

Town of Fleming, Colorado

Financial Statements

For the Year Ended December 31, 2023

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Independent Auditors' Report

To the Honorable Mayor and Members of Town Council
Town of Fleming
Fleming, Colorado

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 the audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods

of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
June 3, 2024

MANAGEMENT DISCUSSION AND ANALYSIS

This section of the Town of Fleming, Colorado's annual financial report presents the discussion and analysis of the financial performance for the fiscal year that ended December 31, 2023.

FINANCIAL HIGHLIGHTS

- The Town of Fleming remains in good financial condition.
- The assets of the Town of Fleming exceeded its liabilities and deferred inflows of resources at the close of 2023 by \$3,467,203 (net position). Of this amount \$884,875 or 26% is unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.
- During the year, the Town's revenue from taxes and other revenues for governmental activities were more than the expenses by \$55,207.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town of Fleming's basic financial statements. The Town of Fleming's basic financial statements are comprised of three components:

- Government-wide financial statements
- Fund financial statements.
- Notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies.

The **statement of net position** presents information on all of the Town of Fleming's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Fleming is improving or deteriorating.

The **statement of activities** presents information showing how the Town of Fleming'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 reported in this statement for some items will result in cash flows in future fiscal periods (e.g., uncollected taxes.)

The government-wide financial statements of the Town are divided into two categories:

- **Governmental activities.** Most of the Town's basic services are included here, such as the public works, parks, recreation, and general administration. Property tax, franchise tax, intergovernmental revenue and charges for services finance most of these activities.
- **Business-type activities.** The Town charges fees to customers to recover most of the costs of certain services provided. The Town's electric, water, and sewer systems are included here.

The government-wide financial statements can be found starting on page 12 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. Some funds are required to be established by State law; however, Town Council has established other funds to help control and manage money for particular purposes or to show that it is properly using certain revenue (the Conservation Trust Fund). All of the funds of the Town of Fleming can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end are available for spending. The funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statement provides a detailed, short-term view to cash, the governmental fund operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information at the bottom of the governmental funds statement is provided, or on the subsequent page, that explains the relationship (or differences) between them.

The basic governmental fund financial statements can be found starting on page 16 of this report.

Proprietary funds. When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

The basic proprietary fund financial statements can be found starting on page 20 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 starting on page 26 of this report.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Fleming, assets exceed liabilities and deferred outflows of resources by \$3,467,203 at the close of 2023.

Net Position

Combined net position of the Town of Fleming as of December 31, 2023 and 2022 is shown in Table 1 below.

**Table 1
NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 410,916	\$ 449,975	\$ 754,525	\$ 773,558	\$ 1,165,441	\$ 1,223,533
Capital assets	587,468	491,839	3,386,959	3,294,399	3,974,427	3,786,238
Total assets	<u>\$ 998,384</u>	<u>\$ 941,814</u>	<u>\$ 4,141,484</u>	<u>\$ 4,067,957</u>	<u>\$ 5,139,868</u>	<u>\$ 5,009,771</u>
Long-term debt outstanding	\$ 1,764	\$ 1,849	\$ 1,459,797	\$ 1,500,808	\$ 1,461,561	\$ 1,502,657
Other liabilities	7,930	5,121	143,504	48,503	151,434	53,624
Total liabilities	9,694	6,970	1,603,301	1,549,311	1,612,995	1,556,281
Deferred property tax revenues	59,670	61,031	-	-	59,670	61,031
Total deferred inflows of resources	59,670	61,031	-	-	59,670	61,031
Net position:						
Net investment in capital assets	587,468	491,839	1,932,454	1,799,138	2,519,922	2,290,977
Restricted	15,133	10,211	47,273	33,704	62,406	43,915
Unrestricted	326,419	371,763	558,456	685,804	884,875	1,057,567
Total net position	<u>929,020</u>	<u>873,813</u>	<u>2,538,183</u>	<u>2,518,646</u>	<u>3,467,203</u>	<u>3,392,459</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 998,384</u>	<u>\$ 941,814</u>	<u>\$ 4,141,484</u>	<u>\$ 4,067,957</u>	<u>\$ 5,139,868</u>	<u>\$ 5,009,771</u>

The largest portion of the Town of Fleming’s net position, 73%, reflects its investment in capital assets (land, buildings and equipment). The Town of Fleming uses these capital assets to provide services to citizens; consequently these assets are not available for future spending. In addition, a portion of the Town of Fleming’s net position, 1%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, 26%, may be used to meet the government’s ongoing obligations to citizens and creditors.

At the end of 2023, the Town of Fleming is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

Changes in net position

The Town’s total revenue of \$819,448 was more than program expenses of \$744,703 for an increase in net position of \$74,745.

Table 2
CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Program revenues						
Charges for services	\$ 9,510	\$ 10,466	\$ 582,528	\$ 588,820	\$ 592,038	\$ 599,286
Operating grants and contributions	38,384	32,896	-	-	38,384	32,896
Capital grants and contributions	-	101,545	-	-	-	101,545
General revenues						
Property taxes	63,198	58,474	-	-	63,198	58,474
Specific ownership taxes	6,295	6,268	-	-	6,295	6,268
Sales taxes	69,813	71,527	-	-	69,813	71,527
Franchise taxes	1,874	1,727	-	-	1,874	1,727
Other taxes	1,501	2,123	-	-	1,501	2,123
Unrestricted interest	4,976	1,989	6,129	2,140	11,105	4,129
Miscellaneous	35,240	15,171	-	-	35,240	15,171
Transfers	-	-	-	-	-	-
Total revenues	230,791	302,186	588,657	590,960	819,448	893,146
Program expenses						
General government	95,285	121,591	-	-	95,285	121,591
Public safety	1,122	1,619	-	-	1,122	1,619
Public works	37,666	19,005	-	-	37,666	19,005
Health and welfare	19,754	18,066	-	-	19,754	18,066
Culture and recreation	21,757	33,762	-	-	21,757	33,762
Electric services	-	-	288,317	277,977	288,317	277,977
Water services	-	-	130,184	115,221	130,184	115,221
Sewer services	-	-	150,618	140,077	150,618	140,077
Total expenses	175,584	194,043	569,119	533,275	744,703	727,318
Change in net position	55,207	108,143	19,538	57,685	74,745	165,828
Net position at beginning of year	873,813	765,670	2,518,645	2,460,961	3,392,458	3,226,631
Net position at end of year	\$ 929,020	\$ 873,813	\$ 2,538,183	\$ 2,518,646	\$ 3,467,203	\$ 3,392,459

Governmental Activities

Revenue for the Town's governmental activities totaled \$230,791 for 2023. Tax revenue produced 62% of these revenues. Tax revenue includes property taxes, specific ownership taxes, franchise taxes and other taxes.

Table 3
GOVERNMENTAL ACTIVITIES

	Total cost of services		Net cost of services	
	2023	2022	2023	2022
General government	\$ 95,285	\$ 121,591	\$ 90,897	\$ 113,970
Public safety	1,122	1,619	731	1,104
Public works	37,666	19,005	6,786	(6,430)
Health and welfare	19,754	18,066	15,568	(86,179)
Culture and recreation	21,757	33,762	13,708	26,671

Table 3, above, presents the cost and revenue of each of the Town’s five largest programs – general government, public safety, public works, health and welfare, and culture and recreation – as well as each program’s *net* cost (total cost less revenues generated by activities). The net cost shows the financial burden that was placed on the Town’s taxpayers by each of these functions.

Business-type Activities

Net position in the Town’s business-type activities increased by \$19,538 in 2023. Business-type activities include electric, water, and sewer services.

**Table 4
BUSINESS-TYPE ACTIVITIES**

	Total cost of services		Net cost of services	
	2023	2022	2023	2022
Electric services	\$ 288,317	\$ 277,977	\$ (64,291)	\$ (72,210)
Water services	130,184	115,221	31,878	7,505
Sewer services	150,618	140,077	19,004	9,160

Table 4, above, presents the cost and revenue of each of the Town’s business-type activities – electric, water and sewer – as well as the program *net* cost (total cost less revenues generated by activities). The net cost shows the financial burden that was placed on the Town’s taxpayers by each of these functions.

THE TOWN’S FUNDS

As the Town completed the year, its governmental funds (as presented on the balance sheet on page 16) reported a combined fund balance of \$343,316. The general fund and other governmental fund reported fund balances of \$330,783 and \$12,533, respectively.

General Fund Budgetary Highlights

The actual charges to appropriations (expenditures) were \$81,057 greater than the final budget amounts, due in large part to capital outlay costs incurred that were not budgeted.

Additionally, resources available for appropriation (revenues) were \$52,027 more than the final budgeted amounts, due in large part to the receipt of insurance proceeds that were not anticipated as well as sales and use taxes higher than anticipated.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The Town of Fleming’s investment in capital assets for its governmental and business-type activities as of December 31, 2023, amounts to \$3,974,427 (net of accumulated depreciation). This amount includes a broad range of capital assets, including public works equipment, electric, water, sewer, and other infrastructure.

The Town remains committed to the upkeep and maintenance of the Town’s largest assets. More detailed information about the Town’s capital assets is presented in Table 5.

Table 5
CAPITAL ASSETS ON DECEMBER 31, 2023

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land and improvements	\$ 331,330	\$ 217,521	\$ 64,689	\$ 64,777	\$ 396,019	\$ 282,298
Construction in progress	-	109,597	-	-	-	109,597
Buildings	110,528	52,928	-	-	110,528	52,928
Infrastructure	43,192	44,650	-	-	43,192	44,650
Equipment	102,418	67,143	43,465	53,249	145,883	120,392
Systems	-	-	3,278,805	3,176,373	3,278,805	3,176,373
Total	\$ 587,468	\$ 491,839	\$ 3,386,959	\$ 3,294,399	\$ 3,974,427	\$ 3,786,238

Long-term debt. The Town had \$1,461,561 in debt outstanding at year-end. More detailed information about the Town's long-term debt is presented in Table 6 and Note F to the financial statements.

Table
LONG-TERM DEBT ON DECEMBER 31, 2023

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Compensated absences	\$ 1,764	\$ 1,849	\$ 5,292	\$ 5,547	\$ 7,056	\$ 7,396
Notes payable	-	-	1,454,505	1,495,261	1,454,505	1,495,261
Total	\$ 1,764	\$ 1,849	\$ 1,495,797	\$ 1,500,808	\$ 1,461,561	\$ 1,502,657

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The town did not increase rates for any of its utilities during the year. The total appropriation for the town in 2024 will be \$1,189,432. The town will continue to provide water, sewer, and electric for the residents of Fleming. The Town of Fleming will continue to work on parks, roadways and recreational facilities to keep Fleming an enjoyable place to live.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the funds and assets it receives. If you have questions about this report, or should you need additional financial information, contact Town of Fleming, 114 N. Logan Avenue, PO Box 468, Fleming, Colorado 80728.

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Basic Financial Statements

The basic financial statements of the Town include the following:

Government-wide financial statements. The government-wide statements display information about the reporting government as a whole.

Fund financial statements. The fund financial statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds.

Notes to the financial statements. The notes communicate information essential for fair presentation of the financial statements that is not displayed on the face of the financial statements. As such, the notes are an integral part of the basic financial statements.

TOWN OF FLEMING, COLORADO
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 128,997	\$ 337,414	\$ 466,411
Cash with county treasurer	2,619		2,619
Certificates of deposit	205,650	310,625	516,275
Receivables	73,650	80,794	154,444
Inventories		25,692	25,692
Capital assets, net of depreciation	587,468	3,386,959	3,974,427
Total assets	\$ 998,384	\$ 4,141,484	\$ 5,139,868
Liabilities			
Accounts payable	\$ 7,730	\$ 119,215	\$ 126,945
Accrued interest payable		1,039	1,039
Refundable deposits	200	23,250	23,450
Noncurrent liabilities			
Due within one year		40,995	40,995
Due in more than one year	1,764	1,418,802	1,420,566
Total liabilities	9,694	1,603,301	1,612,995
Deferred inflows of resources			
Deferred property tax revenues	59,670		59,670
Total deferred inflows of resources	59,670	-	59,670
Net position			
Net investment in capital assets	587,468	1,932,454	2,519,922
Restricted for:			
Emergencies	2,600		2,600
Culture and recreation	12,533		12,533
Debt service		25,737	25,737
Operations and maintenance		21,536	21,536
Unrestricted	326,419	558,456	884,875
Total net position	929,020	2,538,183	3,467,203
Total liabilities, deferred inflows of resources and net position	\$ 998,384	\$ 4,141,484	\$ 5,139,868

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

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TOWN OF FLEMING, COLORADO
Statement of Activities
For the Year Ended December 31, 2023

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 95,285	\$ 2,888	\$ 1,500	
Public safety	1,122	391		
Public works	37,666		30,880	
Health and welfare	19,754	4,186		
Culture and recreation	21,757	2,045	6,004	
Total governmental activities	175,584	9,510	38,384	\$ -
Business-type activities				
Electric	288,317	352,608		
Water	130,184	98,306		
Sewer	150,618	131,614		
Total business-type activities	569,119	582,528	-	-
Total	<u>\$ 744,703</u>	<u>\$ 592,038</u>	<u>\$ 38,384</u>	<u>\$ -</u>
General revenues				
Taxes				
Property taxes, levied for general purposes				
Specific ownership taxes				
Sales taxes				
Franchise taxes				
Other taxes				
Unrestricted earnings on investments				
Miscellaneous				
Total general revenues				
Change in net position				
Net position at beginning of year				
Net position at end of year				

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

Net (Expenses) Revenues and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (90,897)		\$ (90,897)
(731)		(731)
(6,786)		(6,786)
(15,568)		(15,568)
(13,708)		(13,708)
(127,690)	\$ -	(127,690)
	64,291	64,291
	(31,878)	(31,878)
	(19,004)	(19,004)
-	13,409	13,409
(127,690)	13,409	(114,281)
63,198		63,198
6,295		6,295
69,813		69,813
1,874		1,874
1,501		1,501
4,976	6,129	11,105
35,240		35,240
182,897	6,129	189,026
55,207	19,538	74,745
873,813	2,518,645	3,392,458
<u>\$ 929,020</u>	<u>\$ 2,538,183</u>	<u>\$ 3,467,203</u>

TOWN OF FLEMING, COLORADO
Balance Sheet
Governmental Funds
December 31, 2023

	General Fund	Other Governmental Fund	Total Governmental Funds
Assets			
Cash	\$ 116,464	\$ 12,533	\$ 128,997
Cash with county treasurer	2,619		2,619
Certificates of deposit	205,650		205,650
Property taxes receivable	59,670		59,670
Accounts receivable	13,980		13,980
Total assets	\$ 398,383	\$ 12,533	\$ 410,916
Liabilities			
Accounts payable	\$ 7,730		\$ 7,730
Deposits	200		200
Total liabilities	7,930	\$ -	7,930
Deferred inflows of resources			
Deferred property tax revenues	59,670		59,670
Total deferred inflows of resources	59,670	-	59,670
Fund balance			
Restricted for:			
Emergencies	2,600		2,600
Culture and recreation		12,533	12,533
Unassigned	328,183		328,183
Total fund balance	330,783	12,533	343,316
Total liabilities, deferred inflows of resources and fund balance	\$ 398,383	\$ 12,533	\$ 410,916

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

TOWN OF FLEMING, COLORADO
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
December 31, 2023

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

Total fund balance - governmental funds	\$ 343,316
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	587,468
Certain liabilities, such as accrued compensated absences, are not due and payable in the current period and therefore are not reported in the governmental funds.	<u>(1,764)</u>
Net position of governmental activities	<u>\$ 929,020</u>

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

TOWN OF FLEMING, COLORADO
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2023

	General Fund	Other Governmental Fund	Total Governmental Funds
Revenues			
Taxes	\$ 141,398		\$ 141,398
Licenses and permits	1,022		1,022
Intergovernmental	32,163	\$ 6,004	38,167
Charges for services	6,644		6,644
Miscellaneous	43,542	18	43,560
Total revenues	224,769	6,022	230,791
Expenditures			
Current			
General government	197,641		197,641
Public safety	627		627
Public works	32,260		32,260
Health and welfare	26,064		26,064
Culture and recreation	14,706		14,706
Total expenditures	271,298	-	271,298
Net change in fund balance	(46,529)	6,022	(40,507)
Fund balance at beginning of year	377,312	6,511	383,823
Fund balance at end of year	\$ 330,783	\$ 12,533	\$ 343,316

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

TOWN OF FLEMING, COLORADO
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2023

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

Net change in fund balance - governmental funds	\$ (40,507)
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Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlays exceeded depreciation in the current period.	95,628
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In the statement of activities, compensated absences are measured by the amount earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	<u>86</u>
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Change in net position of governmental activities	<u><u>\$ 55,207</u></u>
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The accompanying notes are an integral part of these financial statements.

TOWN OF FLEMING, COLORADO
Statement of Net Position
Proprietary Funds
December 31, 2023

	Business-type Activities Enterprise Funds			Total
	Electric Fund	Water Fund	Sewer Fund	
Assets				
Current assets				
Cash	\$ 301,679	\$ 14,719	\$ 21,016	\$ 337,414
Certificates of deposit	310,625			310,625
Accounts receivable	48,172	12,049	20,573	80,794
Inventories	16,244	8,969	479	25,692
Total current assets	676,720	35,737	42,068	754,525
Noncurrent assets				
Land and improvements		5,957	85,900	91,857
Buildings and improvements	10,500	1,863	2,410	14,773
Vehicles and equipment	149,987	12,000	46,625	208,612
Systems	166,772	893,288	3,109,536	4,169,596
Accumulated depreciation	(275,434)	(503,851)	(318,594)	(1,097,879)
Total noncurrent assets	51,825	409,257	2,925,877	3,386,959
Total assets	\$ 728,545	\$ 444,994	\$ 2,967,945	\$ 4,141,484

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

	Business-type Activities Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Total
Liabilities				
Current liabilities				
Accounts payable	\$ 18,616	\$ 100,422	\$ 177	\$ 119,215
Accrued interest payable			1,039	1,039
Refundable deposits	14,950	4,150	4,150	23,250
Current portion of notes payable			40,995	40,995
Total current liabilities	33,566	104,572	46,361	184,499
Noncurrent liabilities				
Accrued compensated absences	1,764	1,764	1,764	5,292
Notes payable			1,413,510	1,413,510
Total noncurrent liabilities	1,764	1,764	1,415,274	1,418,802
Total liabilities	35,330	106,336	1,461,635	1,603,301
Net position				
Net investment in capital assets	51,825	409,257	1,471,372	1,932,454
Restricted for debt service			25,737	25,737
Restricted for operations and maintenance			21,536	21,536
Unrestricted (deficit)	641,390	(70,599)	(12,335)	558,456
Total net position	693,215	338,658	1,506,310	2,538,183
Total liabilities and net position	\$ 728,545	\$ 444,994	\$ 2,967,945	\$ 4,141,484

TOWN OF FLEMING, COLORADO
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2023

	Business-type Activities Enterprise Funds			Total
	Electric Fund	Water Fund	Sewer Fund	
Operating revenues				
Charges for services	\$ 352,608	\$ 98,306	\$ 131,614	\$ 582,528
Operating expenses				
Salaries	49,142	49,142	49,142	147,426
Employee benefits	12,491	11,493	11,463	35,447
Operating leases	4,329	15,524	4,329	24,182
Office supplies	3,578	3,613	3,577	10,768
Professional services	2,758	2,758	2,758	8,274
Travel and education	811	2,806	811	4,428
Dues and licenses	2,400	1,238	663	4,301
Insurance and bonds	4,400	4,400	4,400	13,200
Repairs and maintenance	13,068	18,437	4,595	36,100
Cost of electricity	180,053			180,053
Utilities	2,250	2,250	2,250	6,750
Rent	300	300	300	900
Testing and paperwork		1,058		1,058
Cost of service		1,698		1,698
Miscellaneous	2,312	1,796	1,855	5,963
Depreciation	10,425	13,671	50,800	74,896
Total operating expenses	288,317	130,184	136,943	555,444
Operating income (loss)	64,291	(31,878)	(5,329)	27,084
Nonoperating revenues (expenses)				
Interest on investments	6,129			6,129
Interest and fiscal charges			(13,675)	(13,675)
Total nonoperating revenues (expenses)	6,129	-	(13,675)	(7,546)
Change in net position	70,420	(31,878)	(19,004)	19,538
Net position at beginning of year	622,795	370,536	1,525,314	2,518,645
Net position at end of year	\$ 693,215	\$ 338,658	\$ 1,506,310	\$ 2,538,183

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

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TOWN OF FLEMING, COLORADO
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	Business-type Activities Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Total
Cash flows from operating activities				
Receipts from customers	\$ 356,081	\$ 97,787	\$ 129,819	\$ 583,687
Internal activity - receipts from (payments to) other funds	77,377		(77,377)	-
Payments to suppliers	(233,327)	(73,613)	(37,498)	(344,438)
Payments to employees	(49,227)	(49,227)	(49,227)	(147,681)
Net cash provided (used) by operating activities	150,904	(25,053)	(34,283)	91,568
Cash flows from capital and related financing activities				
Purchases of capital assets		(66,983)		(66,983)
Principal paid on long-term debt			(40,756)	(40,756)
Interest and fiscal charges paid			(13,696)	(13,696)
Net cash used by capital and related financing activities	-	(66,983)	(54,452)	(121,435)
Cash flows from investing activities				
Redemptions of certificates	317,356			317,356
Purchase of certificates	(305,640)			(305,640)
Net cash provided by investing activities	11,716	-	-	11,716
Net change in cash	162,620	(92,036)	(88,735)	(18,151)
Cash at beginning of year	139,059	106,755	109,751	355,565
Cash at end of year	<u>\$ 301,679</u>	<u>\$ 14,719</u>	<u>\$ 21,016</u>	<u>\$ 337,414</u>

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

	Business-type Activities Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ 64,291	\$ (31,878)	\$ (5,329)	\$ 27,084
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	10,425	13,671	50,800	74,896
Changes in assets and liabilities				
Accounts receivable	5,173	56	(1,310)	3,919
Interfund items	77,377		(77,377)	-
Inventories	(2,997)	(5,572)	(55)	(8,624)
Accounts payable	(1,580)	(670)	(442)	(2,692)
Refundable deposits	(1,700)	(575)	(485)	(2,760)
Compensated absences	(85)	(85)	(85)	(255)
Net cash provided (used) by operating activities	<u>\$ 150,904</u>	<u>\$ (25,053)</u>	<u>\$ (34,283)</u>	<u>\$ 91,568</u>
Noncash capital financing activities				
Capital assets acquired through accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,474</u>	<u>\$ 100,474</u>

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies

This summary of the Town of Fleming’s significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant of the Town’s accounting policies are described below.

A.1 – Reporting entity

The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The reporting entity’s financial statements should present the funds of the primary government (including its blended component units, which are, in substance, part of the primary government) and provide an overview of the discretely presented component units.

The Town has examined other entities that could be included as defined in number 2 and 3 above. Based on these criteria, the Town has no component units.

A.2 – Fund accounting

The Town uses funds to report its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate “fund types.” The Town does not have any fiduciary funds.

Governmental funds are used to account for all or most of a government’s general activities, including the collection and disbursement of earmarked funds (special revenue funds), major capital projects (capital projects fund), and the servicing of general long-term debt (debt service fund). The following is the Town’s major governmental fund:

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

General Fund – The General Fund is the operating fund of the Town. It is used to account for most of the day-to-day operations of the Town which are financed from sales and use taxes, property taxes and other general revenues. Activities financed by the general fund include those of line and staff departments within the Town, except for activities of the enterprise funds.

The following is the Town’s nonmajor governmental fund:

Conservation Trust Fund – This fund is a special revenue fund established to account for state lottery proceeds and allowable expenditures.

Proprietary funds focus on the determination of the changes in net position, financial position and cash flows and are classified as either enterprise or internal service. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the Town’s major proprietary funds:

Electric Fund – This fund was established to account for all operations of the electric utility services provided by the Town.

Water Fund – This fund was established to account for all operations of the water utility services provided by the Town.

Sewer Fund – This fund was established to account for all operations of the sewer utility services provided by the Town.

A.3 – Basis of presentation

Government-wide financial statements – The statement of net position and the statement of activities display information about the Town as a whole. These statements include the financial activities of the primary government except for fiduciary funds. The statements distinguish between those activities of the Town that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations with a brief explanation to better identify the relationship between the government-wide statements and the statements for governmental funds.

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the Town and for each function or program of the Town's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Town, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Town.

Fund financial statements – Fund financial statements report detailed information about the Town. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources management focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balance, which reports the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the statement of net position. The statement of revenues, expenses and changes in fund net position presents increases (revenues) and decreases (expenses) in net total assets. The statement of cash flows provides information about how the Town finances and meets the cash flow needs of its proprietary activities.

A.4 – Basis of accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary funds also use the accrual basis of accounting.

Revenues – exchange and nonexchange transactions – Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and become available.

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Town, available means expected to be received within sixty days of fiscal year-end, except for state and federal grant revenues, which are considered available if collection is expected within six months of year end.

Nonexchange transactions, in which the Town receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Town must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Town on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Unearned revenue – Unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are received by the Town before it has a legal claim to them, as when grant monies are received prior to meeting eligibility requirements. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the liability for unearned revenue is removed and the revenue is recognized.

Deferred outflows/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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenues, is reported on both the statement of net position and the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period for which they are levied and that the amounts become available.

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Expenses/expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

A.5 – Encumbrances

Encumbrances outstanding at year-end are considered immaterial and thus are not reported as reservations of fund balance.

A.6 – Cash and cash equivalents

For the purposes of the statement of cash flows, the Town considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

A.7 – Short-term interfund receivables/payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as internal balances on the government-wide statement of net position, and are classified as due from other funds or due to other funds on the balance sheet.

A.8 – Receivables

Monthly charges for electric, water and sewer services are included with monthly utility billings. No allowance for doubtful accounts has been provided in the accompanying financial statements since substantially all accounts are deemed by management to be collectible.

A.9 – Inventories

Inventories in the proprietary funds consist of supplies and are recorded at the lower of cost or market using the first-in, first-out method.

A.10 – Capital assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund financial statements.

All capital assets with a unit cost greater than \$1,000 are capitalized at cost (or estimated historical cost, if actual cost is not available) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair value on the date received. Improvements to assets are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not. Infrastructure assets, consisting of certain improvements other than buildings (such as parking facilities, sidewalks, landscaping and lighting systems) will be capitalized on a prospective basis.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of borrowing until project completion with interest earned on invested proceeds over the same period. No interest was capitalized during the year.

All reported capital assets are depreciated with the exception of land costs. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Buildings	50 years	40 years
Equipment	3-25 years	3-10 years
Improvements other than buildings	10-50 years	25-50 years
Infrastructure	50 years	n/a

A.11 – Compensated absences

Full-time, salaried employees earn and accrue sick leave at the rate of 2/3 of a day per month which can be accumulated to 30 days. Sick leave is not a vested benefit for all employees hired after January 1, 1987. As of year-end, all vested sick leave benefits have been used by Town employees.

Annual leave is earned at increasing rates based on longevity. In no event can an employee accumulate more than 1/2 of their annual leave at the end of each year. Employees are paid 100% of their annual leave balance upon leaving Town service.

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.12 – Accrued liabilities and long-term obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, the noncurrent portion of compensated absences and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. Bonds payable and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

A.13 – Fund balance

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different type of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below.

- *Nonspendable*, such as fund balance associated with inventories, prepaid expenditures, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),
- *Restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation,
- *Committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the town council (the Town's highest level of decision-making authority),
- *Assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and
- *Unassigned* fund balance is the residual classification for the Town's general fund and includes all spendable amounts not contained in the other classifications.

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Committed fund balance is established by a formal passage of a resolution. This is typically done through the adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the town council through adoption or amendment of the budget as intended for specific purpose (such as purchase of fixed assets, construction, debt service or for other purposes).

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

A.14 – Net position

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 borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are liabilities 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.

The Town applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

A.15 – Operating revenues and expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Town, these revenues are service charges for water utility services. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

A.16 – Interfund transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. In general, the effect of interfund activity has been eliminated from the government-wide financial statements.

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.17 – Extraordinary and special items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the town council and that are either unusual in nature or infrequent in occurrence. The Town had no transactions that qualify as extraordinary or special items during the year.

Note B – Cash and investments

Cash and deposits

Colorado State statutes govern the Town's deposit of cash. The Public Deposit Protection Acts (PDPA) for banks and savings and loans require state regulators to certify eligible depositories for public deposits. The PDPA require eligible depositories with public deposits in excess of federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or Colorado local governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group and not held in any individual government's name. The fair value of the assets in the pool must be at least equal to 102% of the aggregate uninsured deposits.

Custodial credit risk – deposits – Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. At year-end, the Town had total deposits of \$986,798, of which \$500,000 were insured and \$486,798 were collateralized with securities held by the pledging institution's trust department or agent in the Town's name.

Investments

Authorized investments – Investment policies are governed by Colorado State Statutes and the Town's own investment policies and procedures. Investments of the Town may include:

- Obligations of the United States Government such as treasury bills, notes and bonds
- Certain international agency securities
- General obligation and revenue bonds of United States local government entities
- Bankers acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

At year-end the Town did not have any investments.

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note C – Receivables

Receivables at year-end consist of the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Receivables</u>
Property taxes receivable	\$ 59,670	\$ -	\$ 59,670
Accounts receivable	<u>13,980</u>	<u>80,794</u>	<u>94,774</u>
Total	<u>\$ 73,650</u>	<u>\$ 80,794</u>	<u>\$ 154,444</u>

Property taxes are levied on December 15th and attach as a lien on property the following January 1st. They are payable in full by April 30th or are due in two equal installments on February 28th and June 15th. Logan County bills and collects property taxes for all taxing entities within the county. The tax receipts collected by the county are remitted to the Town in the subsequent month.

Note D – Capital assets

Capital asset activity for the year was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 4,247	\$ -	\$ -	\$ 4,247
Construction in progress	<u>109,597</u>	<u>12,360</u>	<u>(121,957)</u>	<u>-</u>
Total capital assets, not being depreciated	113,844	12,360	(121,957)	4,247
Capital assets, being depreciated:				
Land improvements	362,613	-	121,957	484,570
Buildings	113,475	60,000	-	173,475
Infrastructure	70,237	-	-	70,237
Equipment	<u>158,841</u>	<u>47,297</u>	<u>-</u>	<u>206,138</u>
Total capital assets, being depreciated	<u>705,166</u>	<u>107,297</u>	<u>121,957</u>	<u>934,420</u>
Total capital assets	819,010	119,657	-	938,667

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note D – Capital assets (Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
Less accumulated depreciation for:				
Land improvements	(149,338)	(8,149)	-	(157,487)
Buildings	(60,546)	(2,401)	-	(62,947)
Infrastructure	(25,589)	(1,456)	-	(27,045)
Equipment	<u>(91,697)</u>	<u>(12,023)</u>	<u>-</u>	<u>(103,720)</u>
Total accumulated depreciation	<u>(327,170)</u>	<u>(24,029)</u>	<u>-</u>	<u>(351,199)</u>
Governmental activities capital assets, net	<u>\$ 491,840</u>	<u>\$ 95,628</u>	<u>\$ -</u>	<u>\$ 587,468</u>
Business-type activities				
Capital assets, not being depreciated:				
Land	<u>\$ 63,165</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,165</u>
Total capital assets, not being depreciated	63,165	-	-	63,165
Capital assets, being depreciated:				
Utility systems	4,002,139	167,457	-	4,169,596
Land improvements	28,692	-	-	28,692
Buildings	14,773	-	-	14,773
Equipment	<u>208,612</u>	<u>-</u>	<u>-</u>	<u>208,612</u>
Total capital assets, being depreciated	<u>4,254,216</u>	<u>167,457</u>	<u>-</u>	<u>4,421,673</u>
Total capital assets	4,317,381	167,457	-	4,484,838
Less accumulated depreciation for:				
Utility systems	(825,768)	(65,023)	-	(890,791)
Land improvements	(27,076)	(92)	-	(27,168)
Buildings	(14,773)	-	-	(14,773)
Equipment	<u>(155,366)</u>	<u>(9,781)</u>	<u>-</u>	<u>(165,147)</u>
Total accumulated depreciation	<u>(1,022,983)</u>	<u>(74,896)</u>	<u>-</u>	<u>(1,097,879)</u>
Business-type activities capital assets, net	<u>\$ 3,294,398</u>	<u>\$ 92,561</u>	<u>\$ -</u>	<u>\$ 3,386,959</u>

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note D – Capital assets (Continued)

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

Governmental activities		
General government	\$	5,026
Public safety		495
Public works		5,406
Health and welfare		6,051
Culture and recreation		<u>7,051</u>
Total governmental activities		24,029
Business-type activities		
Electric		10,425
Water		13,671
Sewer		<u>50,800</u>
Total business-type activities		<u>74,896</u>
Total depreciation expense	\$	<u>98,925</u>

Note E – Long-term debt

The following is a summary of the changes in long-term debt for the year:

	<u>Beginning</u> <u>Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balances</u>	<u>Due within</u> <u>one year</u>
Governmental activities					
Compensated absences	\$ <u>1,849</u>	\$ <u>-</u>	\$ <u>(85)*</u>	\$ <u>1,764</u>	\$ <u>-</u>

The compensated absences attributable to the governmental activities will be liquidated primarily by the General Fund. The Town believes that the current portion of compensated absences is negligible and is therefore not reported.

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note E – Long-term debt (Continued)

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balances</u>	<u>Due within one year</u>
Business-type Activities					
Compensated absences	\$ 5,547	\$ -	\$ (255)*	\$ 5,292	\$ -
Notes from direct borrowings and direct placements	<u>1,495,261</u>	<u>-</u>	<u>(40,756)</u>	<u>1,454,505</u>	<u>40,995</u>
Totals	<u>\$ 1,500,808</u>	<u>\$ -</u>	<u>\$ (41,011)</u>	<u>\$ 1,459,797</u>	<u>\$ 40,995</u>

*The change in the compensated absences liability is presented as a net change.

Notes payable

CWRPDA Note payable – Sewer Fund – The Town has entered into a \$732,781 note agreement with the Colorado Water Resources and Power Development Authority (the Authority) dated May 30, 2019, due in semi-annual installments of \$11,938 through 2049. The interest rate for the agreement is 0.0%. The agreement provides for the disbursement of funds at the Town’s request to facilitate installation of an influent pump station, three lined evaporative lagoons, yard piping and appurtenances.

\$ 620,795

USDA Note payable – Sewer Fund – The Town has entered into a \$897,000 note agreement with USDA Rural Development dated February 3, 2020, due in monthly installments of \$2,548 through 2060. The interest rate for the agreement is 1.625%. The agreement provides for the disbursement of funds at the Town’s request to refinance the interim loan from CO Bank.

833,710

Total

\$ 1,454,505

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note E – Long-term debt (Continued)

The Town’s outstanding notes from direct borrowings related to business-type activities of \$1,454,505 include two individual borrowings as noted on the previous page.

The Town’s outstanding note with CWRPDA in the amount of \$620,795 is secured with collateral of the net revenue from operation and use of the system as defined in the loan agreement. This outstanding note contains (1) a provision that in an event of default as defined in the loan agreement, the Authority shall have the right to withhold disbursement of loan funds remaining, and take such other action at law or in equity as may appear necessary to enforce the performance and observance of any duty, covenant, obligation, or agreement including, without limitation, appointment ex parte of a receiver of the system.

The Town’s outstanding note with USDA Rural Development in the amount of \$833,710 is secured with collateral of the net revenue from operation and use of the system as defined in the loan agreement. This outstanding note contains a provision that in an event of default as defined in the loan agreement, the USDA may protect and enforce its rights by proper legal or equitable remedy deemed most effectual including mandamus, specific performance of any covenants, injunctive relief, or requiring the Board to act as if it were the trustee of an express trust, or any combination of such remedies.

The following schedule represents the Town’s debt service requirements to maturity for the outstanding notes from direct borrowings related to business-type activities at year-end:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 40,995	\$ 13,458
2025	41,313	13,140
2026	41,598	12,855
2027	41,889	12,564
2028	42,149	12,304
2029-2033	215,477	56,786
2034-2038	223,608	48,655
2039-2043	232,428	39,836
2044-2048	241,978	30,285
2049-2053	156,866	19,891
2054-2058	144,243	8,637
2059-2060	<u>31,961</u>	<u>296</u>
Totals	<u>\$ 1,454,505</u>	<u>\$ 268,707</u>

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note F – Risk management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The Town participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA/PC) and the Colorado Intergovernmental Risk Sharing Agency for Worker's Compensation (CIRSA/WC). CIRSA/PC and CIRSA/WC provide member municipalities within the State of Colorado, property, liability and workmen's compensation coverages and related services. CIRSA's general objectives are to provide member municipalities defined property and liability and/or worker's compensation coverages through self-insurance and excess insurance purchased from commercial companies. The Town pays an annual contribution to CIRSA for its insurance coverages. For the year ended, the Town's financial contribution to CIRSA/PC and CIRSA/WC was \$17,416 and \$3,603, respectively. Settled claims resulting from any of the above risks have not exceeded the coverages provided. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

Note G - Defined Contribution Plan

The Town contributes to the Colorado County Officials and Employees Retirement Plan (the Plan), a defined contribution plan administered by the Colorado County Officials and Employees Retirement Association (CCOERA).

Benefit terms, including contribution requirements, for the Plan are established and may be amended by the Town Council. The Town's contribution is a minimum of three percent of covered salary, but may be increased beyond this amount. All eligible employees are required to contribute an amount equal to the contribution by the Town. For the year employee contributions totaled \$4,598, and the Town recognized pension expense of \$4,598.

Employees are immediately vested in their own contributions, Town contributions, and earnings on those contributions.

Note H – Deferred compensation plan

The Town has a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. This plan is administered and held in trust by an independent plan administrator through an administrative service agreement. Employees defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death, or financial hardship.

Amendments to the laws governing Section 457 deferred compensation plans substantially became effective January 1, 1997 as the Town transferred the assets to the Colorado County Officials and Employees Retirement Association (CCOERA) Deferred Compensation Trust. These assets are held in trust for the exclusive benefit of the plan participants and their beneficiaries. The assets will not be diverted for any other purpose.

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note I – Commitments and contingencies

Taxpayer's Bill of Rights (TABOR)

In November 1992, Colorado voters passed an amendment, commonly known as the Taxpayer's Bill of Rights (TABOR), to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the Town under specified voting requirements by the entire electorate. In April 1997, the voters of the Town approved a ballot initiative permitting the Town to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatsoever, without limitation, in this fiscal year and all subsequent fiscal years notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution. TABOR is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of TABOR. However, the Town has made certain interpretations of TABOR's language in order to determine its compliance.

TABOR requires an emergency reserve to be set aside in the amount of 3% or more of its fiscal year spending for 1995 and subsequent years thereafter. At year-end, the Town has reserved funds in the General Fund in the amount of \$2,600 for the emergency reserve.

CWRPDA loan covenants

Rate covenant – during the loan term, the Town shall establish and collect such rates, fees and other charges for the use or the sale of the products and services of the system, which shall be at least sufficient, together with other amounts available therefore, and after meeting the operation and maintenance expenses of the system, to pay 110% of the debt service coming due in such calendar year. The Town believes it has met this requirement for the year.

Operations and maintenance fund – the Town shall maintain an operations and maintenance reserve in an amount equal to three months of operation and maintenance expenses, excluding depreciation, of the system as set forth in the annual budget for the current fiscal year. Said reserve may be in the form of unobligated fund balances or other unobligated cash or securities or may be in a separate segregated fund. The Town has reported restricted net position in the amount of \$21,536 in accordance with the terms of the loan agreement.

TOWN OF FLEMING, COLORADO
Notes to Financial Statements

Note I – Commitments and contingencies (Continued)

USDA loan covenants

Short-lived asset reserve account – the Town shall establish a fund, into which the Town shall deposit from net revenue or other sources the sum of at least \$3,440 annually through the maturity date to pay for repairs and/or replacement of major system assets. The Town has reported restricted net position in the amount of \$13,760 in accordance with the terms of the loan agreement.

Debt reserve account – the Town shall establish a fund, into which the Town shall deposit monthly, commencing February 3, 2020, from the net revenue or other sources the sum of \$255 until the amount of the debt reserve account is equal to the debt required reserve (\$30,576). The Town has reported restricted net position in the amount of \$11,977 in accordance with the terms of the loan agreement.

Colorado local government budget laws

Expenditures in the General and Water Funds exceeded their appropriations by \$81,057 and \$165,534, respectively, and may be in violation of local government budget laws.

Required Supplementary Information

Budgetary comparison schedules are required to be presented for the General Fund and each major special revenue fund. The Town has no major special revenue funds.

- General Fund – The General Fund is the operating fund of the Town. It is used to account for most of the day-to-day operations of the Town which are financed from sales and use taxes, property taxes and other general revenues. Activities financed by the general fund include those of line and staff departments within the Town, except for activities of the enterprise funds.

TOWN OF FLEMING, COLORADO
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes	\$ 132,036	\$ 132,036	\$ 141,398	\$ 9,362
Licenses and permits	2,000	2,000	1,022	(978)
Intergovernmental revenue	27,156	27,156	32,163	5,007
Charges for services	10,000	10,000	6,644	(3,356)
Miscellaneous revenue	1,550	1,550	43,542	41,992
Total revenues	172,742	172,742	224,769	52,027
Expenditures				
Current				
General government	117,527	117,527	197,641	(80,114)
Public safety	750	750	627	123
Public works	17,497	17,497	32,260	(14,763)
Health and welfare	29,925	29,925	26,064	3,861
Culture and recreation	11,875	11,875	14,706	(2,831)
Contingency reserve		12,667		12,667
Total expenditures	177,574	190,241	271,298	(81,057)
Net change in fund balance	\$ (4,832)	\$ (17,499)	(46,529)	\$ (29,030)
Fund balance at beginning of year			377,312	
Fund balance at end of year			\$ 330,783	

TOWN OF FLEMING, COLORADO
Notes to the Required Supplementary Information

Note A – Budgetary data

Annual budgets are established for all funds of the Town. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles except for the enterprise funds (electric, water and sewer) in which capital and principal retirement expenses are treated as operating expenses and depreciation expense is not budgeted.

An appropriated budget for the entity as a whole is prepared on a detailed basis. Revenues are budgeted by source. Expenditures are budgeted by department and the major divisions thereof and by each independent office and agency and by the principal objects of expenditure. The legal level of control is considered to be the entity as a whole and expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review and approval by Town council. Within these control levels, management may transfer appropriations without Town council approval.

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

- On or before October 15, the Town Clerk submits to the Town board of trustees, a proposed budget for the following calendar year.
- A proposed budget is made available for public inspection, and public hearings are conducted to obtain taxpayer comments.
- Prior to December 15, the Town must adopt the budget by formal resolution and certify the mill levies to the County Commissioners.
- On or before December 31, the Town must enact a resolution making appropriations for the following calendar year.

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Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – General Fund Revenues and Expenditures
- Budgetary Comparison Schedule – Nonmajor Governmental Fund
- Budgetary Comparison Schedules – Enterprise Funds

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Budgetary Comparison Schedules – General Fund

The General Fund accounts for all transactions of the Town not required to be accounted for in other funds. This fund represents an accounting of the Town's ordinary operations financed primarily from tax dollars and intergovernmental aid. It is the most significant fund in relation to the Town's overall operations. The schedules of revenues and expenditures are included to provide a greater level of detail to the reader of the financial statements.

TOWN OF FLEMING, COLORADO
General Fund
Budgetary Comparison Schedule - Revenues
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Taxes				
Property taxes	\$ 63,562	\$ 63,562	\$ 63,198	\$ (364)
Specific ownership taxes	6,432	6,432	6,295	(137)
Delinquent taxes and interest	175	175	218	43
Sales and use taxes	59,467	59,467	69,813	10,346
Franchise taxes	2,400	2,400	1,874	(526)
Total taxes	132,036	132,036	141,398	9,362
Licenses and permits	2,000	2,000	1,022	(978)
Intergovernmental revenues				
Highway users tax	18,893	18,893	19,467	574
Motor vehicle assessment	2,080	2,080	1,923	(157)
Road and bridge tax	3,283	3,283	9,260	5,977
Cigarette tax	306	306	230	(76)
Severance tax	1,900	1,900	930	(970)
Mineral lease funds	694	694	353	(341)
Total intergovernmental revenues	27,156	27,156	32,163	5,007
Charges for services				
General government	3,900	3,900	22	(3,878)
Public safety	650	650	391	(259)
Public works				-
Health and welfare	4,200	4,200	4,186	(14)
Culture and recreation	1,250	1,250	2,045	795
Total charges for services	10,000	10,000	6,644	(3,356)
Miscellaneous revenues				
Interest on investments	1,550	1,550	4,958	3,408
Contributions			1,500	1,500
Rents			1,844	1,844
Insurance proceeds			34,334	34,334
Miscellaneous			906	906
Total miscellaneous revenues	1,550	1,550	43,542	41,992
Total revenues	\$ 172,742	\$ 172,742	\$ 224,769	\$ 52,027

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TOWN OF FLEMING, COLORADO
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Favorable (Unfavorable)
General government				
Administrative salaries	\$ 57,946	\$ 57,946	\$ 49,905	\$ 8,041
Board of trustee fees	2,400	2,400	2,475	(75)
Employee benefits	15,066	15,066	12,470	2,596
Rent and leases	300	300	300	-
Operating supplies	2,960	2,960	2,906	54
Professional services	3,702	3,702	2,855	847
Telephone and postage	5,400	5,400	946	4,454
Travel and transportation	350	350	189	161
Insurance and bonds	10,298	10,298	4,903	5,395
Public utilities	200	200	2,966	(2,766)
Repairs and maintenance	12,000	12,000	3,300	8,700
Education	650	650	806	(156)
Treasurer's fees	1,654	1,654	1,482	172
Advertising and legal notices	250	250	36	214
Dues and subscriptions	1,375	1,375	1,037	338
Miscellaneous	150	150	1,314	(1,164)
Donations	750	750	268	482
Credit card fees	2,076	2,076	2,186	(110)
Capital outlay			107,297	(107,297)
Total general government	117,527	117,527	197,641	(80,114)
Public safety				
Supplies			135	(135)
Court	750	750		750
Repairs and maintenance			317	(317)
Miscellaneous			175	(175)
Total public safety	750	750	627	123
Public works				
Streets and highways				
Supplies	3,497	3,497	5,525	(2,028)
Repairs and maintenance	5,500	5,500	18,906	(13,406)
Rent and leases	8,500	8,500	7,829	671
Total public works	17,497	17,497	32,260	(14,763)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Health and welfare				
Cemetery and parks				
Supplies	2,500	2,500	2,262	238
Repairs and maintenance	3,250	3,250	6,469	(3,219)
Weed and pest control	8,400	8,400	780	7,620
Cleaning	275	275	240	35
Cemetery update	500	500		500
North park update	15,000	15,000	16,313	(1,313)
Total health and welfare	29,925	29,925	26,064	3,861
Culture and recreation				
Salaries	10,660	10,660	12,034	(1,374)
Operating supplies	125	125	34	91
Utilities	1,090	1,090	1,453	(363)
Repairs and maintenance			1,115	(1,115)
Donations			70	(70)
Total culture and recreation	11,875	11,875	14,706	(2,831)
Contingency reserve		12,667		12,667
Total expenditures	\$ 177,574	\$ 190,241	\$ 271,298	\$ (81,057)

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Budgetary Comparison Schedule – Nonmajor Governmental Fund

The Town reports the following nonmajor governmental fund:

Special Revenue Funds – These funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

- Conservation Trust Fund – This fund was established to account for the state lottery proceeds and allowable expenditures

TOWN OF FLEMING, COLORADO
Conservation Trust Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
State lottery funds	\$ 4,800	\$ 4,800	\$ 6,004	\$ 1,204
Interest on investments			18	18
Total revenues	4,800	4,800	6,022	1,222
Expenditures				
Culture and recreation				-
Total expenditures	-	-	-	-
Net change in fund balance	\$ 4,800	\$ 4,800	6,022	\$ 1,222
Fund balance at beginning of year			6,511	
Fund balance at end of year			\$ 12,533	

Budgetary Comparison Schedules – Enterprise Funds

The Town reports the following major proprietary funds:

Enterprise Funds – These funds are used to account for operations that provide services that are financed primarily by user charges, or activities where periodic measurement of income is appropriate for capital maintenance, public policy, management control or other purposes.

- Electric Fund – This fund was established to account for all operations of the electric utility service provided by the Town.
- Water Fund – This fund was established to account for all operations of the water utility service provided by the Town.
- Sewer Fund – This fund was established to account for all operations of the sewer utility service provided by the Town.

TOWN OF FLEMING, COLORADO
Electric Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Operating revenues				
Charges for services	\$ 366,150	\$ 366,150	\$ 352,608	\$ (13,542)
Operating expenses				
Salaries	57,946	57,946	49,142	8,804
Employee benefits	15,066	15,066	12,491	2,575
Operating leases			4,329	(4,329)
Office supplies	1,414	1,414	3,578	(2,164)
Professional services	3,702	3,702	2,758	944
Travel and education	160	160	811	(651)
Dues and licenses	350	350	2,400	(2,050)
Insurance and bonds	5,160	5,160	4,400	760
Repairs and maintenance	53,166	53,166	13,068	40,098
Cost of electricity	179,475	179,475	180,053	(578)
Utilities	4,471	4,471	2,250	2,221
Rent	300	300	300	-
Miscellaneous			2,312	(2,312)
Total operating expenses	<u>321,210</u>	<u>321,210</u>	<u>277,892</u>	<u>43,318</u>
Operating income	44,940	44,940	74,716	29,776
Nonoperating revenues				
Interest on investments	451	451	6,129	5,678
Change in net position	<u>\$ 45,391</u>	<u>\$ 45,391</u>	80,845	<u>\$ 35,454</u>
Adjustments to GAAP Basis				
Deduct depreciation			(10,425)	
Change in net position - GAAP Basis			70,420	
Net position at beginning of year			<u>622,795</u>	
Net position at end of year			<u>\$ 693,215</u>	

TOWN OF FLEMING, COLORADO
Water Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Operating revenues				
Charges for services	\$ 107,313	\$ 107,313	\$ 98,306	\$ (9,007)
Operating expenses				
Salaries	57,946	57,946	49,142	8,804
Employee benefits	15,066	15,066	11,493	3,573
Office supplies	450	450	3,613	(3,163)
Operating leases	13,750	13,750	15,524	(1,774)
Professional services	3,702	3,702	2,758	944
Travel and education	2,000	2,000	2,806	(806)
Dues and licenses	350	350	1,238	(888)
Insurance and bonds	5,161	5,161	4,400	761
Repairs and maintenance	15,000	15,000	18,437	(3,437)
Utilities	4,471	4,471	2,250	2,221
Testing and paperwork	240	240	1,058	(818)
Rents	300	300	300	-
Cost of service			1,698	(1,698)
Miscellaneous			1,796	(1,796)
Capital outlay			167,457	(167,457)
Total operating expenses	118,436	118,436	283,970	(165,534)
Change in net position	\$ (11,123)	\$ (11,123)	(185,664)	\$ (174,541)
Adjustments to GAAP Basis				
Add capital outlay			167,457	
Deduct depreciation			(13,671)	
Change in net position - GAAP Basis			(31,878)	
Net position at beginning of year			370,536	
Net position at end of year			\$ 338,658	

TOWN OF FLEMING, COLORADO
Sewer Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Operating revenues				
Charges for services	\$ 137,783	\$ 137,783	\$ 131,614	\$ (6,169)
Operating expenses				
Salaries	57,946	57,946	49,142	8,804
Employee benefits	15,066	15,066	11,463	3,603
Office supplies			3,577	(3,577)
Operating leases			4,329	(4,329)
Professional services	3,702	3,702	2,758	944
Travel and education	160	160	811	(651)
Insurance and bonds	5,161	5,161	4,400	761
Repairs and maintenance			4,595	(4,595)
Dues and licenses	350	350	663	(313)
Utilities	2,005	2,005	2,250	(245)
Rent	300	300	300	-
Miscellaneous			1,855	(1,855)
Contingency reserve		56,718		56,718
Total operating expenses	84,690	141,408	86,143	55,265
Operating income (loss)	53,093	(3,625)	45,471	49,096
Nonoperating expenses				
Interest and fiscal charges			(13,675)	(13,675)
Loan principal			(40,756)	(40,756)
Total nonoperating expenses	-	-	(54,431)	(54,431)
Change in net position	\$ 53,093	\$ (3,625)	(8,960)	\$ (5,335)
Adjustments to GAAP Basis				
Add loan principal			40,756	
Deduct depreciation			(50,800)	
Change in net position - GAAP Basis			(19,004)	
Net position at beginning of year			1,525,314	
Net position at end of year			\$ 1,506,310	

**Colorado Department of Highways
Local Highway Finance Report**

This calendar-year report of receipts and expenditures is required by the Colorado Department of Highways to maintain Statewide accountability for moneys used for highway and street purposes. To ensure data accuracy, House Bill 1008 mandates that this report be included in the Town's financial statements.

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

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

This Information From The Records Of: Town of Fleming	Prepared By: Lewis Frank, Town Treasurer
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I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. EXPENDITURES FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ -
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 12,381.00
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ -
2. General fund appropriations		b. Snow and ice removal	\$ 6,650.00
3. Other local imposts (from page 2)	\$ 15,554.00	c. Other	
4. Miscellaneous local receipts (from page 2)	\$ -	d. Total (a. through c.)	\$ 6,650.00
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 19,031.00
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)	\$ 15,554.00	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 21,390.00	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 36,944.00	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)	\$ 19,031.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ 154,708.00	\$ 36,944.00	\$ 19,031.00	\$ 172,621.00	\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	\$ 9,260.00	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	\$ 6,294.00	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 6,294.00	h. Other	
c. Total (a. + b.)	\$ 15,554.00	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.)	\$ 19,467.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 1,923.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ 1,923.00	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 21,390.00	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: