,052
Community center	1,391	1,123	-	-	1,391	1,123
Trash	48,976	64,902	-	-	48,976	64,902
Water	-	-	2,357,898	323,832	2,357,898	323,832
Sewer	-	-	244,810	249,935	244,810	249,935
Irrigation	-	-	19,185	18,490	19,185	18,490
Transfers	47,340	120,571	(47,340)	(120,571)	-	-
Total expenses	2,124,070	2,013,177	2,574,553	471,686	4,698,623	2,484,863
Change in Net Position	354,385	374,881	975,205	(22,657)	1,329,590	352,224
Net Position - Beginning	5,575,297	5,200,416	3,142,885	3,165,542	8,718,182	8,365,958
Net position - Ending	5,929,682	5,575,297	4,118,090	3,142,885	10,047,772	8,718,182

The Town's main source of revenue is sales tax. Overall, tax revenue has decreased from prior years.

Financial Analysis of the Town's Funds

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

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

Financial Analysis of the Town's Funds (continued)

The General Fund has a fund balance of \$4,312,047 at December 31, 2023, an increase of \$335,091 from December 31, 2022. The unassigned portion of the fund balance in the amount of \$4,212,770 is available for spending.

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

Budgetary Highlights

The budget to actual comparisons can be found on pages E1 through F4 of this report. The schedules present both the original and final fiscal year budgets.

Capital Assets and Debt Administration

Capital assets. The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2023, amount to \$4,831,122 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, water and wastewater plans, and roads and bridges. The table below presents a comparison to prior year asset type.

Town of De Beque's Capital Assets
(net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	140,951	140,951	-	-	140,951	140,951
Buildings and improvements	186,813	217,927	-	-	186,813	217,927
General government equipment	1,800	3,600	-	-	1,800	3,600
Public safety equipment	133,631	157,876	-	-	133,631	157,876
Public works equipment	139,658	54,319	-	-	139,658	54,319
Parks, recreation and other	30,867	20,100	-	-	30,867	20,100
Infrastructure	652,979	716,509	-	-	652,979	716,509
Water plant and storage reservoirs	-	-	1,640,805	1,721,331	1,640,805	1,721,331
Water rights, meters and equipment	-	-	113,711	77,717	113,711	77,717
Sewer treatment and generation facilities	-	-	82,014	90,854	82,014	90,854
Collection and distribution system	-	-	677,531	696,411	677,531	696,411
Construction in progress	-	-	1,030,362	84,160	1,030,362	84,160
Total	1,286,699	1,311,282	3,544,423	2,670,473	4,831,122	3,981,755

Additional information on the Town's capital assets can be found in Note III.C of this report.

Long-term debt. At the end of the current fiscal year, the Town had total bonded debt and notes payable outstanding of \$21,306.

Town of De Beque's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Notes Payable	-	-	21,306	27,742	21,306	27,742

Additional information on the Town's long-term debt can be found in Note III.D of this report.

Economic Factors and Future Budgeting

The Town's fund balance is \$4,520,629 beginning January 1, 2024 and provides a positive economic outlook for future potential considerations in expanded projects or capital improvements.

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: Care' McInnis, Town Manager, 381 Minter Avenue, De Beque, CO 81630, or you may call (970) 283-5475.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Town of De Beque, Colorado
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and investments - Unrestricted	4,551,039	134,471	4,685,510
Prepaid expense	24,277	-	24,277
Receivables, net:			
Property tax	92,517	-	92,517
Other	8,889	1,040,637	1,049,526
Due from other governments	233,397	-	233,397
Capital assets, net	1,286,699	3,544,423	4,831,122
Total Assets	6,196,818	4,719,531	10,916,349
Deferred Outflows of Resources:			
Pension related deferred outflows	172,568	-	172,568
Total Deferred Outflows of Resources	172,568	-	172,568
Liabilities:			
Vouchers/accounts payable	67,957	500,483	568,440
Accrued expenses	68,318	42,257	110,575
Accrued interest payable	-	355	355
Net pension liability	14,869	-	14,869
Accrued compensated absences:			
Due within one year	81,508	37,040	118,548
Unearned grant revenue	79,190	-	79,190
Notes payable:			
Due within one year	-	8,645	8,645
Due in more than one year	-	12,661	12,661
Total Liabilities	311,842	601,441	913,283
Deferred Inflows of Resources:			
Unavailable property tax revenue	92,517	-	92,517
Pension related deferred inflows	35,345	-	35,345
Total Deferred Inflows of Resources	127,862	-	127,862
Net Position:			
Net investment in capital assets	1,286,699	3,523,117	4,809,816
Restricted for:			
Emergencies	75,000	77,000	152,000
Restricted for conservation trust	88,531	-	88,531
Unrestricted	4,479,452	517,973	4,997,425
Total Net Position	5,929,682	4,118,090	10,047,772

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

Town of De Beque, Colorado
Statement of Activities
December 31, 2023

	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs:						
Governmental Activities:						
General government	860,784	101,210	6,876	(747,698)		(747,698)
Municipal court	29,144	29,261	-	117		117
Public safety	836,675	2,265	-	(828,352)		(828,352)
Public works	211,846	2,658	-	(211,846)		(211,846)
Culture and recreation	87,289	-	-	(82,650)		(82,650)
Cemetery	625	4,639	-	(175)		(175)
Community center	1,391	450	-	(866)		(866)
Sanitation	48,976	525	-	(866)		(866)
Total Governmental Activities	2,076,730	185,214	6,876	(1,873,582)		(1,873,582)
Business-type Activities:						
Water	2,357,898	303,379	2,219,298		164,779	164,779
Sewer	244,810	218,432	782,600		756,222	756,222
Irrigation	19,185	19,164	-		(21)	(21)
Total Business-type Activities	2,621,893	540,975	3,001,898		920,980	920,980
Total	4,698,623	726,189	3,008,774	(1,873,582)	920,980	(952,602)
General Revenues:						
Taxes				2,028,868		2,028,868
Earnings on investments				215,050		215,050
Gain on disposal of assets				2,606		2,606
Miscellaneous				28,783	6,885	35,668
Transfers				(47,340)	47,340	-
Total General Revenues and Transfers				2,227,967	54,225	2,282,192
Change in Net Position				354,385	975,205	1,329,590
Net Position - Beginning				5,575,297	3,142,885	8,718,182
Net Position - Ending				5,929,682	4,118,090	10,047,772

The accompanying notes are an integral part of these financial statements.
B2

FUND FINANCIAL STATEMENTS

Town of De Beque, Colorado
Balance Sheet
Governmental Funds
December 31, 2023

	<u>General Fund</u>	<u>Conservation Trust Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Assets:				
Cash and investments - Unrestricted	4,342,457	88,531	120,051	4,551,039
Accounts receivable, net	8,889	-	-	8,889
Prepaid items	24,277	-	-	24,277
Sales tax receivable	233,397	-	-	233,397
Property taxes assessed, but not collectible until subsequent year	92,517	-	-	92,517
Total Assets	<u>4,701,537</u>	<u>88,531</u>	<u>120,051</u>	<u>4,910,119</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance:				
Liabilities:				
Vouchers/accounts payable	67,957	-	-	67,957
Accrued expenses	68,318	-	-	68,318
Unearned grant revenue	79,190	-	-	79,190
Accrued compensated absences	81,508	-	-	81,508
Total Liabilities	<u>296,973</u>	<u>-</u>	<u>-</u>	<u>296,973</u>
Deferred Inflows of Resources:				
Unavailable property tax revenue	92,517	-	-	92,517
Total Deferred Inflows of Resources	<u>92,517</u>	<u>-</u>	<u>-</u>	<u>92,517</u>
Fund Balance:				
Non-spendable	24,277	-	-	24,277
Restricted:				
Restricted for emergencies	75,000	-	-	75,000
Restricted for conservation trust	-	88,531	-	88,531
Committed for capital projects	-	-	120,051	120,051
Unassigned	4,212,770	-	-	4,212,770
Total Fund Balance	<u>4,312,047</u>	<u>88,531</u>	<u>120,051</u>	<u>4,520,629</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>4,701,537</u>	<u>88,531</u>	<u>120,051</u>	

**Amounts reported for governmental activities in the Statement
of Net Position are different because:**

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 1,286,699

The net pension liability (asset) and related deferrals are not available resources and, therefore, are not reported in the funds. 122,354

Net Position of Governmental Activities 5,929,682

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

Town of De Beque, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
December 31, 2023

	General Fund	Conservation Trust Fund	Capital Projects Fund	Total
Revenues:				
Taxes	2,028,868	-	-	2,028,868
Intergovernmental	11,058	6,876	-	17,934
Charges for services	185,214	-	-	185,214
Earnings on investments	211,160	3,890	-	215,050
Planning reimbursement	1,511	-	-	1,511
Sale of assets	30,000	-	-	30,000
Other revenues	27,272	-	-	27,272
Total Revenues	2,495,083	10,766	-	2,505,849
Expenditures:				
General government	797,020	-	-	797,020
Municipal court	29,144	-	-	29,144
Public safety	809,021	-	-	809,021
Public works	183,823	-	-	183,823
Culture and recreation	74,787	-	-	74,787
Cemetery	625	-	-	625
Community center	1,391	-	-	1,391
Sanitation	48,976	-	-	48,976
Capital Projects	167,865	-	-	167,865
Total Expenditures	2,112,652	-	-	2,112,652
Other Financing Sources (Uses):				
Transfers in (out)	(47,340)	-	-	(47,340)
Total Other Financing Sources (Uses)	(47,340)	-	-	(47,340)
Net change in Fund Balance	335,091	10,766	-	345,857
Fund Balance - Beginning	3,976,956	77,765	120,051	4,174,772
Fund Balance - Ending	4,312,047	88,531	120,051	4,520,629

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

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

Net Change in Fund Balance of Governmental Funds		345,857
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p> <p style="margin-left: 40px;">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 as depreciation expense. This is the amount by which depreciation exceeded capital outlay during the year.</p>		
Capital outlay	150,528	
Depreciation	<u>(147,717)</u>	2,811
The net effect of miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is a decrease to net position		(27,394)
<p style="margin-left: 40px;">Some expenses (income) reported in the statement of activities do not require the use (receipt) of current financial resources and therefore are not reported as expenditures (revenues) in governmental funds.</p>		
Change in pension deferrals		<u>33,111</u>
Change in Net Position of Governmental Activities		<u><u>354,385</u></u>

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

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

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Irrigation Fund</u>	<u>Total</u>
Assets:				
Current assets:				
Cash and cash equivalents	7,599	-	126,872	134,471
Due from other funds	48,996	-	-	48,996
Accounts receivable, net	272,063	766,951	1,623	1,040,637
Total - Current assets	<u>328,658</u>	<u>766,951</u>	<u>128,495</u>	<u>1,224,104</u>
Non-current assets:				
Capital assets, at cost	4,203,401	2,374,636	414,397	6,992,434
Accumulated depreciation	(2,487,452)	(799,883)	(160,676)	(3,448,011)
Total - Non-current assets	<u>1,715,949</u>	<u>1,574,753</u>	<u>253,721</u>	<u>3,544,423</u>
Total Assets	<u>2,044,607</u>	<u>2,341,704</u>	<u>382,216</u>	<u>4,768,527</u>
Liabilities:				
Current liabilities:				
Vouchers/accounts payable	6,474	493,825	184	500,483
Accrued expenses	35,261	6,996	-	42,257
Due to other funds	-	48,996	-	48,996
Accrued interest payable	355	-	-	355
Accrued compensated absences	18,520	18,520	-	37,040
Notes payable	8,645	-	-	8,645
Total - Current liabilities	<u>69,255</u>	<u>568,337</u>	<u>184</u>	<u>637,776</u>
Non-current liabilities:				
Notes payable	12,661	-	-	12,661
Total - Non-current liabilities	<u>12,661</u>	<u>-</u>	<u>-</u>	<u>12,661</u>
Total Liabilities	<u>81,916</u>	<u>568,337</u>	<u>184</u>	<u>650,437</u>
Net Position:				
Net investment in capital assets	1,694,643	1,574,753	253,721	3,523,117
Restricted for emergencies	68,000	9,000	-	77,000
Unrestricted	200,048	189,614	128,311	517,973
Total Net Position	<u>1,962,691</u>	<u>1,773,367</u>	<u>382,032</u>	<u>4,118,090</u>

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

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

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Irrigation Fund</u>	<u>Total</u>
Operating Revenues:				
User charges	303,379	218,432	19,164	540,975
Miscellaneous	6,585	300	-	6,885
Total Operating Revenues	<u>309,964</u>	<u>218,732</u>	<u>19,164</u>	<u>547,860</u>
Operating Expenses:				
Operating expenses	274,876	217,090	8,825	500,791
Depreciation	81,742	27,720	10,360	119,822
Total Operating Expenses	<u>356,618</u>	<u>244,810</u>	<u>19,185</u>	<u>620,613</u>
Income (Loss) from Operations	(46,654)	(26,078)	(21)	(72,753)
Non-operating Revenues (Expenses):				
Intergovernmental awards	219,163	776,600	-	995,763
CWRPDA loan principal forgiveness	2,000,000	-	-	2,000,000
Principal on debt	(2,000,000)	-	-	(2,000,000)
Interest on note payable	(1,280)	-	-	(1,280)
Total Non-operating Revenues (Expenses)	<u>217,883</u>	<u>776,600</u>	<u>-</u>	<u>994,483</u>
Income (Loss) Before Capital Contributions and Transfers	171,229	750,522	(21)	921,730
Capital Contributions and Transfers				
Capital Contributions - Tap fees	135	6,000	-	6,135
Transfers in (out)	27,300	20,040	-	47,340
Total Capital Contributions and Transfers	<u>27,435</u>	<u>26,040</u>	<u>-</u>	<u>53,475</u>
Change in Net Position	198,664	776,562	(21)	975,205
Net Position - Beginning	<u>1,764,027</u>	<u>996,805</u>	<u>382,053</u>	<u>3,142,885</u>
Net Position - Ending	<u><u>1,962,691</u></u>	<u><u>1,773,367</u></u>	<u><u>382,032</u></u>	<u><u>4,118,090</u></u>

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

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

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Irrigation Fund</u>	<u>Total</u>
Cash Flows From Operating Activities:				
Cash received from customers	56,300	232,881	19,477	308,658
Other cash received	6,585	300	-	6,885
Cash payments for goods and services	(129,636)	(60,602)	(8,641)	(198,879)
Cash payments to employees	(133,789)	(133,789)	-	(267,578)
Net Cash Provided (Used) by Operating Activities	<u>(200,540)</u>	<u>38,790</u>	<u>10,836</u>	<u>(150,914)</u>
Cash Flows From Non-capital Financing Activities:				
Transfers in (out)	27,300	20,040	-	47,340
Net Cash Provided (Used) by Non-capital Financing Activities	<u>27,300</u>	<u>20,040</u>	<u>-</u>	<u>47,340</u>
Cash Flows From Capital and Related Financing Activities:				
Capital contributions - Tap Fees	135	6,000	-	6,135
Cash paid for capital assets	(251,206)	(267,072)	-	(518,278)
Capital grants	219,163	31,462	-	250,625
Proceeds from note payable	2,000,000	-	-	2,000,000
CWRPDA loan principal forgiveness	(2,000,000)	-	-	(2,000,000)
Principal payments on note payable	(6,436)	-	-	(6,436)
Interest paid	(1,387)	-	-	(1,387)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(39,731)</u>	<u>(229,610)</u>	<u>-</u>	<u>(269,341)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(212,971)	(170,780)	10,836	(372,915)
Cash and Cash Equivalents - Beginning	<u>269,566</u>	<u>121,784</u>	<u>116,036</u>	<u>507,386</u>
Cash and Cash Equivalents - Ending	<u><u>56,595</u></u>	<u><u>(48,996)</u></u>	<u><u>126,872</u></u>	<u><u>134,471</u></u>
Reconciliation of Income (Loss) from Operations to Net Cash Provided (Used) by Operating Activities:				
Income (loss) from operations	(46,654)	(26,078)	(21)	(72,753)
Adjustments to Reconcile:				
Depreciation	81,742	27,720	10,360	119,822
(Increase) decrease in accounts receivable	(247,078)	14,449	313	(232,316)
Increase (decrease) in accounts payable	(3,119)	6,545	184	3,610
Increase (decrease) in accrued expenses	14,569	16,154	-	30,723
Total Adjustments	<u>(153,886)</u>	<u>64,868</u>	<u>10,857</u>	<u>(78,161)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>(200,540)</u></u>	<u><u>38,790</u></u>	<u><u>10,836</u></u>	<u><u>(150,914)</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023

I. Summary of Significant Accounting Policies

The Town of De Beque, Colorado (the “Town”) was incorporated under the laws of the State of Colorado. An elected Mayor and Town Board are responsible for setting policy, appointing administrative personnel and adopting an annual budget in accordance with state statutes. The Town’s major operations include public safety, public works, 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 which 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 on the criteria above, the Town is not financially accountable for any other entity nor is the Town a component unit of any other government.

B. Government-wide 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, public works, municipal court, culture and recreation, and administration are classified as governmental activities. The Town’s water and sewer utilities and irrigation services are classified as business-type activities.

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, public works, utilities, etc.). The functions are also supported by general government revenues (property and sales taxes, specific ownership taxes, investment earnings, 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 (public safety, public works, etc.) or a business-type activity.

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.

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

C. 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 comprises 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 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 another fund.

The *Conservation Trust Fund* accounts for funds received from the state lottery program to fund recreational capital projects.

The *Capital Projects Fund* accounts for funds set aside for expenditure on major capital projects.

The Town reports the following proprietary funds:

The *Sewer Fund* accounts for the revenues and expenses associated with the collection and treatment of sewage within the Town's jurisdiction.

The *Water Fund* accounts for revenues and expenses associated with providing water services to the Town's residents.

The *Irrigation Fund* accounts for revenues and expenses associated with irrigation within the Town.

D. 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 De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. 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 (60 days) to be used to pay liabilities of the current period. Grant revenue is considered available if it is expected to be collected within one year and all eligibility requirements are met. 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 and 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 nonoperating revenues and expenses.

E. Financial Statement Accounts

1. Cash, Cash Equivalents, and Investments

Cash and cash equivalents are defined as deposits that can be withdrawn at any time without notice or penalty and investments with original maturities of three months or less.

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

For the statements of cash flows of the enterprise funds, the cash balances of substantially all funds are pooled for the purpose of increasing earnings through investment activities. The pool's investments are reported at fair value at December 31, 2023, based on market prices. Each individual fund's portion of the pool's fair value is presented as cash and cash equivalents or short-term investments. Earnings on the pooled funds are apportioned and paid or credited to the funds monthly based on the average monthly balance of each participating fund.

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

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

The Town follows Colorado statutes specifying specific investment instruments meeting defined rating criteria in which local governments may invest, which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Banker's acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market mutual funds
- Guaranteed investment contract
- Local government investment pools

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts. No allowance is recorded at December 31, 2023, as all accounts are considered to be collectible.

3. Property Taxes

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

4. Capital Assets

Capital assets are reported in the applicable governmental activity columns in the government-wide financial statements. The Town defines capital assets as assets with an initial cost of \$5,000 and an estimated useful life in excess of two years. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are capitalized based on their acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

4. Capital Assets (continued)

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting are examples of infrastructure assets. Infrastructure assets are distinguished from other capitalized assets as their useful life often extends beyond most other capital assets and because they are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities.

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

<u>Assets</u>	<u>Years</u>
Infrastructure	20-40
Equipment	5-10
Water and sewer systems	10-40
Treatment and filtration plants	40-50
Buildings	20-40

5. Compensated Absences

The liability for compensated absences reported in the governmental and proprietary fund statements consist of unpaid, accumulated paid time off. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

6. Long-term Debt

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

7. Interfund Transactions

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. At year end, outstanding balances between funds are reported as "due to/from other funds." Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

8. Pensions

For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Town's defined benefit pension plan and additions to/deductions from the fiduciary net position of the Town's defined benefit pension plan have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Town has one item qualifying for this category. The collective deferred outflows related to the Town's net pension obligation. Pension contributions made after the measurement date, and the net difference between projected and actual earnings will be recognized as a change of the net pension liability or asset in future periods. Also, collective deferred outflows related to the Town's net pension obligation are reported on the Statement of Net Position and are amortized over the average service lives of participants.

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 two types of items that qualify for reporting in this category. Unavailable revenue from property taxes, reported in the governmental balance sheet are deferred and recognized as an inflow from resources in the period that the amounts become available. Collective deferred inflows related to the Town's net pension obligation are reported on the Statement of Net Position and are amortized over the average service lives of participants.

10. Comparative Information

The financial statements include certain prior year comparative information. Accordingly, such information should be read in conjunction with the Town's financial statements for the fiscal year ended December 31, 2022, from which these totals were derived. Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

I. Summary of Significant Accounting Policies (continued)

F. Significant Accounting Policies

1. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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. Categories and Classification of Fund Balances

Government accounting standards establishes 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 the funds, but also provide clarity to the level of restriction place 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 with the General Fund. The General Fund should be the only fund balance that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications, refer to Note III.F.

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.

The Town followed the required timetable noted below in preparing, approving, and enacting its budget for 2023.

1. Budgets are required by state law for all governmental and proprietary funds.
2. During September the proposed budget is submitted to Town Council for the fiscal year commencing the following January 1.
3. Prior to December 31, the budget is adopted and appropriations are authorized by ordinance at the fund level for all funds.

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

II. Stewardship, Compliance, and Accountability (continued)

A. Budgetary Information (continued)

4. Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and in total by each fund. The total fund level constitutes the legal level of control. Expenditures may not exceed appropriations at this level. Budget revisions at this level are subject to approval by ordinance from Town Council. Within the funds level control basis, management may transfer appropriations without Town Council approval. Revisions to the budget were made throughout the year.
5. Budget amounts included in the budgetary comparison schedules are based on the final legally amended budget.
6. Appropriations lapse at the end of each year, and Town Council may adopt supplemental appropriations during the year. The Town Council may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available to the Town or the revenue estimates must be changed by Town Council when adopting supplemental appropriations.

Expenditures in the Town's Water Fund exceeded appropriations, which may be a violation of state statute.

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.

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. The reserve is calculated at 3% of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. The Town has reserved \$75,000, which is the approximate required reserve at December 31, 2023.

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.

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Detailed Notes on All Funds

A. Deposits and Investments

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

Interest Rate Risk. The Town limits its investments to savings accounts and investment pools (explained below) where each share is equal to one dollar and the Town avoids interest rate risk.

Credit Risk. Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest including obligations of the United States and certain U.S. government agency securities; certain international agency securities; general obligation and revenue bonds of U.S. local government entities; bankers’ acceptance of certain banks; commercial paper; local government investment pools; written repurchase agreements collateralized by certain authorized securities; certain money market funds; and guaranteed investment contracts. The Town’s general investment policy is to apply the prudent-person rule; prudence and protection of Town funds are the primary criteria. All investments and bid requests for investments are predicated on liquidity, yield, safety and interest of the local economy. As of December 31, 2023, the Town’s investment in Colotrust Plus and CSafe were rated AAAM by Standard and Poor’s.

Concentration of Credit Risk. The Town invests most funds in 2a7-like pools and thus avoids a concentration of credit risk.

Deposits and investments are presented on the Statement of Net Position as follows:

Type	Rating	Carrying Amount	Maturities	
			Less Than One Year	One to Five Years
<i>Deposits:</i>				
Petty cash	n/a	509	-	-
Checking and savings	n/a	783,239	-	-
<i>Investments:</i>				
CSafe	AAAm	1,134,422	-	-
Colotrust	AAAm	2,767,340	-	-
		<u>4,685,510</u>	<u>-</u>	<u>-</u>

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Fair Value of Investments The Town measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

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

Pools The Town's holdings in investment pools are comprised of balances with COLOTRUST, CSIP and C-SAFE, 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. 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. Investment balances in the pools are not subject to limitations or restrictions on withdrawals.

Unrealized gains / losses were \$0, which reflects the change in fair market value of investments. At December 31, 2023, the Town had the following recurring measurements:

Investments Measured at Net Asset Value	Total
Colotrust	2,767,340
Investments Measured at Amortized Cost	Total
CSafe	1,134,422

B. Receivables

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

Governmental Activities:	General	Total		
Receivables:				
Property tax	92,517	92,517		
Other	8,889	8,889		
Other governments	233,397	233,397		
Net receivables	334,803	334,803		
Business-type Activities:	Water	Sewer	Irrigation	Total
Receivables:				
User fee	52,900	21,813	1,623	76,336
Other governments	219,163	745,138	-	964,301
Net receivables	272,063	766,951	1,623	1,040,637

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Detailed Notes on All Funds (continued)

B. Receivables (continued)

Governmental funds report *deferred inflow of resources* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The \$92,517 of deferred inflow of resources is property taxes levied in 2023 but not available until 2024.

C. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	140,951	-	-	140,951
Total Capital Assets, Not Being Depreciated	140,951	-	-	140,951
Capital Assets, Being Depreciated:				
Buildings and improvements	1,075,030	-	-	1,075,030
General government equipment	9,000	-	-	9,000
Public safety equipment	295,080	8,230	(103,239)	200,071
Public works equipment	244,882	125,823	(99,568)	271,137
Parks, recreation and other	103,052	16,475	-	119,527
Infrastructure	2,536,223	-	-	2,536,223
Total Capital Assets, Being Depreciated	4,263,267	150,528	(202,807)	4,210,988
Less Accumulated Depreciation For:				
Buildings and improvements	(857,103)	(31,114)	-	(888,217)
General government equipment	(5,400)	(1,800)	-	(7,200)
Public safety equipment	(137,204)	(23,301)	94,065	(66,440)
Public works equipment	(190,563)	(22,264)	81,348	(131,479)
Culture, recreation and other	(82,952)	(5,708)	-	(88,660)
Infrastructure	(1,819,714)	(63,530)	-	(1,883,244)
Total Accumulated Depreciation	(3,092,936)	(147,717)	175,413	(3,065,240)
Total Capital Assets, Being Depreciated, Net	1,170,331	2,811	(27,394)	1,145,748
Governmental Activities Capital Assets, Net	1,311,282	2,811	(27,394)	1,286,699

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Detailed Notes on All Funds (continued)

C. Capital Assets (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital Assets, Not Being Depreciated:				
Construction in progress	84,160	946,202	-	1,030,362
Total Capital Assets, Not Being Depreciated	84,160	946,202	-	1,030,362
Capital Assets, Being Depreciated:				
Water plant and storage reservoirs	4,165,244	-	-	4,165,244
Water rights, meters and equipment	189,830	47,570	-	237,400
Sewer treatment and generation facilities	568,588	-	-	568,588
Collection and distribution system	990,840	-	-	990,840
Total Capital Assets, Being Depreciated	5,914,502	47,570	-	5,962,072
Less Accumulated Depreciation for:				
Water plant and storage reservoirs	(2,443,913)	(80,526)	-	(2,524,439)
Water rights, meters and equipment	(112,113)	(11,576)	-	(123,689)
Sewer treatment and generation facilities	(477,734)	(8,840)	-	(486,574)
Collection and distribution system	(294,429)	(18,880)	-	(313,309)
Total Accumulated Depreciation	(3,328,189)	(119,822)	-	(3,448,011)
Total Capital Assets, Being Depreciated, Net	2,586,313	(72,252)	-	2,514,061
Business-type Activities Capital Assets, Net	2,670,473	873,950	-	3,544,423

Depreciation expense was charged to functions of the primary government as follows:

Governmental Activities:	
General government	96,444
Public safety	23,301
Public works, including depreciation of general infrastructure assets	22,264
Parks and recreation	5,708
Total Depreciation Expense - Governmental Activities	147,717
Business-type Activities:	
Water	81,742
Sewer	27,720
Irrigation	10,360
Total Depreciation Expense - Business-type Activities	119,822

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Detailed Notes on All Funds (continued)

D. Long-term Liabilities

The Town has the following long-term debt outstanding as of December 31, 2023:

1. Note payable to the Colorado Department of Local Affairs (DOLA)

January 2007, original balance of \$100,000; due September 2026 21,306

2. 2023 Water Revenue Loan

In 2023, the Town entered into a loan agreement with the Colorado Water Resources and Power Development Authority (“CWRPDA”) in the principal amount of \$2,500,000 to fund a domestic water treatment plant. The agreement included principal forgiveness of \$2,000,000 that was applied at closing on December 11, 2023. As part of the agreement the remaining principal can be drawn by the Town as needed and repaid in accordance with the terms of the agreement. Payments of interest and principal are due semiannually with an interest rate of 1% per annum. The loan is to be paid from fees collected in the Water Fund for the domestic water treatment plant. As of December 31, 2023, the Town had drawn \$0 on the CWRPDA loan.

3. Annual Debt Servies Requirements – Business-Type Activities

Principal and interest payment requirements on the Town’s notes payable from business-type activities are as follows:

	Business-Type Activities		
	Principal	Interest	Total
2024	8,645	1,482	10,127
2025	30,352	5,650	36,002
2026	30,941	5,063	36,004
2027	23,725	4,455	28,180
2028	23,963	4,217	28,180
2029 - 2033	123,465	17,431	140,896
2034 - 2038	129,779	11,117	140,896
2039 - 2043	136,416	4,480	140,896
2044	14,020	70	14,090
	<u>521,306</u>	<u>53,965</u>	<u>575,271</u>

4. Changes in Long-Term Debt

Long-term liability activity for the year ended December 31, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type Activities:					
Department of Local Affairs	27,742	-	(6,436)	21,306	8,645
2023 Water Revenue Loan	-	2,000,000	(2,000,000)	-	-
Total Business-type Activities	<u>27,742</u>	<u>2,000,000</u>	<u>(2,006,436)</u>	<u>21,306</u>	<u>8,645</u>

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Detailed Notes on All Funds (continued)

E. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

1. Fire and Police Pension Association of Colorado ("FPPA") Statewide Defined Benefit Plan

Plan Description. The Statewide Defined Benefit Plan (the "Plan") is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (New Hires), provided they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The plan became effective January 1, 1980.

The plan assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Director Investment Fund (for Deferred Retirement Option Plan ("DROP") assets and Separate Retirement Account assets from eligible retired members).

Contributions. Contributions rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the Plan beginning in 2015. Member contribution rates increased 0.5% annually through 2022 to a total of 12% of pensionable earnings. Employer contributions increase 0.5% annually beginning in 2021 through 2030 to a total of 13% of pensionable earnings. In 2022, members of the Plan and their employers are contributing at the rate of 12.0% and 9.0%, respectively, of base salary for a total contribution rate of 21.0%.

Contributions from members and employers of plans reentering the system are established by resolution and approved by the FPPA Board of Directors. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reflect the actual cost of reentry by department. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

The contribution rate for members and employers of affiliated social security employers is 6.00% and 4.25%, respectively, of pensionable earnings for a total contribution rate of 10.5% in 2021. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25% annually beginning in 2015 through 2022 to a total of 6.00% of pensionable earnings. Employer contributions will increase 0.25% annually beginning in 2021 through 2030 to a total of 6.5% of pensionable earnings.

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Detailed Notes on All Funds (continued)

E. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Benefits. A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2% of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5% for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3% or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5% as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2% of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5% for each year of service thereafter.

Net Pension Liability At December 31, 2023, the Town reported \$14,869 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. The Town proportion of the net pension liability was based on Town contributions to the Plan for the calendar year 2022 relative to the total contributions of participating employers to the Plan

At December 31, 2023, the Town's proportion was 0.016752%, as compared to 0.020429% at December 31, 2022.

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Detailed Notes on All Funds (continued)

E. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Net Pension Liability (continued)

For the year ended December 31, 2023, the Town recognized pension income of \$11,776. At December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 32,187	\$ 1,825
Net difference between projected and actual earnings on pension plan investments	33,649	-
Changes in actuarial assumptions	19,049	-
Changes in proportionate share of contributions	52,205	33,520
Difference between actual and reported contributions recognized	19,067	-
Contributions subsequent to the measurement date	16,411	-
	\$ 172,568	\$ 35,345

Contributions subsequent to the measurement date of December 31, 2022, which are reported as deferred outflows of resources related to pensions, will be recognized as a reduction of the net pension liability in the year ended December 31, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:			
	2024	\$	12,408
	2025		18,838
	2026		24,539
	2027		32,666
	2028		10,383
	Thereafter		21,978
		\$	120,812

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Detailed Notes on All Funds (continued)

E. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Actuarial Assumptions The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs:

	<u>Total Pension Liability</u>	<u>Actuarially Determined Contributions</u>
Actuarial Valuation Date	January 1, 2023	January 1, 2022
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term investment rate *	7.0%	7.0%
Projected Salary Increases	4.25% to 11.25%	4.25% to 11.25%
Cost of Living Adjustments	0%	0%
* includes inflation at	2.5%	2.5%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rate from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5%).

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Detailed Notes on All Funds (continued)

E. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Actuarial Assumptions (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Global Equity	35%	8.93%
Equity Long/Short	6%	7.47%
Private Markets	34%	10.31%
Fixed Income	10%	5.45%
Absolute Return	5%	6.90%
Managed Futures	9%	6.49%
Cash	1%	3.92%
	100%	

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 4.05% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00%.

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Detailed Notes on All Funds (continued)

E. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Sensitivity of the Town's proportionate share of the net pension liability/(asset) to changes in the discount rate The following presents the proportionate share of the net pension liability calculated using the discount rate of 7%, as well as what the proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6%) or 1-percentage-point higher (8%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1 % Increase (8.0%)
Collective net pension liability (asset)	\$ 611,906,660	\$ 88,760,968	\$ (344,572,997)
Proportionate share of net pension liability (asset)	\$ 125,007	\$ 14,869	\$ (70,393)

Pension plan fiduciary net position. Detailed information about the Plan's fiduciary net position is available in FPPA's annual comprehensive financial report which can be obtained at http://www.fppaco.org/annual_reports.htm.

Subsequent events.

- *Statewide Retirement Plan* During 2022, House Bill 22-1034 was signed into law. This legislation combines the assets and liabilities of the Statewide Defined Benefit Plan and Statewide Hybrid Plan to form the Statewide Retirement Plan effective January 1, 2023. The Statewide Retirement Plan became the Define Benefit Component of the Statewide Retirement Plan.

2. FPPA Statewide Death and Disability Plan

Plan Description Police officers of the Town contribute to the Statewide Death and Disability Plan ("SWDD"). The SWDD is a cost-sharing multiple-employer defined benefit death and disability plan administered by FPPA. Contributions to the SWDD are used sole for the payment of death and disability benefits. The Town is covered by Social Security and has elected supplementary coverage by the SWDD. The SWDD was established in 1980 pursuant to Colorado Revised Statutes.

SWDD benefits provide 24-hour coverage, both on- and off-duty are available for members not eligible for normal retirement under a defined benefit plan, or members who have not met 25 years of accumulated service and age 55 under a money purchase plan.

Benefits In the case of and on-duty death, benefits may be payable to the surviving spouse or dependent children of active members who were eligible to retire, but were still working. Death and disability benefits are free from state and federal taxes in the event that a member's disability is determined to be the result of an on-duty injury or an occupational disease.

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Detailed Notes on All Funds (continued)

E. Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. FPPA Statewide Death and Disability Plan

Contributions Prior to 1997, the SWDD was primarily funded by the State of Colorado, whose contributions were established by the State of Colorado (the "State"). In 1997, the State made a one-time contribution of \$39,000,000 to fund past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further State contributions are anticipated.

The SWDD is funded by member contributions. Members hired on or after January 1, 1997, began contributing 2.4% of base salary to the SWDD. Through December 31, 2020, contributions could be increased 0.1% biennially by the FPPA Board. The contribution rate increased to 2.8% of base salary as of January 1, 2019. Effective January 1, 2021, the contribution rate increased to 3% of base salary and may be increased 0.2% annually by the FPPA Board. This percentage can vary depending on actuarial experience. All contributions are made by members or on behalf of members. The Town made no employer contributions to the SWDD at December 31, 2023.

FPPA issues a publicly available annual comprehensive financial report which includes additional information on the Statewide Death and Disability Plan. That report can be obtained at <https://www.fppaco.org/annual-reports.html>.

F. Fund Balances and Net Position

The Town has classified governmental fund balances as follows:

Non-spendable – includes fund balance amounts inherently non-spendable since they represent inventories, prepaid items, etc.

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 Town Board of Trustees. Fiscal year spending excludes bonded debt service and enterprise spending.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Town Board of Trustees or its management designees. The Capital Projects Fund's entire balance was assigned for future capital projects and equipment acquisition.

Unassigned – includes residual positive fund balance within the 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.

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

III. Detailed Notes on All Funds (continued)

F. Fund Balances and Net Position

The Town uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents or contracts that prohibit this, such as grant agreements that require dollar for dollar spending. Additionally, the Town would first use committed, then assigned, and lastly unassigned amounts when expenditures are made.

The Town does not have a formal minimum fund balance policy. However, the Town's budget includes a calculation of all targeted reserve positions and management calculates targets and reports them annually to the Town Board of Trustees.

In the government wide financial statements, net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net positions are reported as unrestricted.

IV. Other Information

A. Commitments and Contingencies

The Town has various grants received from grantor agencies with specific requirements that the Town must meet. Amounts received from grantor agencies are subject to audit by the grantor agencies. Any disallowed claims, including amounts already received, may constitute a liability of the applicable funds. Management does not expect the amount, if any, to be material to the financial statements taken as a whole.

Under the terms of state grants, costs may be questioned as not being appropriate expenses that could lead to reimbursement to the grantor agencies. Town management is not aware of any such expenses that would not be allowed. The Town is involved in various legal matters that are on-going at the time of the audit. The legal matters do not include damages and management does not anticipate any material financial impact.

B. Risk Management

The Town is exposed to various risks of loss related to workers compensation, general liability, unemployment, torts, theft of, damage to, and destruction of assets, and errors and omissions. The Town is participant in the Colorado Intergovernmental Risk Sharing Agency ("CIRSA"). CIRSA operates as a common risk management and insurance program. As of December 31, 2023 there were more than 200 member municipalities including the Town, each having one vote. The Town pays an annual premium to CIRSA for its general insurance coverage and worker's compensation insurance coverage. The agreement for formation of CIRSA provides that CIRSA will be financed by member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event. Due to CIRSA being a risk sharing pool, an unanticipated loss by one or more of the members of the pool could result in an unanticipated assessment against the Town and the loss of coverage.

The Town carries commercial insurance for employee health and accident insurance.

Town of De Beque, Colorado
Notes to the Financial Statements
December 31, 2023
(Continued)

IV. Other Information (continued)

C. Related Party Transactions

The Mayor of the Town of De Beque owns the De Beque Country Store. During the year ended 2023, the Town made various purchases at the store totaling \$20,204. These purchases were made in accordance with the Town's purchasing policies.

REQUIRED SUPPLEMENTARY INFORMATION

Town of De Beque, Colorado
Schedule of Revenues and Expenditures
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for December 31, 2022)

	<u>2023</u>		Final Budget Variance Positive (Negative)	<u>2022</u>
	Original and Final Budget	Actual		Actual
Revenues:				
Taxes	2,110,955	2,028,868	(82,087)	2,070,577
Intergovernmental	4,250	11,058	6,808	167
Charges for services	233,962	185,214	(48,748)	156,309
Coronavirus State and Local Fiscal Recovery Funds	-	-	-	40,723
Planning reimbursement	30,000	1,511	(28,489)	-
Sale of assets	24,000	30,000	6,000	-
Other revenues	4,175	27,272	23,097	24,453
Earnings on investments	20,000	211,160	191,160	66,488
Total Revenues	<u>2,427,342</u>	<u>2,495,083</u>	<u>67,741</u>	<u>2,358,717</u>
Expenditures:				
General government	869,546	797,020	72,526	727,984
Municipal court	29,550	29,144	406	19,465
Public safety	931,140	809,021	122,119	691,366
Public works	252,988	183,823	69,165	193,726
Culture and recreation	116,539	74,787	41,752	60,634
Cemetery	2,100	625	1,475	1,052
Community center	1,300	1,391	(91)	-
Sanitation	70,000	48,976	21,024	64,902
Capital outlay	535,759	167,865	367,894	3,808
Total Expenditures	<u>2,808,922</u>	<u>2,112,652</u>	<u>696,270</u>	<u>1,762,937</u>
Net change in Fund Balance	(381,580)	382,431	764,011	595,780
Other Financing Sources (Uses):				
Transfers in (out)	(48,880)	(47,340)	1,540	(120,571)
Total Other Financing Sources (Uses):	<u>(48,880)</u>	<u>(47,340)</u>	<u>1,540</u>	<u>(120,571)</u>
Net change in Fund Balance	(430,460)	335,091	765,551	475,209
Fund Balance - Beginning	<u>3,998,835</u>	<u>3,976,956</u>	<u>(21,879)</u>	<u>3,501,747</u>
Fund Balance - Ending	<u><u>3,568,375</u></u>	<u><u>4,312,047</u></u>	<u><u>743,672</u></u>	<u><u>3,976,956</u></u>

Town of De Beque, Colorado
Schedule of Revenues and Expenditures
Budget (GAAP Basis) and Actual
Special Revenue Fund - Conservation Trust Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for December 31, 2022)

	<u>2023</u>		Final Budget Variance Positive (Negative)	<u>2022</u>
	Original and Final Budget	Actual		Actual
Revenues:				
Intergovernmental - State lottery	6,100	6,876	776	6,318
Earnings on investments	-	3,890	3,890	1,284
Total Revenues	<u>6,100</u>	<u>10,766</u>	<u>4,666</u>	<u>7,602</u>
Expenditures:				
Culture and recreation	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	6,100	10,766	4,666	7,602
Fund Balance - Beginning	<u>70,356</u>	<u>77,765</u>	<u>7,409</u>	<u>70,163</u>
Fund Balance - Ending	<u><u>76,456</u></u>	<u><u>88,531</u></u>	<u><u>12,075</u></u>	<u><u>77,765</u></u>

Town of De Beque, Colorado
Schedule of the Town's Proportionate Share of Net Pension Liability (Asset)
Fire and Police Pension Association of Colorado - Statewide Defined Benefit Plan
Last 10 Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's portion of the net pension liability (asset)	0.016752%	0.020429%	0.016386%	0.015133%	0.018312%
Town's proportionate share of the net pension liability (asset)	14,869	(110,712)	(35,574)	(8,558)	23,151
Town's covered payroll	218,617	243,113	191,436	169,962	196,260
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	7%	-46%	-19%	-5%	12%
Plan fiduciary net position as a percentage of the total pension asset	97.60%	116.20%	106.70%	101.90%	95.20%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Town's portion of the net pension liability (asset)	0.019616%	0.021237%	0.013091%	0.016429%	1.450600%
Town's proportionate share of the net pension liability (asset)	(28,219)	7,675	(231)	(18,542)	(12,971)
Town's covered payroll	193,242	193,222	119,459	147,775	126,000
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-15%	4%	0%	-13%	10%
Plan fiduciary net position as a percentage of the total pension asset	106.34%	98.21%	100.10%	106.80%	105.80%

See accompanying notes to RSI.

Town of De Beque, Colorado
Schedule of Town Contributions
Fire and Police Pension Association of Colorado - Statewide Defined Benefit Plan
Last 10 Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	13,117	13,979	10,529	8,923	9,813
Contributions in relation to the contractually required contribution	<u>(13,117)</u>	<u>(13,979)</u>	<u>(10,529)</u>	<u>(8,923)</u>	<u>(9,813)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	218,617	243,113	191,436	169,962	196,260
Contributions as a percentage of covered payroll	6.00%	5.75%	5.50%	5.25%	5.00%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2013</u>
Contractually required contribution	9,179	8,695	5,077	5,911	5,040
Contributions in relation to the contractually required contribution	<u>(9,179)</u>	<u>(8,695)</u>	<u>(5,077)</u>	<u>(5,911)</u>	<u>(5,040)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	193,242	193,222	119,459	147,775	126,000
Contributions as a percentage of covered payroll	4.75%	4.50%	4.25%	4.00%	4.00%

See accompanying notes to RSI.

Town of De Beque
Notes to the Required Supplementary Information
December 31, 2023

I. Schedule of Town's Proportionate Share of the Net Pension Liability (Asset)

A. Changes to assumptions or other inputs

1. Changes Since the January 1, 2022 Actuarial Valuation are as Follows:

- For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.
- For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rate from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

2. Changes Since the January 1, 2021 Actuarial Valuation are as Follows:

- No changes.

3. Changes Since the January 1, 2020 Actuarial Valuation are as Follows:

- No changes

4. Changes Since the January 1, 2019 Actuarial Valuation are as Follows:

- No changes.

5. Changes Since the January 1, 2018 Actuarial Valuation are as Follows:

- For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rate from the RP-2014 annuitant mortality tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.
- For determining the actuarial determined contributions, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

6. Changes Since the January 1, 2017 Actuarial Valuation are as Follows:

- No changes

7. Changes Since the January 1, 2016 Actuarial Valuation are as Follows:

- No changes

Town of De Beque
Notes to the Required Supplementary Information
December 31, 2023
(Continued)

I. Schedule of Town's Proportionate Share of the Net Pension Liability (Asset) (continued)

A. Changes to assumptions or other inputs (continued)

8. Changes Since the January 1, 2015 Actuarial Valuation are as Follows:

- Effective January 1, 2016, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The occupationally disabled post-retirement mortality assumption uses the same table as used for healthy annuitants, except that is a three-year set-forward, meaning a disabled member age 70 will be valued as if they were a 73-year-old healthy retiree. The totally disabled post-retirement mortality assumption uses the RP-2014 generational mortality tables for disabled annuitants, except an additional provision to apply a minimum 3% mortality probability to males and 2% mortality probability for females is included to reflect substantial impairment for this population. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

9. Changes Since the January 1, 2014 Actuarial Valuation are as Follows:

- For determining the total pension liability, the RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants, projected with Scale BB are used.

B. Changes of benefit terms

No changes during the years presented above.

C. Changes of size or composition of population covered by benefit terms

No changes during the years presented above.

II. Schedule of Town Contributions

A. Changes to assumptions or other inputs

No changes during the years presented above.

B. Changes of benefit terms.

No changes during the years presented above.

C. Changes of size or composition of population covered by benefit terms.

No changes during the years presented above.

SUPPLEMENTARY INFORMATION

Town of De Beque, Colorado
Schedule of Revenues and Expenditures
Budget (GAAP Basis) and Actual
Special Revenue Fund - Capital Projects Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for December 31, 2022)

	<u>2023</u>		<u>Final Budget Variance Positive (Negative)</u>	<u>2022</u>
	<u>Original and Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Earnings on investments	-	-	-	-
Total Revenues	-	-	-	-
Expenditures:				
Public works	120,050	-	120,050	-
Total Expenditures	120,050	-	120,050	-
Net change in Fund Balance	(120,050)	-	120,050	-
Fund Balance - Beginning	120,050	120,051	1	120,051
Fund Balance - Ending	-	120,051	120,051	120,051

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

	2023		Final Budget Variance Positive (Negative)	2022
	Original and Final Budget	Actual		Actual
Operating Revenues:				
User charges	278,300	303,379	25,079	232,483
Miscellaneous	5,000	6,585	1,585	4,213
Total Operating Revenues	283,300	309,964	26,664	236,696
Operating Expenses:				
Water operating expenses	581,983	274,876	307,107	242,053
Total Operating Expenses	581,983	274,876	307,107	242,053
Non-operating Revenues (Expenses):				
Intergovernmental awards	275,000	219,163	(55,837)	-
CWRPDA loan principal forgiveness	-	2,000,000	2,000,000	-
Capital outlay	(5,000)	(251,206)	(246,206)	(23,213)
Interest on debt	(1,387)	(1,387)	-	(1,694)
Principal on debt	(6,437)	(2,006,436)	(1,999,999)	(6,130)
Total Non-operating Revenues (Expenses)	262,176	(39,866)	(302,042)	(31,037)
Income (Loss) Before Capital Contributions and Transfers	(36,507)	(4,778)	31,729	(36,394)
Capital Contributions and Transfers				
Capital Contributions - Tap Fees	5,100	135	(4,965)	20,785
Transfers in (out)	28,840	27,300	(1,540)	25,660
Total Capital Contributions and Transfers	33,940	27,435	(6,505)	46,445
Change in Net Position - Budget Basis	(2,567)	22,657	25,224	10,051
Reconciliation to GAAP Basis:				
Capital outlay		251,206		23,213
Change in accrued interest		107		103
Principal on debt		2,006,436		6,130
CWRPDA loan principal forgiveness		(2,000,000)		-
Depreciation		(81,742)		(80,188)
Total GAAP Basis Adjustments		176,007		(50,742)
Change in net position - GAAP basis		198,664		(40,691)

Town of De Beque, Colorado
Schedule of Revenues and Expenditures
Budget (GAAP Basis) and Actual
With Reconciliation to GAAP Basis
Proprietary Funds - Sewer Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for December 31, 2022)

	2023		Final Budget Variance Positive (Negative)	2022
	Original and Final Budget	Actual		Actual
Operating Revenues:				
Charges for services	194,400	218,432	24,032	148,480
Miscellaneous	-	300	300	-
Total Operating Revenues	194,400	218,732	24,332	148,480
Operating Expenses:				
Operating expenses	414,307	217,090	197,217	221,580
Total Operating Expenses	414,307	217,090	197,217	221,580
Non-operating Revenues (Expenses):				
Intergovernmental awards	742,537	776,600	34,063	22,273
Capital outlay	(650,536)	(742,566)	(92,030)	(72,641)
Total Non-operating Revenues (Expenses)	92,001	34,034	(57,967)	(50,368)
Income (Loss) Before Capital Contributions and Transfers	(127,906)	35,676	163,582	(123,468)
Capital Contributions and Transfers				
Capital Contributions - Tap Fees	6,000	6,000	-	-
Transfers in (out)	20,040	20,040	-	94,911
Total Capital Contributions and Transfers	26,040	26,040	-	94,911
Net Income (Loss) - Non-GAAP Basis	(101,866)	61,716	163,582	(28,557)
Reconciliation to GAAP Basis:				
Capital outlay		742,566		72,641
Depreciation		(27,720)		(28,355)
Total GAAP Basis Adjustments		714,846		44,286
Change in net position - GAAP basis		776,562		15,729

Town of De Beque, Colorado
Schedule of Revenues and Expenditures
Budget (GAAP Basis) and Actual
With Reconciliation to GAAP Basis
Proprietary Funds - Irrigation Fund
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for December 31, 2022)

	<u>2023</u>		<u>Final Budget Variance Positive (Negative)</u>	<u>2022</u>
	<u>Original and Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Operating Revenues:				
Charges for services	19,500	19,164	(336)	19,231
Miscellaneous	-	-	-	1,564
Total Operating Revenues	<u>19,500</u>	<u>19,164</u>	<u>(336)</u>	<u>20,795</u>
Operating Expenses:				
Operating expenses	10,600	8,825	1,775	8,130
Total Operating Expenses	<u>10,600</u>	<u>8,825</u>	<u>1,775</u>	<u>8,130</u>
Net Income (Loss) - Non-GAAP Basis Before Capital Contributions and Transfers	<u>8,900</u>	<u>10,339</u>	<u>1,439</u>	<u>12,665</u>
Capital Contributions and Transfers				
Capital Contributions - Tap Fees	450	-	(450)	-
Total Capital Contributions and Transfers	<u>450</u>	<u>-</u>	<u>(450)</u>	<u>-</u>
Net Income (Loss) - Non-GAAP Basis	<u>9,350</u>	<u>10,339</u>	<u>989</u>	<u>12,665</u>
Reconciliation to GAAP Basis:				
Depreciation		(10,360)		(10,360)
Total GAAP Basis Adjustments		<u>(10,360)</u>		<u>(10,360)</u>
Change in net position - GAAP basis		<u>(21)</u>		<u>2,305</u>

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

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO
	YEAR ENDING (mm/yy): 12/2023

This Information From The Records Of: Town of De Beque	Prepared By: Katherine Boozell
--	--

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ -
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 31,097.74
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	\$ 58,504.90	b. Snow and ice removal	
3. Other local imposts (from page 2)	\$ 11,833.31	c. Other	
4. Miscellaneous local receipts (from page 2)	\$ -	d. Total (a. through c.)	\$ -
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 63,484.51
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 94,582.25
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 70,338.21	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 24,244.04	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 94,582.25	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 94,582.25

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ -	\$ 94,582.25	\$ 94,582.25		\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
 YEAR ENDING (mm/yy):
12/2023

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assesments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	\$ 11,833.31	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 11,833.31	h. Other	
c. Total (a. + b.)	\$ 11,833.31	i. Total (a. through h.)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 22,088.76	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	\$ 2,155.28	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ 2,155.28	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 24,244.04	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

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

Notes and Comments: