

Town of Haxtun, 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 Haxtun
Haxtun, 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 Haxtun (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, budgetary comparison information and historical pension 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
May 8, 2024

MANAGEMENT DISCUSSION AND ANALYSIS

This section of the Town of Haxtun, 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 Haxtun remains in good financial condition.
- The assets and deferred outflows of resources of the Town of Haxtun exceeded its liabilities and deferred inflows of resources at the close of 2023 by \$9,261,311 (net position). Of this amount \$2,119,599 or 23% 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 programs were more than the expenses by \$1,656,527.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town of Haxtun's basic financial statements. The Town of Haxtun'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 Haxtun'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 Haxtun is improving or deteriorating.

The **statement of activities** presents information showing how the Town of Haxtun'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 fire, 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, sewer and sanitation 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, the Board of Trustees 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 Haxtun can be divided into two categories: governmental 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 32 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 Haxtun, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$9,261,311 at the close of 2023.

Net Position

Combined net position of the Town of Haxtun as of December 31, 2023 and 2022 are 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	\$ 1,476,458	\$ 1,751,661	\$ 1,541,664	\$ 1,173,983	\$ 3,018,122	\$ 2,925,644
Capital assets, net	5,939,952	4,639,257	2,124,583	1,962,871	8,064,535	6,602,128
Total assets	7,416,410	6,390,918	3,666,247	3,136,854	11,082,657	9,527,772
Deferred outflows of resources	76,024	70,693	-	-	76,024	70,693
Total assets and deferred outflows of resources	\$ 7,492,434	\$ 6,461,611	\$ 3,666,247	\$ 3,136,854	\$ 11,158,681	\$ 9,598,465
Long-term debt outstanding	\$ 1,371,378	\$ 1,457,623	\$ 66,112	\$ 83,962	\$ 1,437,490	\$ 1,541,585
Other liabilities	35,459	11,309	217,463	179,136	252,922	190,445
Total liabilities	1,406,837	1,468,932	283,575	263,098	1,690,412	1,732,030
Deferred inflows of resources	206,958	261,651	-	-	206,958	261,651
Net position:						
Net investment in capital assets	4,581,029	3,212,097	2,062,009	1,883,157	6,643,038	5,095,254
Restricted	498,674	535,438	-	-	498,674	535,438
Unrestricted	798,936	983,493	1,320,663	990,599	2,119,599	1,974,092
Total net position	5,878,639	4,731,028	3,382,672	2,873,756	9,261,311	7,604,784
Total liabilities, deferred inflows of resources and net position	\$ 7,492,434	\$ 6,461,611	\$ 3,666,247	\$ 3,136,854	\$ 11,158,681	\$ 9,598,465

The largest portion of the Town of Haxtun's net position, 72%, reflects its investment in capital assets (land, buildings and equipment). The Town of Haxtun 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 Haxtun's net position, 5%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, 23%, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of 2023, the Town of Haxtun 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 \$4,087,855 was more than program expenses of \$2,431,328 for an increase in net position of \$1,656,527.

Table 2 shows the summarized revenues and expenses for 2023 and 2022.

Table 2
CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Program revenues						
Charges for services	\$ 41,409	\$ 55,462	\$ 1,663,884	\$ 1,669,997	\$ 1,705,293	\$ 1,725,459
Operating grants and contributions	91,080	97,213	-	-	91,080	97,213
Capital grants and contributions	1,021,452	449,253	21,383	95,662	1,042,835	544,915
General revenues						
Property taxes	191,388	184,655	-	-	191,388	184,655
Sales and use taxes	653,355	602,719	-	-	653,355	602,719
Specific ownership taxes	21,634	19,255	-	-	21,634	19,255
Other taxes	7,447	8,216	-	-	7,447	8,216
Interest earnings	35,803	20,788	2,260	150	38,063	20,938
Miscellaneous	329,411	20,311	7,349	16,323	336,760	36,634
Sale of assets	-	6,876	-	-	-	6,876
Transfers	-	526,504	-	(526,504)	-	-
Total revenues	2,392,979	1,991,252	1,694,876	1,255,628	4,087,855	3,246,880
Program expenses						
General government	192,157	165,231	-	-	192,157	165,231
Public safety	346,834	178,356	-	-	346,834	178,356
Public works	440,631	495,303	-	-	440,631	495,303
Culture and recreation	224,632	228,822	-	-	224,632	228,822
Interest and fiscal charges	41,114	40,318	-	-	41,114	40,318
Electric services	-	-	710,531	1,266,156	710,531	1,266,156
Water services	-	-	195,214	167,324	195,214	167,324
Sanitation services	-	-	181,615	173,519	181,615	173,519
Sewer services	-	-	98,600	92,401	98,600	92,401
Total expenses	1,245,368	1,108,030	1,185,960	1,699,400	2,431,328	2,807,430
Change in net position	1,147,611	883,222	508,916	(443,772)	1,656,527	439,450
Net position at beginning of year	4,731,028	3,847,806	2,873,756	3,317,528	7,604,784	7,165,334
Net position at end of year	\$ 5,878,639	\$ 4,731,028	\$ 3,382,672	\$ 2,873,756	\$ 9,261,311	\$ 7,604,784

Governmental Activities

Revenue for the Town's governmental activities totaled \$2,392,979 for 2023. Tax revenue produced 37% of these revenues. Tax revenue includes property taxes, sales and use 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	\$ 192,157	\$ 165,231	\$ 169,819	\$ 145,924
Public safety	346,834	178,356	346,834	169,916
Public works	440,631	495,303	277,070	421,174
Culture and recreation	224,632	228,822	(743,410)	(271,320)

Table 3 presents the cost and revenue of each of the Town’s four largest programs – general government, public safety, public works, and culture 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 business-type activities increased to \$3,382,672 in 2023. Business-type activities include electric, water, sewer and sanitation services.

**Table 4
BUSINESS-TYPE ACTIVITIES**

	Total cost of services		Net cost of services	
	2023	2022	2023	2022
Electric services	\$ 710,531	\$ 1,266,156	\$ 400,980	\$ 162,363
Water services	195,214	167,324	41,555	(57,618)
Sanitation services	181,615	173,519	21,353	(21,127)
Sewer services	98,600	92,401	35,419	(49,877)

Table 4, above, presents the cost and revenue of each of the Town’s business-type activities – electric, water, sanitation 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 in the balance sheet on page 16) reported a combined fund balance of \$1,239,588. The general, community center and other governmental funds reported fund balances of \$877,705, \$323,933, and \$37,950, respectively.

General Fund Budgetary Highlights

The actual charges to appropriations (expenditures) were \$113,375 less than the final budget amounts primarily due to the overall expenses being less than anticipated at the time of budget adoption.

Additionally, resources available for appropriation (revenues) were \$41,026 less than the final budgeted amounts primarily due to budgeted transfers not being made.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The Town of Haxtun’s investment in capital assets for its governmental and business-type activities as of December 31, 2023, amounts to \$8,064,535 (net of accumulated depreciation). This amount includes a broad range of capital assets, including public works equipment, electric, water, sewer, sanitation 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

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land and land improvements	\$ 428,881	\$ 286,660	\$ 31,900	\$ 31,900	\$ 460,781	\$ 318,560
Construction in progress	1,031,482	-	-	-	1,031,482	-
Buildings and improvements	1,675,754	1,725,149	7,979	1,668	1,683,733	1,726,817
Machinery and equipment	233,814	263,319	60,300	69,392	294,114	332,711
Infrastructure	2,570,021	2,364,129	-	-	2,570,021	2,364,129
Systems	-	-	2,024,404	1,859,911	2,024,404	1,859,911
Total	<u>\$ 5,939,952</u>	<u>\$ 4,639,257</u>	<u>\$ 2,124,583</u>	<u>\$ 1,962,871</u>	<u>\$ 8,064,535</u>	<u>\$ 6,602,128</u>

Long-term debt. The Town had \$1,430,652 in debt outstanding at year-end consisting of outstanding notes, bonds and accrued compensated absences. The debt incumbency is attributed to the wastewater lagoon improvement project and the main street improvement bond.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Town of Haxtun remains in a solid viable financial condition. During 2023, the Town continued working on electrical infrastructure. The Town has also continued street repairs, rebuilt water well houses, and continued the renovations to the swimming pool. The Town made repairs to the water tower and the exterior was repainted. In addition to the pool renovations, a new basketball court and fence was constructed.

The 2023 utility rates including Electric, Water, Sanitation, and Sewer remain stable. The Water rate will be raised by \$5.00 effective January 1, 2024.

Sales tax revenue has remained stable, with citizens shopping locally and ordering products online. With the remaining American Rescue Plan (ARP) funds, we replaced a broken steel watermain with PVC, and replaced 320 LF of watermain that had lead joints with PVC to use the remainder of those funds.

In 2024, the Town is going to continue the electrical infrastructure upgrades, repairing streets, and other necessary maintenance. The Town will complete the pool project, and hope to open in the Summer of 2024.

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 Kelsey Harms at the Town of Haxtun, 145 S Colorado Avenue, Haxtun, Colorado 80731.

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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 proprietary 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 HAXTUN, COLORADO
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 1,087,803	\$ 1,235,099	\$ 2,322,902
Cash with county treasurer	3,971		3,971
Receivables	371,618	174,183	545,801
Inventory		132,382	132,382
Net pension asset	13,066		13,066
Capital assets, net of depreciation	5,939,952	2,124,583	8,064,535
Total assets	7,416,410	3,666,247	11,082,657
Deferred outflows of resources			
Pension deferrals	76,024		76,024
Total assets and deferred outflows of resources	\$ 7,492,434	\$ 3,666,247	\$ 11,158,681
Liabilities			
Accounts payable	\$ 32,124	\$ 118,683	\$ 150,807
Accrued interest payable	3,335	195	3,530
Customer deposits		98,311	98,311
Unearned grant revenue		274	274
Noncurrent liabilities			
Due within one year	70,268	17,463	87,731
Due in more than one year	1,294,271	48,649	1,342,920
Net pension liability	6,839		6,839
Total liabilities	1,406,837	283,575	1,690,412
Deferred inflows of resources			
Deferred property tax revenues	191,680		191,680
Pension deferrals	15,278		15,278
Total deferred inflows of resources	206,958	-	206,958
Net position			
Net investment in capital assets	4,581,029	2,062,009	6,643,038
Restricted for:			
Emergencies	27,000		27,000
Public safety	116,716		116,716
Culture and recreation	341,892		341,892
Pensions	13,066		13,066
Unrestricted	798,936	1,320,663	2,119,599
Total net position	5,878,639	3,382,672	9,261,311
Total liabilities, deferred inflows of resources and net position	\$ 7,492,434	\$ 3,666,247	\$ 11,158,681

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

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TOWN OF HAXTUN, 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	\$ 192,157	\$ 15,820	\$ 6,518	
Public safety	346,834			
Public works	440,631	3,326	63,930	\$ 96,305
Culture and recreation	224,632	22,263	20,632	925,147
Interest and fiscal charges	41,114			
Total governmental activities	1,245,368	41,409	91,080	1,021,452
Business-type activities				
Electric services	710,531	1,111,511		
Water services	195,214	215,386		21,383
Sanitation services	181,615	202,968		
Sewer services	98,600	134,019		
Total business-type activities	1,185,960	1,663,884	-	21,383
Total	<u>\$ 2,431,328</u>	<u>\$ 1,705,293</u>	<u>\$ 91,080</u>	<u>\$ 1,042,835</u>
General revenues				
Taxes				
Property taxes, levied for general purposes				
Sales and use taxes				
Specific ownership taxes				
Franchise taxes				
Unrestricted interest 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
\$ (169,819)		\$ (169,819)
(346,834)		(346,834)
(277,070)		(277,070)
743,410		743,410
(41,114)		(41,114)
(91,427)	\$ -	(91,427)
	400,980	400,980
	41,555	41,555
	21,353	21,353
	35,419	35,419
-	499,307	499,307
(91,427)	499,307	407,880
191,388		191,388
653,355		653,355
21,634		21,634
7,447		7,447
35,803	2,260	38,063
329,411	7,349	336,760
1,239,038	9,609	1,248,647
1,147,611	508,916	1,656,527
4,731,028	2,873,756	7,604,784
\$ 5,878,639	\$ 3,382,672	\$ 9,261,311

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

	General Fund	Community Center Fund	Other Governmental Funds	Total
Assets				
Cash and investments	\$ 725,727	\$ 324,241	\$ 37,835	\$ 1,087,803
Cash with county treasurer	3,809		162	3,971
Property taxes receivable	176,346		15,334	191,680
Accounts receivable	179,938			179,938
Total assets	\$ 1,085,820	\$ 324,241	\$ 53,331	\$ 1,463,392
Liabilities				
Accounts payable	\$ 31,769	\$ 308	\$ 47	\$ 32,124
Total liabilities	31,769	308	47	32,124
Deferred inflows of resources				
Deferred property tax revenues	176,346		15,334	191,680
Total deferred inflows of resources	176,346	-	15,334	191,680
Fund balance				
Restricted for emergencies	27,000			27,000
Restricted for public safety	116,716			116,716
Restricted for culture and recreation		323,933	17,959	341,892
Committed to library purposes			19,991	19,991
Unassigned	733,989			733,989
Total fund balance	877,705	323,933	37,950	1,239,588
Total liabilities, deferred inflows of resources and fund balance	\$ 1,085,820	\$ 324,241	\$ 53,331	\$ 1,463,392

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

TOWN OF HAXTUN, 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	\$ 1,239,588
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.	5,939,952
Net pension assets and deferrals used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	73,812
Accrued interest on long-term debt is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds.	(3,335)
Long-term and net pension liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.	<u>(1,371,378)</u>
Net position of the governmental activities	<u><u>\$ 5,878,639</u></u>

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

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

	General Fund	Community Center Fund	Other Governmental Funds	Total
Revenues				
Taxes	\$ 843,822		\$ 30,477	\$ 874,299
Licenses and permits	7,440			7,440
Intergovernmental	71,559		13,667	85,226
Fines and forfeitures	2,880			2,880
Charges for services	24,369	\$ 6,720		31,089
Miscellaneous	1,383,094	880	8,071	1,392,045
Total revenues	2,333,164	7,600	52,215	2,392,979
Expenditures				
Current				
General government	181,971			181,971
Public safety	327,553			327,553
Public works	671,447			671,447
Culture and recreation	1,205,490	25,100	100,521	1,331,111
Debt service				
Principal retirement	68,236			68,236
Interest and fiscal charges	41,281			41,281
Total expenditures	2,495,978	25,100	100,521	2,621,599
Net change in fund balance	(162,814)	(17,500)	(48,306)	(228,620)
Fund balance at beginning of year	1,040,519	341,433	86,256	1,468,208
Fund balance at end of year	\$ 877,705	\$ 323,933	\$ 37,950	\$ 1,239,588

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

TOWN OF HAXTUN, 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	\$ (228,620)
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.	1,300,695
In the statement of activities, certain expenses related to the net pension liability and related deferred inflows and outflows of resources, compensated absences and accrued interest payable, are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for those items are measured by the amount of financial resources used (essentially, the amounts actually paid).	7,300
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces the long-term debt liability in the statement of net position.	<u>68,236</u>
Change in net position of governmental activities	<u><u>\$ 1,147,611</u></u>

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

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

	Business-type Activities - Enterprise Funds			
	Electric Fund	Water Fund	Sanitation Fund	Sewer Fund
Assets				
Current assets				
Cash and investments	\$ 510,563	\$ 204,612	\$ 175,502	\$ 344,422
Accounts receivable	119,116	20,347	20,399	14,321
Inventory	113,142	16,848	1,000	1,392
Total current assets	742,821	241,807	196,901	360,135
Capital assets, net of depreciation	898,209	623,330	23,524	579,520
Total assets	<u>\$ 1,641,030</u>	<u>\$ 865,137</u>	<u>\$ 220,425</u>	<u>\$ 939,655</u>

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

Total

\$ 1,235,099
174,183
132,382

1,541,664

2,124,583

\$ 3,666,247

(continued)

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

(continued)	Business-type Activities - Enterprise Funds			
	Electric Fund	Water Fund	Sanitation Fund	Sewer Fund
Liabilities				
Current liabilities				
Accounts payable	\$ 60,736	\$ 57,004	\$ 328	\$ 615
Accrued interest payable				195
Unearned grant revenue		274		
Customer deposits	98,311			
Current portion of long-term debt				17,463
Total current liabilities	159,047	57,278	328	18,273
Long-term liabilities				
Accrued compensated absences	1,266		926	1,346
Long-term debt				45,111
Total long-term liabilities	1,266	-	926	46,457
Total liabilities	160,313	57,278	1,254	64,730
Net position				
Net investment in capital assets	898,209	623,330	23,524	516,946
Unrestricted	582,508	184,529	195,647	357,979
Total net position	1,480,717	807,859	219,171	874,925
Total liabilities and net position	\$ 1,641,030	\$ 865,137	\$ 220,425	\$ 939,655

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

Total

\$ 118,683
195
274
98,311

17,463

234,926

3,538
45,111

48,649

283,575

2,062,009
1,320,663

3,382,672

\$ 3,666,247

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

	Electric Fund	Water Fund	Sanitation Fund	Sewer Fund
Operating revenues				
Charges for services	\$ 1,099,957	\$ 215,386	\$ 202,968	\$ 134,019
Penalties	11,554			
Total operating revenues	1,111,511	215,386	202,968	134,019
Operating expenses				
Salaries	56,193	52,413	91,833	45,831
Employee benefits	25,033	24,098	41,246	17,672
Supplies	1,953	6,567	787	700
Repairs and maintenance	37,644	35,098	6,318	5,158
Insurance	6,058	4,548	7,613	3,783
Utilities	1,335	30,837	345	869
Audit and legal	3,362	2,600	2,290	2,500
Fuel and oil	8,221	1,434	4,812	223
Power purchased	528,620			
Water assessment fee		6,630		
Dump expense			21,983	
Miscellaneous	7,026	8,661	1,029	2,420
Depreciation	35,086	22,328	3,359	18,083
Total operating expenses	710,531	195,214	181,615	97,239
Operating income	400,980	20,172	21,353	36,780

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

<u>Total</u>
\$ 1,652,330
11,554
1,663,884
246,270
108,049
10,007
84,218
22,002
33,386
10,752
14,690
528,620
6,630
21,983
19,136
78,856
1,184,599
479,285

(continued)

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

(continued)	Business-type Activities - Enterprise Funds			
	Electric Fund	Water Fund	Sanitation Fund	Sewer Fund
Nonoperating revenues (expenses)				
Interest on investments	1,731	126	178	225
Federal grant revenue		21,383		
Miscellaneous revenues	4,314	3,001	34	
Interest and fiscal charges				(1,361)
Total nonoperating revenues (expenses)	6,045	24,510	212	(1,136)
Change in net position	407,025	44,682	21,565	35,644
Net position at beginning of year	1,073,692	763,177	197,606	839,281
Net position at end of year	<u>\$ 1,480,717</u>	<u>\$ 807,859</u>	<u>\$ 219,171</u>	<u>\$ 874,925</u>

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

Total

2,260

21,383

7,349

(1,361)

29,631

508,916

2,873,756

\$ 3,382,672

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

	Business-type Activities - Enterprise Funds			
	Electric Fund	Water Fund	Sanitation Fund	Sewer Fund
Cash flows from operating activities				
Receipts from customers	\$ 1,101,702	\$ 213,459	\$ 201,986	\$ 133,400
Payments to suppliers	(654,227)	(66,509)	(87,685)	(32,858)
Payments to employees	(56,253)	(53,214)	(91,682)	(45,831)
Net cash provided by operating activities	391,222	93,736	22,619	54,711
Cash flows from noncapital financing activities				
Miscellaneous revenues	4,314	3,001	34	
Net cash provided by noncapital financing activities	4,314	3,001	34	-
Cash flows from capital and related financing activities				
Federal grant revenue				(5,601)
Purchase of capital assets	(120,184)	(114,783)		
Sale of capital assets				(17,140)
Principal paid on capital debt				(1,415)
Interest and fiscal charges				
Net cash used by capital and related financing activities	(120,184)	(114,783)	-	(24,156)

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

Total

\$ 1,650,547
(841,279)
(246,980)

562,288

7,349

7,349

-
(240,568)

-
(17,140)
(1,415)

(259,123)

(continued)

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

(continued)	Business-type Activities - Enterprise Funds			
	Electric Fund	Water Fund	Sanitation Fund	Sewer Fund
Cash flows from investing activities				
Interest on investments	1,731	126	178	225
Net cash provided by investing activities	1,731	126	178	225
Net change in cash and cash equivalents	277,083	(17,920)	22,831	30,780
Cash and cash equivalents at beginning of year	233,480	222,532	152,671	313,642
Cash and cash equivalents at end of year	<u>\$ 510,563</u>	<u>\$ 204,612</u>	<u>\$ 175,502</u>	<u>\$ 344,422</u>
Reconciliation of operating income to net cash provided by operating activities				
Operating income	\$ 400,980	\$ 20,172	\$ 21,353	\$ 36,780
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation	35,086	22,328	3,359	18,083
Change in assets and liabilities				
Accounts receivable	(11,579)	(1,927)	(982)	(619)
Inventory	(39,070)	(874)	116	28
Accounts payable	4,095	54,838	(1,378)	439
Accrued compensated absences	(60)	(801)	151	
Customer deposits	1,770			
Net cash provided by operating activities	<u>\$ 391,222</u>	<u>\$ 93,736</u>	<u>\$ 22,619</u>	<u>\$ 54,711</u>

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

Total

2,260

2,260

312,774

922,325

\$ 1,235,099

\$ 479,285

78,856

(15,107)

(39,800)

57,994

(710)

1,770

\$ 562,288

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies

This summary of the Town of Haxtun’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.

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 are the Town’s major governmental 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 HAXTUN, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Community Center Fund – This fund was established to provide for an accounting of those funds received through fundraising and donations for the Haxtun Community Center. These funds are to be expended on the maintenance and operations of the Center.

The following are the Town’s nonmajor governmental funds:

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

Library Fund – This fund was established to account for the town owned and operated public library.

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.

Sanitation Fund – This fund was established to account for all operations of the sanitation 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.

Note 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 HAXTUN, 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. Nonmajor funds are aggregated and presented in a single 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, deferred outflows of resources, current liabilities and deferred inflows of resources, 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 and fiduciary funds also use the accrual basis of accounting.

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

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. 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.

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.

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.

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.

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.

TOWN OF HAXTUN, 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

The Town does not utilize encumbrance accounting.

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 water 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 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.

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

All capital assets with a unit cost greater than \$5,000 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 beginning in 2004.

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 & Improvements	5-50 years	5-50 years
Equipment	5-20 years	5-20 years
Infrastructure	10-100 years	10-100 years

A.11 – Compensated absences

It is the policy of the Town to provide their regular employees with greater economic security by granting reasonable personal absences from work due to actual illness or personal reasons. Full-time employees eligible for these allowances receive from five to twenty days per year, with no more than five day of vacation being accumulated for carryover from year to year.

These allowances are payable at the employee’s standard rate of pay in effect at the time of usage.

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.

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

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 – Net position

Net position represents the difference between assets and liabilities. Net investment in 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 are 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.14 – 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 electric, water, sanitation and sewer 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.15 – 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 HAXTUN, COLORADO
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.16 – 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.

A.17 – 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, an
- *Unassigned* fund balance is the residual classification for the Town's general fund and includes all spendable amounts not contained in the other classifications.

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.

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

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. As of year-end, the Town had total deposits of \$2,308,475, of which \$250,000 was insured and \$2,058,475 was 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

During the year, the Town invested in Colotrust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note B – Cash and investments (Continued)

bank serves as custodian for the Trust’s portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust’s investment portfolios and provides services as the depository in connection with direct investments and withdrawals. As of December 31, 2023, the Town had invested \$58,736 in COLOTRUST PLUS+ and \$31,881 in COLOTRUST PRIME, an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments.

At year-end, the Town had the following investments:

<u>Investment type</u>	<u>Fair value</u>	<u>Investment maturities (in years)</u>		
		<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>
Investment in Colotrust	\$ <u>90,617</u>	\$ <u>90,617</u>	\$ <u>-</u>	\$ <u>-</u>

Credit risk – State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the highest rating from at least one nationally recognized rating agency at the time of purchase. The Town has no investment policy that would further limit its investment choices. At year-end, the Town’s investment in Colotrust was rated AAAM by Standard and Poor’s.

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	\$ 191,680	\$ -	\$ 191,680
Other accounts	<u>179,938</u>	<u>174,183</u>	<u>354,121</u>
Total	\$ <u>371,618</u>	\$ <u>174,183</u>	\$ <u>545,801</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. Phillips 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.

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

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	\$ 39,690	\$ -	\$ -	\$ 39,690
Construction in progress	<u>-</u>	<u>1,031,482</u>	<u>-</u>	<u>1,031,482</u>
Total capital assets, not being depreciated	39,690	1,031,482	-	1,071,172
Capital assets, being depreciated:				
Land improvements	458,618	161,164	-	619,782
Buildings and improvements	2,896,776	18,118	-	2,914,894
Infrastructure	2,658,146	275,793	-	2,933,939
Equipment and furniture	<u>708,775</u>	<u>19,060</u>	<u>-</u>	<u>727,835</u>
Total capital assets, being depreciated	<u>6,722,315</u>	<u>474,135</u>	<u>-</u>	<u>7,196,450</u>
Total capital assets	6,762,005	1,505,617	-	8,267,622
Less accumulated depreciation:				
Land improvements	(211,648)	(18,943)	-	(230,591)
Buildings and improvements	(1,171,627)	(67,513)	-	(1,239,140)
Infrastructure	(294,017)	(69,901)	-	(363,918)
Equipment and furniture	<u>(445,456)</u>	<u>(48,565)</u>	<u>-</u>	<u>(494,021)</u>
Total accumulated depreciation	<u>(2,122,748)</u>	<u>(204,922)</u>	<u>-</u>	<u>(2,327,670)</u>
Governmental activities capital assets, net	<u>\$ 4,639,257</u>	<u>\$ 1,300,695</u>	<u>\$ -</u>	<u>\$ 5,939,952</u>

TOWN OF HAXTUN, 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>
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 31,900	\$ -	\$ -	\$ 31,900
Total capital assets, not being depreciated	31,900	-	-	31,900
Capital assets, being depreciated				
Buildings	68,319	6,600	-	74,919
Systems	3,823,329	228,367	-	4,051,696
Equipment	<u>411,263</u>	<u>5,601</u>	<u>-</u>	<u>416,864</u>
Total capital assets, being depreciated	<u>4,302,911</u>	<u>240,568</u>	<u>-</u>	<u>4,543,479</u>
Total capital assets	4,334,811	240,568	-	4,575,379
Less accumulated depreciation:				
Buildings	(66,651)	(289)	-	(66,940)
Systems	(1,963,418)	(63,874)	-	(2,027,292)
Equipment	<u>(341,871)</u>	<u>(14,693)</u>	<u>-</u>	<u>(356,564)</u>
Total accumulated depreciation	<u>(2,371,940)</u>	<u>(78,856)</u>	<u>-</u>	<u>(2,450,796)</u>
Business-type activities capital assets, net	<u>\$ 1,962,871</u>	<u>\$ 161,712</u>	<u>\$ -</u>	<u>\$ 2,124,583</u>

TOWN OF HAXTUN, 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		\$ 16,677
Public safety		28,432
Public works		131,986
Culture and recreation		<u>27,827</u>
Total governmental activities		<u>\$ 204,922</u>
Business-type activities		
Electric		\$ 35,086
Water		22,328
Sanitation		3,359
Sewer		<u>18,083</u>
Total business-type activities		<u>\$ 78,856</u>

Note E – Long-term debt

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

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Adjustments/ Reductions</u>	<u>Ending Balances</u>	<u>Due within one year</u>
Governmental activities					
Bonds payable	\$ 1,427,160	\$ -	\$ (68,236)	\$ 1,358,924	\$ 70,268
Compensated absences	<u>3,597</u>	<u>2,019*</u>	<u>-</u>	<u>5,616</u>	<u>-</u>
Total	<u>\$ 1,430,757</u>	<u>\$ 2,019</u>	<u>\$ (68,236)</u>	<u>\$ 1,364,540</u>	<u>\$ 70,268</u>
Business-type activities					
Notes from direct borrowings	\$ 79,714	\$ -	\$ (17,140)	\$ 62,574	\$ 17,463
Compensated absences	<u>4,248</u>	<u>-</u>	<u>(710)*</u>	<u>3,538</u>	<u>-</u>
Total	<u>\$ 83,962</u>	<u>\$ -</u>	<u>\$ (17,850)</u>	<u>\$ 66,112</u>	<u>\$ 17,463</u>

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

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note E – Long-term debt (Continued)

The long-term liabilities 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.

Bonds payable

The Town issued \$1,500,000 general obligation bonds dated January 25, 2022, due in quarterly installments of \$27,379 through 2039. The interest rate for the bonds is 2.945%.

Notes payable

The Town entered into a \$305,041 note agreement with the Colorado Water Resources and Power Development Authority (the Authority) dated November 1, 2007, due in semi-annual installments of \$9,277 through 2027. The interest rate for the agreement is 1.875%. The agreement provides for the disbursement of funds at the Town's request to facilitate the construction of a sanitary sewer relief line.

The loan agreement contains various covenants including the establishment and maintenance of an operations and maintenance reserve fund in an amount equal to three months of operation and maintenance expenses as set forth in the annual budget for the current fiscal year. Based on the current annual budget, three months of operations and maintenance expenses totaled \$35,920, which the Town has funded with unobligated fund balances. The Town must also maintain water rates, fees and other charges that will cover operation and maintenance expenses and at least 110% of debt service for the calendar year. The Town believes it is in compliance with the covenants as set forth in the loan agreement.

The Town's outstanding note from direct borrowings related to business-type activities of \$62,574 is secured with collateral of the net revenue from operation and use of the system as defined in the loan agreement. The 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 take any action permitted or required pursuant to the loan agreement and to take whatever other action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce the performance and observance of any duty, covenant, obligation, or agreement of the Town hereunder including, without limitation, appointment ex parte of a receiver of the system.

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note E – Long-term debt (Continued)

The following schedule represents the Town’s debt service requirements to maturity for the outstanding long-term debt at year-end:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Bonds</u>		<u>Notes from Direct Borrowings</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 70,268	\$ 39,249	\$ 17,463	\$ 1,092
2025	72,360	37,157	17,792	763
2026	74,515	35,002	18,127	428
2027	76,733	32,783	9,192	85
2028	79,018	30,498	-	-
2029-2033	431,818	115,765	-	-
2034-2038	500,053	47,530	-	-
2039	54,159	599	-	-
Totals	<u>\$ 1,358,924</u>	<u>\$ 338,583</u>	<u>\$ 62,574</u>	<u>\$ 2,368</u>

Note F – Risk management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town has affiliated with the Colorado Intergovernmental Risk Sharing Agency (CIRSA) to provide protection against losses incurred related to property, casualty, general liability and workers compensation claims. CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of the Colorado Revised Statutes and the Colorado Constitution. The purposes of CIRSA are to provide members defined liability, property and workers compensation coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees, or officers. The Town makes an annual contribution to CIRSA for its insurance coverage. For the year, the Town’s financial contribution to CIRSA was \$85,572. Contingent liability claims for the coverage have not been recognized to date after reviewing claim history and the remoteness of potential loss in excess of actual contributions by the Town. Settled claims resulting from these risks have not exceeded commercial insurance coverage or the deductible in any of the past three years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note G – Pension Plans

The Town is covered under three separate pension plans. The Town’s General Fund has been used in prior years to liquidate any net pension obligation. The assets under these plans are not considered property of the Town and are held by a third party administrator for the exclusive benefit of the plan participants and their beneficiaries. The Town has little administrative involvement and does not perform the investing functions for the plans. Therefore, these assets are not included as part of the financial statements of the Town.

Below is a summary of the deferred inflows/outflows, net pension assets and liabilities, and pension expense for the defined benefit plans.

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Net Pension Liability</u>	<u>Net Pension Asset</u>	<u>Pension Expense</u>
SWDB	\$ 55,081	\$ 1,534	\$ 6,839	\$ -	\$ 7,711
Volunteer - Fire	<u>20,943</u>	<u>13,744</u>	<u>-</u>	<u>13,066</u>	<u>(6,655)</u>
Total	<u>\$ 76,024</u>	<u>\$ 15,278</u>	<u>\$ 6,839</u>	<u>\$ 13,066</u>	<u>\$ 1,056</u>

The Town’s three retirement plans and related disclosures are as follows:

Statewide Defined Benefit Plan

Summary of significant accounting policies

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Fire & Police Statewide Defined Benefit Plan and additions to/deductions from Fire & Police Statewide Defined Benefit Plan’s fiduciary net position have been determined on the same basis as they are reported by the Fire & Police Pension Association of Colorado. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General information about the pension plan

Plan description. The Plan is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (New Hires), provided that they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The Plan became effective January 1, 1980. As of January 1, 2023, Statewide Defined Benefit Plan and the Statewide Hybrid Plan have merged to form the Statewide Retirement Plan (SRP) and the Statewide Defined Benefit Plan becomes the Defined Benefit Component of the Statewide Retirement Plan.

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note G – Pension Plans (Continued)

The SWDB assets are included in the Fire & Police Members' Benefit Investment Fund. Assets from the Deferred Retirement Option Plan (DROP), Money Purchase Component, and Separate Retirement Account assets from eligible retired members are in the Fire & Police Members' Self-Directed Investment Fund.

The Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available annual comprehensive financial report that can be obtained on FPPA's website at <http://www.FPPAco.org>.

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

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

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

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

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note G – Pension Plans (Continued)

In 2014, the members elected to increase the member contribution rate to the SWDB Plan beginning in 2015. Member contribution rates increased 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13.0 percent of pensionable earnings. In 2022, members of the SWDB plan and their employers are contributing at the rate of 12.0 percent and 9.0 percent, respectively, of pensionable earnings for a total contribution rate of 21.0 percent.

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

The contribution rate for members and employers of affiliated social security employers is 6.0 percent and 4.5 percent, respectively, of pensionable earnings for a total contribution rate of 10.5 percent in 2021. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6.0 percent of pensionable earnings. Employer contributions will increase 0.25 percent annually beginning in 2021 through 2030 to a total of 6.5 percent of pensionable earnings.

Contributions to the Plan from the Town during the year ended December 31, 2023 were \$5,493.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2023 the Town reported a liability of \$6,839 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2022, the Town's proportion was .0077 percent, which was the same as what was measured as of December 31, 2021.

For the year ended December 31, 2023, the Town recognized pension expense of \$7,711. At December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note G – Pension Plans (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual investment earnings	\$ 14,622	\$ -
Changes in assumptions and other inputs	10,452	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	6,434	676
Difference between expected and actual experience	18,080	858
Contributions subsequent to measurement date	<u>5,493</u>	<u>-</u>
Totals	<u>\$ 55,081</u>	<u>\$ 1,534</u>

\$5,493 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Amount</u>
2024	\$ 5,086
2025	8,900
2026	11,208
2027	14,524
2028	3,952
2029	2,308
2030	1,181
2031	<u>895</u>
Totals	<u>\$ 48,054</u>

Actuarial assumptions. The actuarial valuations for the Statewide Defined Benefit Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ended December 31, 2022. The valuations used the following actuarial assumption and other inputs:

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note G – Pension Plans (Continued)

	Total Pension Liability	Actuarial Determined Contributions
Actuarial valuation date	January 1, 2023	January 1, 2022
Actuarial method	Entry age normal	Entry age normal
Amortization method	N/A	Level % of payroll, open
Amortization period	N/A	30 years
Long-term investment rate of return, net*	7.0%	7.0%
Projected salary increases*	4.25% - 11.25%	4.25% - 11.25%
Cost of living adjustments (COLA)	0%	0%
* Includes inflation at	2.5%	2.5%

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

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

At least every five years the FPPA’s Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA’s actuaries, Gabriel, Roeder, Smith & Company, based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund’s target asset allocation as of December 31, 2022, are summarized in the following table:

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note G – Pension Plans (Continued)

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

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

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

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

Sensitivity of the Town’s proportionate share of the net pension liability/(asset) to changes in the discount rate. Regarding the sensitivity of the net pension liability/(asset) to changes in the single discount rate, the following presents the Town’s proportionate share of the net pension liability/(asset), calculated using a single discount rate of 7.00 percent, as well as what the Town’s proportionate share of the net pension liability/(asset) would be if it were calculated using a single discount rate that is one percent lower or one percent higher:

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note G – Pension Plans (Continued)

	1% Decrease (6.00%)	Current Discount (7.00)	1% Increase (8.00)
Proportionate share of the net pension liability (asset)	\$ 47,147	\$ 6,839	\$ (26,549)

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

Payables to the pension plan

The Town did not report any payables to the pension plan at year-end.

Haxtun Volunteer Fire Department Pension Fund

Summary of significant accounting policies

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Haxtun Volunteer Fire Department Pension Fund and additions to/deductions from Haxtun Volunteer Fire Department Pension Fund’s net position have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General information about the pension plan

Plan administration. The Town’s defined benefit pension plan for volunteers provides retirement and disability benefits and death benefits to plan members and beneficiaries. The plan is affiliated with the Fire and Police Member’s Benefit Fund, an agent multiple-employer pension plan administered by the Fire and Police Pension Association (FPPA) of Colorado. Title 31, Article 30 of the Colorado Revised Statutes assigns the authority to establish and amend the benefit provisions of the plans that participate in FPPA to the respective member entities. The FPPA issues a publicly available financial report that includes financial statements and required supplementary information for Public Employee Retirement System (PERS) Affiliated Local Plans that can be obtained at <http://www.FPPAco.org>.

Management of the Haxtun Volunteer Fire Department Pension Fund is vested in the local Pension Board, which consists of the Town Mayor, Treasurer, two persons appointed by the governing body of the Town, and three representatives of the local fire department serving the Town.

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note G – Pension Plans (Continued)

Plan membership. At year-end, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	18
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>30</u>
Total	<u>48</u>

Benefits provided. The plan provides retirement and death benefits. Any firefighter who has both reached the age of 50 and completed 20 years of active service shall be eligible for a monthly pension (currently \$50 per month). Vesting for reduced monthly pension benefits begins at 10 years of service, with full pension after 20 years. The plan also provides for a lump-sum burial benefit of \$100 upon the death of an active or retired firefighter. The plan does not provide for disability or survivor benefits.

Contributions. Contribution requirements of the plan are established under Title 31, Article 30 of the Colorado Revised Statutes. The plan is noncontributory regarding participants. Contributions to the plan for the year ended December 31, 2023 included \$4,243 from the State of Colorado matching funds and \$4,714 from the Town.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2023 the Town reported a net pension asset of \$13,066. The net pension asset was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023.

For the year ended December 31, 2023, the Town recognized pension expense of \$(6,655). At December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual investment earnings	\$ 9,526	\$ -
Changes in assumptions and other inputs	6,703	8,338
Difference between expected and actual experience	-	5,406
Contributions subsequent to measurement date	<u>4,714</u>	<u>-</u>
Totals	<u>\$ 20,943</u>	<u>\$ 13,744</u>

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note G – Pension Plans (Continued)

\$4,714 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31, _____	Amount
2024	\$ (5,042)
2025	(2,317)
2026	3,757
2027	<u>6,087</u>
Totals	<u>\$ 2,485</u>

Actuarial assumptions. The total pension liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, open*
Remaining amortization period	20 years*
Asset valuation method	5-year smoothed fair value
Inflation	2.50%
Salary increases	N/A
Investment rate of return	7.00%
Retirement age	50% per year of eligibility until 100% at age 65
Mortality	Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality. Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. Disabled: 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note G – Pension Plans (Continued)

* Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund’s target asset allocation as of December 31, 2022, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Cash	1.00%	3.92%
Fixed Income - Rates	10.00%	5.45%
Fixed Income - Credit	5.00%	6.90%
Absolute Return	9.00%	6.49%
Long Short	6.00%	7.47%
Global Equity	35.00%	8.93%
Private Markets	<u>34.00%</u>	10.31%
Total	<u>100.00%</u>	

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

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

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note G – Pension Plans (Continued)

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 4.05% (based on the weekly rate closest to but not later than the measurement date of the “state and local bonds” rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

Changes in the net pension liability/(asset)

	<u>Increase (Decrease)</u>		
	Total Pension Liability <u>(a)</u>	Plan Fiduciary Position <u>(b)</u>	Net Pension Liability <u>(a)-(b)</u>
Balances at beginning of year	\$ 163,013	\$ 207,385	\$ (44,372)
Changes for the year			
Service cost	990	-	990
Interest on total pension liability	11,073	-	11,073
Benefit changes	-	-	-
Difference between expected and actual experience	(220)	-	(220)
Changes of assumptions	2,373	-	2,373
Contributions – employer	-	4,714	(4,714)
Contributions – state of Colorado	-	4,243	(4,243)
Net investment income	-	(16,330)	16,330
Benefit payments	(10,800)	(10,800)	-
Administrative expenses	-	(9,717)	9,717
Net changes	<u>3,416</u>	<u>(27,890)</u>	<u>31,306</u>
Balances at end of year	<u>\$ 166,429</u>	<u>\$ 179,495</u>	<u>\$ (13,066)</u>

Sensitivity of the Town’s net pension liability/(asset) to changes in the discount rate. Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the Town’s net pension liability/(asset) calculated using a Single Discount Rate of 7.00%, as well as what the plan’s net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease <u>(6.00%)</u>	Current Discount <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Net pension liability (asset)	<u>\$ 5,688</u>	<u>\$ (13,066)</u>	<u>\$ (28,681)</u>

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note G – Pension Plans (Continued)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Haxtun Volunteer Fire Department Pension Fund financial report.

Payables to the pension plan

The Town did not report any payables to the pension plan at year-end.

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 3 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 \$11,480, and the Town recognized pension expense of \$11,480.

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

Note H – Commitments and contingencies

TABOR Amendment

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 November, 1995, 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

TOWN OF HAXTUN, COLORADO
Notes to Financial Statements

Note H – Commitments and contingencies (Continued)

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. The Town has reserved funds in the General Fund in the amount of \$27,000 for the emergency reserve.

Colorado Local Government Budget Laws

Expenses in the Water Fund exceeded their appropriation by \$44,230, which may be a violation of Colorado Local Government Budget Laws.

Note I – Haxtun Old Hire Police Officers' Pension Fund

The Town Council has found that no other person or persons is, and no person can, become eligible for payment of a benefit from the Haxtun Old Hire Police Officers' Pension Fund established pursuant to C.R.S. Section 31-30.5-201(2). As such, the Town Council approved, and received, the idle funds distribution in the amount of \$120,785, which will be used to make future contributions to the defined benefit system trust fund pursuant to C.R.S. Section 31-31-402(2). The Town has restricted \$116,716 in its General Fund, representing idle funds that have not been contributed to the defined benefit system trust fund at year-end.

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Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Schedule of the Town's Proportionate Share of the Net Pension Liability/(Asset) – Fire & Police Statewide Defined Benefit Plan
- Schedule of Town Contributions – Fire & Police Statewide Defined Benefit Plan
- Schedule of Changes in the Town's Net Pension Liability/(Asset) and Related Ratios – Haxtun Volunteer Fire Department Pension Fund
- Schedule of Town Contributions – Haxtun Volunteer Fire Department Pension Fund
- Budgetary Comparison Schedule – General Fund
- Budgetary Comparison Schedule – Community Center Fund

TOWN OF HAXTUN, COLORADO
Schedule of the Town's Proportionate Share of the Net Pension Liability/(Asset)
Fire & Police Statewide Defined Benefit Plan
December 31, 2023

	2023	2022	2021	2020
Town's proportion of the net pension liability/(asset)	0.0077%	0.0077%	0.0075%	0.0103%
Town's proportionate share of the net pension liability/(asset)	\$ 6,839	\$ (41,754)	\$ (16,346)	\$ (5,839)
Town's covered payroll	\$ 69,612	\$ 62,024	\$ 60,475	\$ 76,100
Town's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	-9.8%	67.3%	27.0%	7.7%
Plan fiduciary net position as a percentage of the total pension liability	97.60%	116.20%	106.70%	101.90%

* The amounts presented for each fiscal year were determined as of December 31 of the prior year.

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.0102%	0.0112%	0.0117%	0.0125%	0.0125%	0.0098%
\$ 12,860	\$ (16,113)	\$ (4,227)	\$ (220)	\$ (14,142)	\$ (8,764)
\$ 71,050	\$ 65,508	\$ 59,862	\$ 60,613	\$ 56,350	\$ 42,575
-18.1%	24.6%	7.1%	0.4%	25.1%	20.6%
95.20%	106.30%	98.21%	100.10%	106.80%	105.80%

TOWN OF HAXTUN, COLORADO
Schedule of Town Contributions
Fire & Police Statewide Defined Benefit Plan
December 31, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 5,493	\$ 5,917	\$ 5,272	\$ 4,838
Contributions in relation to the contractually required contribution	<u>(5,493)</u>	<u>(5,917)</u>	<u>(5,272)</u>	<u>(4,838)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	\$ 64,624	\$ 69,612	\$ 62,024	\$ 60,475
Contributions as a percentage of covered payroll	8.50%	8.50%	8.50%	8.00%

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 6,088	\$ 5,684	\$ 5,241	\$ 4,789	\$ 4,849	\$ 4,508
<u>(6,088)</u>	<u>(5,684)</u>	<u>(5,241)</u>	<u>(4,789)</u>	<u>(4,849)</u>	<u>(4,508)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 76,100	\$ 71,050	\$ 65,508	\$ 59,862	\$ 60,613	\$ 56,350
8.00%	8.00%	8.00%	8.00%	8.00%	8.00%

TOWN OF HAXTUN, COLORADO
Schedule of Changes in the Town's Net Pension Liability/(Asset) and Related Ratios ¹
Haxtun Volunteer Fire Department Pension Fund
Last 10 Fiscal Years

	2023	2022	2021	2020
Total pension liability				
Service cost	\$ 990	\$ 1,281	\$ 1,212	\$ 1,212
Interest on the total pension liability	11,073	10,523	12,170	12,120
Differences between expected and actual experience	(220)	-	(18,345)	-
Assumption changes	2,373	(16,771)	17,243	-
Benefit payments	(10,800)	(11,050)	(12,800)	(12,435)
Net change in total pension liability	3,416	(16,017)	(520)	897
Total pension liability - beginning	163,013	179,030	179,550	178,653
Total pension liability - ending (a)	<u>\$ 166,429</u>	<u>\$ 163,013</u>	<u>\$ 179,030</u>	<u>\$ 179,550</u>
Plan fiduciary net position				
Contributions - employer	\$ 4,714	\$ 4,714	\$ 4,714	\$ 4,714
Net investment income	(16,330)	27,156	21,584	23,524
Benefit payments	(10,800)	(11,050)	(12,800)	(12,435)
Pension plan administrative expenses	(9,717)	(8,772)	(8,099)	(11,703)
State of Colorado supplemental discretionary payment	4,243	8,486	4,243	-
Net change in plan fiduciary net position	(27,890)	20,534	9,642	4,100
Plan fiduciary net position - beginning	207,385	186,851	177,209	173,109
Plan fiduciary net position - ending (b)	<u>\$ 179,495</u>	<u>\$ 207,385</u>	<u>\$ 186,851</u>	<u>\$ 177,209</u>
Town's net pension liability/(asset) - ending (a) - (b)	<u>\$ (13,066)</u>	<u>\$ (44,372)</u>	<u>\$ (7,821)</u>	<u>\$ 2,341</u>
Plan fiduciary net position as a percentage of the total pension liability	107.85%	127.22%	104.37%	98.70%
Covered payroll	N/A	N/A	N/A	N/A
Town's net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A

* The amounts presented for each fiscal year were determined as of December 31 of the prior year.

¹ Until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

	2019	2018	2017	2016	2015
\$	1,128	\$ 1,128	\$ 1,126	\$ 1,126	\$ 1,174
	12,324	12,210	11,974	11,979	11,819
	180	-	(2,467)	-	2,152
	7,115	-	5,152	-	-
	(11,500)	(12,126)	(13,150)	(13,200)	(12,762)
	9,247	1,212	2,635	(95)	2,383
	169,406	168,194	165,559	165,654	163,271
\$	<u>178,653</u>	<u>\$ 169,406</u>	<u>\$ 168,194</u>	<u>\$ 165,559</u>	<u>\$ 165,654</u>
\$	4,714	\$ 7,028	\$ 2,460	\$ 6,583	\$ 4,714
	211	24,347	8,776	3,049	10,784
	(11,500)	(12,126)	(13,150)	(13,200)	(12,762)
	(10,540)	(10,309)	(539)	(1,565)	(634)
	4,243	4,297	5,263	4,243	4,243
	(12,872)	13,237	2,810	(890)	6,345
	185,981	172,744	169,934	170,824	164,479
\$	<u>173,109</u>	<u>\$ 185,981</u>	<u>\$ 172,744</u>	<u>\$ 169,934</u>	<u>\$ 170,824</u>
\$	<u>5,544</u>	<u>\$ (16,575)</u>	<u>\$ (4,550)</u>	<u>\$ (4,375)</u>	<u>\$ (5,170)</u>
	96.90%	109.78%	102.71%	102.64%	
	N/A	N/A	N/A	N/A	
	N/A	N/A	N/A	N/A	

TOWN OF HAXTUN, COLORADO
Schedule of Town Contributions
Haxtun Volunteer Fire Department Pension Fund
Last 10 Fiscal Years

Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution *	Contribution Deficiency (Excess)	Covered Payroll	Actuarial Contribution as a % of Covered Payroll
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2023	\$ 9,508	\$ 8,957	\$ 551	N/A	N/A
2022	9,508	8,957	551	N/A	N/A
2021	11,518	13,200	(1,682)	N/A	N/A
2020	11,518	8,957	2,561	N/A	N/A
2019	-	4,714	(4,714)	N/A	N/A
2018	-	8,957	(8,957)	N/A	N/A
2017	60	11,325	(11,265)	N/A	N/A
2016	60	7,723	(7,663)	N/A	N/A
2015	1,869	10,826	(8,957)	N/A	N/A
2014	1,869	8,957	(7,088)	N/A	N/A

* Includes both employer and State of Colorado Supplemental Discretionary Payment.

TOWN OF HAXTUN, 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	\$ 572,953	\$ 572,953	\$ 843,822	\$ 270,869
Licenses and permits	4,500	4,500	7,440	2,940
Intergovernmental	67,420	67,420	71,559	4,139
Fines and forfeitures	1,250	1,250	2,880	1,630
Charges for services	25,000	25,000	24,369	(631)
Miscellaneous	1,238,067	1,238,067	1,383,094	145,027
Total revenues	1,909,190	1,909,190	2,333,164	423,974
Expenditures				
Current				
General government	211,368	211,368	181,971	29,397
Public safety	406,578	406,578	327,553	79,025
Public works	607,500	607,500	671,447	(63,947)
Culture and recreation	1,273,535	1,273,535	1,205,490	68,045
Debt service				
Principal retirement	68,236	68,236	68,236	-
Interest and fiscal charges	42,136	42,136	41,281	855
Total expenditures	2,609,353	2,609,353	2,495,978	113,375
Excess of revenues over (under) expenditures	(700,163)	(700,163)	(162,814)	537,349
Other financing sources				
Sale of assets	2,000	2,000		(2,000)
Transfers in	463,000	463,000		(463,000)
Total other financing sources	465,000	465,000	-	(465,000)
Net change in fund balance	\$ (235,163)	\$ (235,163)	(162,814)	\$ 72,349
Fund balance at beginning of year			1,040,519	
Fund balance at end of year			\$ 877,705	

TOWN OF HAXTUN, COLORADO
Community Center Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Rent income	\$ 3,500	\$ 3,500	\$ 6,720	\$ 3,220
Grants and contributions	600	600	880	280
Total revenues	4,100	4,100	7,600	3,500
Expenditures				
Current				
Salaries	3,000	3,000	1,626	1,374
Employee benefits	850	850	454	396
Insurance and bonds	5,100	5,100	3,938	1,162
Repairs and maintenance	5,000	5,000	1,065	3,935
County clerk fee	600	600		600
Utilities	10,480	10,480	10,159	321
Audit and legal	1,200	1,200	1,200	-
Supplies	1,500	1,500	1,367	133
Miscellaneous	2,500	2,500	5,291	(2,791)
Total expenditures	30,230	30,230	25,100	5,130
Net change in fund balance	\$ (26,130)	\$ (26,130)	(17,500)	\$ 8,630
Fund balance at beginning of year			341,433	
Fund balance at end of year			\$ 323,933	

TOWN OF HAXTUN, COLORADO
Notes to the Required Supplementary Information

Note A – Budgetary data

Annual budgets are established for all funds of the Town as required by its local code. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles except for the enterprise funds (electric, water, sanitation 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. Revisions to the budget were made throughout the year.

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

- On or before October 15th of each year, or in conformity with the general state law, the Town clerk submits to the Town council a budget which shall be a complete financial plan for the ensuing fiscal year.
- At the same time the budget is submitted, the Town clerk shall also prepare an appropriation ordinance making a levy in mills upon all taxable property within the Town for the ensuing fiscal year.
- A public hearing on the budget shall be held by Town council two weeks after its submission. Notice of the time and place of said hearing shall be published within three days after the submission of the budget.
- Prior to December 15th, or in conformity with the general state law, the Town council shall adopt the budget and the tax levy ordinance.
- Any portion of any annual appropriation remaining unexpended and unencumbered at the close of the budget year shall be declared surplus and included in the budget for the ensuing year as those appropriations lapse at year-end.

Note B – Factors affecting trends in amounts reported in the pension schedules

Information about factors that significantly affect trends in the amounts reported in the pension schedules is available in FPPA's comprehensive annual financial report which can be obtained at <http://www.FPPAco.org>.

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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:

- General Fund – Budgetary Comparison Schedules – Revenues and Expenditures
- Combining Statements and Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Proprietary Funds

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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 HAXTUN, 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	\$ 183,353	\$ 183,353	\$ 176,077	\$ (7,276)
Specific ownership taxes	15,500	15,500	21,634	6,134
Penalties and interest on taxes	600	600	440	(160)
Franchise taxes	7,500	7,500	7,447	(53)
Sales taxes	365,000	365,000	638,224	273,224
Severance taxes	1,000	1,000		(1,000)
Total taxes	572,953	572,953	843,822	270,869
Licenses and permits	4,500	4,500	7,440	2,940
Intergovernmental				
Motor vehicle assessments	4,500	4,500	4,558	58
Cigarette taxes	700	700	1,111	411
Highway users tax	42,220	42,220	43,633	1,413
Road and bridge	15,000	15,000	15,739	739
Payment in lieu of taxes	5,000	5,000	6,518	1,518
Total intergovernmental	67,420	67,420	71,559	4,139
Fines and forfeitures	1,250	1,250	2,880	1,630
Charges for services				
Curb and gutter			3,326	3,326
Rabies control	6,000	6,000	5,500	(500)
Swimming pool	9,000	9,000		(9,000)
Concession stand	10,000	10,000	15,543	5,543
Total charges for services	25,000	25,000	24,369	(631)
Miscellaneous				
Interest on investments	6,000	6,000	35,390	29,390
Refunds and reimbursements	78,900	78,900	311,912	233,012
Grants and donations	1,143,042	1,143,042	1,021,452	(121,590)
Miscellaneous	10,125	10,125	14,340	4,215
Total miscellaneous	1,238,067	1,238,067	1,383,094	145,027
Total revenues	\$ 1,909,190	\$ 1,909,190	\$ 2,333,164	\$ 423,974

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TOWN OF HAXTUN, 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				
Salaries	\$ 57,620	\$ 57,620	\$ 28,651	\$ 28,969
Employee benefits	16,500	16,500	10,657	5,843
Supplies	23,500	23,500	3,939	19,561
Maintenance	1,000	1,000	33,971	(32,971)
Utilities	6,650	6,650	7,547	(897)
Travel	2,500	2,500	2,762	(262)
Insurance	8,000	8,000	8,883	(883)
Reporting and publishing	2,500	2,500	2,345	155
Audit and legal	8,000	8,000	5,937	2,063
Dues	14,000	14,000	13,460	540
County treasurer fees	6,250	6,250	3,808	2,442
Miscellaneous	64,848	64,848	60,011	4,837
Total general government	211,368	211,368	181,971	29,397
Public safety				
Police				
Salaries	206,200	206,200	169,665	36,535
Employee benefits	82,000	82,000	74,839	7,161
Life and disability insurance	4,320	4,320	3,932	388
Drug education	2,500	2,500		2,500
Pension contribution	6,400	6,400	5,493	907
Maintenance	2,500	2,500	2,935	(435)
Fuel and oil	5,000	5,000	4,732	268
Insurance	10,000	10,000	11,982	(1,982)
Utilities	8,500	8,500	8,070	430
Supplies	19,500	19,500	16,925	2,575
Travel and training	6,000	6,000	575	5,425
Audit and legal	1,500	1,500	1,884	(384)
Miscellaneous	17,974	17,974	5,288	12,686
Total police	372,394	372,394	306,320	66,074

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Fire				
Salaries	500	500	349	151
Employee benefits	370	370	258	112
Firemen's allotment	240	240		240
Pension contribution	3,650	3,650	2,400	1,250
Maintenance	1,000	1,000	284	716
Insurance	11,000	11,000	9,486	1,514
Utilities	7,550	7,550	8,227	(677)
Supplies	3,500	3,500	229	3,271
Miscellaneous	6,374	6,374		6,374
Total fire	34,184	34,184	21,233	12,951
Total public safety	406,578	406,578	327,553	79,025
Public works				
Highways and streets				
Salaries	69,000	69,000	72,404	(3,404)
Employee benefits	27,000	27,000	33,042	(6,042)
Utilities	15,800	15,800	14,724	1,076
Maintenance and supplies	292,700	292,700	428,631	(135,931)
Fuel and oil	10,000	10,000	7,853	2,147
Insurance	10,000	10,000	8,926	1,074
Miscellaneous	3,150	3,150	2,655	495
Capital outlay	107,000	107,000	36,304	70,696
Total highways and streets	534,650	534,650	604,539	(69,889)
Airport				
Salaries	1,200	1,200	1,175	25
Employee benefits	750	750	540	210
Maintenance and supplies	1,000	1,000	2,265	(1,265)
Insurance	4,500	4,500	4,290	210
Miscellaneous	400	400	298	102
Capital outlay	65,000	65,000	58,340	6,660
Total airport	72,850	72,850	66,908	5,942
Total public works	607,500	607,500	671,447	(63,947)

(continued)

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

(continued)	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Culture and recreation				
Recreation programs				
Salaries	51,500	51,500	24,152	27,348
Employee benefits	7,500	7,500	4,879	2,621
Utilities	14,455	14,455	6,567	7,888
Maintenance and supplies	29,000	29,000	126,738	(97,738)
Insurance	8,750	8,750	4,147	4,603
Miscellaneous	5,550	5,550	9,614	(4,064)
Capital outlay	1,111,400	1,111,400	986,390	125,010
Total recreation programs	1,228,155	1,228,155	1,162,487	65,668
Parks				
Salaries	10,500	10,500	11,974	(1,474)
Employee benefits	3,850	3,850	4,175	(325)
Utilities	5,500	5,500	4,305	1,195
Maintenance and supplies	15,500	15,500	10,054	5,446
Fuel and oil	800	800	910	(110)
Insurance	3,800	3,800	4,499	(699)
Miscellaneous	1,000	1,000	1,498	(498)
Total parks	40,950	40,950	37,415	3,535
Fishing lake				
Salaries	1,000	1,000	1,372	(372)
Employee benefits	530	530	431	99
Utilities	800	800	538	262
Maintenance and supplies	600	600		600
Insurance	1,500	1,500	667	833
Miscellaneous			2,580	(2,580)
Total fishing lake	4,430	4,430	5,588	(1,158)
Total culture and recreation	1,273,535	1,273,535	1,205,490	68,045

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Debt service				
Principal retirement	68,236	68,236	68,236	-
Interest and fiscal charges	42,136	42,136	41,281	855
Total debt service	110,372	110,372	109,517	855
Total expenditures	\$ 2,609,353	\$ 2,609,353	\$ 2,495,978	\$ 113,375

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**Combining Statements and Budgetary Comparison Schedules –
Nonmajor Governmental Funds**

The Town reports the following nonmajor governmental funds:

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 state lottery proceeds and allowable expenditures.
- Library Fund – This fund was established to account for the town owned and operated public library.

TOWN OF HAXTUN, COLORADO
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2023

	Conservation Trust Fund	Library Fund	Total
Assets			
Cash and investments	\$ 17,959	\$ 19,876	\$ 37,835
Cash with county treasurer		162	162
Property taxes receivable		15,334	15,334
Total assets	\$ 17,959	\$ 35,372	\$ 53,331
Liabilities			
Accounts payable		\$ 47	\$ 47
Total liabilities	\$ -	47	47
Deferred inflows of resources			
Deferred property tax revenues		15,334	15,334
Total deferred inflows of resources	-	15,334	15,334
Fund balance			
Restricted for culture and recreation	17,959		17,959
Committed to library purposes		19,991	19,991
Total fund balance	17,959	19,991	37,950
Total liabilities, deferred inflows of resources and fund balance	\$ 17,959	\$ 35,372	\$ 53,331

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

	Conservation Trust Fund	Library Fund	Total
Revenues			
Taxes		\$ 30,477	\$ 30,477
Intergovernmental revenue	\$ 13,667		13,667
Earnings on investments	413		413
Miscellaneous		7,658	7,658
Total revenues	14,080	38,135	52,215
Expenditures			
Current			
Culture and recreation	63,000	37,521	100,521
Total expenditures	63,000	37,521	100,521
Net change in fund balance	(48,920)	614	(48,306)
Fund balance at beginning of year	66,879	19,377	86,256
Fund balance at end of year	\$ 17,959	\$ 19,991	\$ 37,950

TOWN OF HAXTUN, 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				
Intergovernmental	\$ 9,400	\$ 9,400	\$ 13,667	\$ 4,267
Interest on investments	60	60	413	353
Total revenues	9,460	9,460	14,080	4,620
Expenditures				
Current				
Culture and recreation	63,000	63,000	63,000	-
Total expenditures	63,000	63,000	63,000	-
Net change in fund balance	<u>\$ (53,540)</u>	<u>\$ (53,540)</u>	(48,920)	<u>\$ 4,620</u>
Fund balance at beginning of year			66,879	
Fund balance at end of year			<u>\$ 17,959</u>	

TOWN OF HAXTUN, COLORADO
Library Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property tax	\$ 15,867	\$ 15,867	\$ 15,311	\$ (556)
Delinquent taxes and interest			35	35
Sales taxes	15,000	15,000	15,131	131
Interest on investments	60	60		(60)
Grants and contributions	4,500	4,500	6,085	1,585
Miscellaneous			1,573	1,573
Total revenues	35,427	35,427	38,135	2,708
Expenditures				
Current				
Salaries	17,360	17,360	16,839	521
Employee benefits	1,400	1,400	1,323	77
Books	6,200	6,200	6,307	(107)
Insurance and bonds	3,000	3,000	3,961	(961)
Repairs and maintenance	4,650	4,650	25	4,625
County treasurer and clerk fees	450	450	424	26
Utilities	5,200	5,200	4,886	314
Supplies	750	750	987	(237)
Audit	1,175	1,175	1,175	-
Miscellaneous	1,250	1,250	1,594	(344)
Total expenditures	41,435	41,435	37,521	3,914
Net change in fund balance	\$ (6,008)	\$ (6,008)	614	\$ 6,622
Fund balance at beginning of year			19,377	
Fund balance at end of year			\$ 19,991	

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Budgetary Comparison Schedules – Proprietary 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.
- Sanitation Fund – This fund was established to account for all operations of the sanitation 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.

TOWN OF HAXTUN, 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	\$ 1,075,700	\$ 1,075,700	\$ 1,099,957	\$ 24,257
Penalties	10,000	10,000	11,554	1,554
Total operating revenues	1,085,700	1,085,700	1,111,511	25,811
Operating expenses				
Salaries	61,000	61,000	56,193	4,807
Employee benefits	31,450	31,450	25,033	6,417
Supplies	4,500	4,500	1,953	2,547
Repairs and maintenance	207,000	207,000	37,644	169,356
Insurance	6,800	6,800	6,058	742
Utilities	1,800	1,800	1,335	465
Audit and legal	2,270	2,270	3,362	(1,092)
Fuel and oil	10,000	10,000	8,221	1,779
Power purchased	625,000	625,000	528,620	96,380
Miscellaneous	6,650	6,650	7,026	(376)
Depreciation	38,000	38,000	35,086	2,914
Capital outlay	10,000	10,000	120,184	(110,184)
Total operating expenses	1,004,470	1,004,470	830,715	173,755
Operating income	81,230	81,230	280,796	199,566
Nonoperating revenues				
Interest on investments	35	35	1,731	1,696
Miscellaneous	6,200	6,200	4,314	(1,886)
Total nonoperating revenues	6,235	6,235	6,045	(190)
Net income before transfers	87,465	87,465	286,841	199,376

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Transfers out	<u>(350,000)</u>	<u>(350,000)</u>		<u>350,000</u>
Change in net position	<u>\$ (262,535)</u>	<u>\$ (262,535)</u>	286,841	<u>\$ 549,376</u>
Adjustments to GAAP Basis				
Add capital outlay			<u>120,184</u>	
Change in net position - GAAP Basis			407,025	
Net position at beginning of year			<u>1,073,692</u>	
Net position at end of year			<u>\$ 1,480,717</u>	

TOWN OF HAXTUN, 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	\$ 223,500	\$ 223,500	\$ 215,386	\$ (8,114)
Operating expenses				
Salaries	54,500	54,500	52,413	2,087
Employee benefits	29,700	29,700	24,098	5,602
Supplies	4,000	4,000	6,567	(2,567)
Repairs and maintenance	51,500	56,500	35,098	21,402
Insurance	5,700	5,700	4,548	1,152
Utilities	27,775	27,775	30,837	(3,062)
Audit and legal	2,600	2,600	2,600	-
Fuel and oil	1,500	1,500	1,434	66
Water assessment fee	3,000	3,000	6,630	(3,630)
Miscellaneous	8,275	8,275	8,661	(386)
Depreciation	19,000	19,000	22,328	(3,328)
Capital outlay	28,217	28,217	114,783	(86,566)
Total operating expenses	235,767	240,767	309,997	(69,230)
Operating loss	(12,267)	(17,267)	(94,611)	(77,344)
Nonoperating revenues				
Interest on investments	30	30	126	96
Federal grant revenue			21,383	21,383
Miscellaneous	3,900	3,900	3,001	899
Total nonoperating revenues	3,930	3,930	24,510	20,580
Net loss before transfers	(8,337)	(13,337)	(70,101)	(56,764)
Transfers out	(25,000)	(25,000)		25,000
Change in net position	\$ (33,337)	\$ (38,337)	(70,101)	\$ (31,764)
Adjustments to GAAP Basis				
Add capital outlay			114,783	
Change in net position - GAAP Basis			44,682	
Net position at beginning of year			763,177	
Net position at end of year			\$ 807,859	

TOWN OF HAXTUN, COLORADO
Sanitation 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	\$ 190,200	\$ 190,200	\$ 202,968	\$ 12,768
Operating expenses				
Salaries	83,000	83,000	91,833	(8,833)
Employee benefits	43,400	43,400	41,246	2,154
Supplies	4,000	4,000	787	3,213
Repairs and maintenance	6,500	6,500	6,318	182
Insurance	8,300	8,300	7,613	687
Utilities	575	575	345	230
Audit and legal	2,290	2,290	2,290	-
Fuel and oil	5,000	5,000	4,812	188
Dump expense	25,000	30,000	21,983	8,017
Miscellaneous	775	775	1,029	(254)
Depreciation	4,700	4,700	3,359	1,341
Capital outlay	5,000	5,000		5,000
Total operating expenses	188,540	193,540	181,615	11,925
Operating income (loss)	1,660	(3,340)	21,353	24,693
Nonoperating revenues				
Interest on investments	20	20	178	158
Miscellaneous			34	34
Total nonoperating revenues	20	20	212	192
Change in net position	\$ 1,680	\$ (3,320)	21,565	\$ 24,885
Net position at beginning of year			197,606	
Net position at end of year			\$ 219,171	

TOWN OF HAXTUN, 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	\$ 135,775	\$ 135,775	\$ 134,019	\$ (1,756)
Operating expenses				
Salaries	46,000	46,000	45,831	169
Employee benefits	24,250	24,250	17,672	6,578
Supplies	4,500	4,500	700	3,800
Repairs and maintenance	12,000	12,000	5,158	6,842
Insurance	5,250	5,250	3,783	1,467
Utilities	1,375	1,375	869	506
Audit and legal	2,500	2,500	2,500	-
Fuel and oil	500	500	223	277
Miscellaneous	3,750	3,750	2,420	1,330
Depreciation	22,000	22,000	18,083	3,917
Capital outlay	5,000	5,000	5,601	(601)
Total operating expenses	127,125	127,125	102,840	24,285
Operating income	8,650	8,650	31,179	22,529
Nonoperating revenues (expenses)				
Interest on investments	15	15	225	210
Principal paid on long-term debt	(17,140)	(17,140)	(17,140)	-
Interest and fiscal charges	(1,415)	(1,415)	(1,361)	54
Total nonoperating revenues (expenses)	(18,540)	(18,540)	(18,276)	264
Net income (loss) before transfers	(9,890)	(9,890)	12,903	22,793
Transfers out	(25,000)	(25,000)		25,000
Change in net position	\$ (34,890)	\$ (34,890)	12,903	\$ 47,793
Adjustments to GAAP Basis				
Add capital outlay			5,601	
Add principal on long-term debt			17,140	
Change in net position - GAAP Basis			35,644	
Net position at beginning of year			839,281	
Net position at end of year			\$ 874,925	

**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 HAXTUN	Prepared By: Kelsey Harms	970-774-6104
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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)	\$ 394,803.00
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 32,281.00
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	\$ 469,725.00	b. Snow and ice removal	
3. Other local imposts (from page 2)	\$ 223,687.00	c. Other	\$ 1,188.00
4. Miscellaneous local receipts (from page 2)	\$ 1,751.00	d. Total (a. through c.)	\$ 1,188.00
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 35,900.00
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 169,665.00
a. Bonds - Original Issues	\$ -	6. Total (1 through 5)	\$ 633,837.00
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	\$ 41,281.00
7. Total (1 through 6)	\$ 695,163.00	b. Redemption	\$ 68,236.00
B. Private Contributions		c. Total (a. + b.)	\$ 109,517.00
C. Receipts from State government (from page 2)	\$ 48,191.00	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 743,354.00	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ 109,517.00
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 743,354.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				\$ -
1. Bonds (Refunding Portion)	\$ 1,427,160.00	\$ -	\$ 68,236.00	\$ 1,358,924.00
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
	\$ -	\$ 743,354.00	\$ 743,354.00	\$ -	\$ -

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 Assesments		a. Interest on investments	\$ 6.00
b. Other local imposts:		b. Traffic Fines & Penalties	\$ 1,745.00
1. Sales Taxes	\$ 186,314.00	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	\$ 37,373.00	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 223,687.00	h. Other	
c. Total (a. + b.)	\$ 223,687.00	i. Total (a. through h.)	\$ 1,751.00
<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.)	\$ 43,633.00	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	\$ 4,558.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ 4,558.00	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 48,191.00	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		\$ 394,803.00	\$ 394,803.00
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 394,803.00	\$ 394,803.00
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 394,803.00	\$ 394,803.00

(Carry forward to page 1)

Notes and Comments: