Annual Financial Report

Town of Kersey

Kersey, Colorado

For the Year Ended December 31, 2023

Tim Chavies & Associates, Inc.

Certified Public Accountants
1707 61st Avenue, Suite 101
Greeley, Colorado 80634
(970) 356-2284 / Fax (970) 353-9701

TOWN OF KERSEY, COLORADO

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December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Town of Kersey
Kersey, 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 Kersey, State of Colorado, 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, and each major fund, and the aggregate remaining fund information of the Town of Kersey, State of Colorado 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Kersey, State of Colorado, 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 these 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 an 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 of Kersey, State of Colorado'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 of Kersey, State of Colorado'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 on pages 4-8, budgetary comparison information on pages 34-43, and the Schedule of Proportionate Share of Pension Liability and Schedule of Contributions on page 44 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 inquires, 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 of Kersey, State of Colorado's basic financial statements. The combining nonmajor fund financial statements on pages 45-46, the budgetary comparisons on pages 47-56 and the local highway finance report on pages 57-58 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 combining nonmajor financial statements on page 45-46, the budgetary comparisons on pages 47-56, and local highway finance report on pages 57-58 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Tim Chavies & Associates, Inc.

Tim Chavies & Associates, Inc.
Certified Public Accountants

Greeley, Colorado
July 19, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2023

This section of Town of Kersey, State of Colorado's (the "Town") 2023 annual financial report presents management's discussion and analysis of the Town's financial performance for the year ended December 31, 2023. The Management Discussion and Analysis ("MD&A") should be read in conjunction with the Town's financial statements, including the notes to financial statements and supplemental information that immediately follow this section.

ORGANIZATION AND PURPOSE
The Town was incorporated in 1908 as a political subdivision of the State of Colorado and operated under a Town Board form of government. The following services are provided by the Town: public safety, public works (streets, trash, communicable disease control, street lighting), parks and recreation, water and sewer service and general administration.

FINANCIAL HIGHLIGHTS
The property tax revenue for 2023 was generated from taxable property with the 2022 gross total assessed value certification of $26,707,420 in Weld County, Colorado. The Town established a mill levy of 17.205 for the General Fund. Other significant matters are as follows:

- The net position of the Town increased by $1,373,670 during 2023, compared to prior year increase of $1,259,556. The 2023 increase is due to an increase of property taxes, sales taxes, capital assets, contributions, grant money received, and sale of assets.

- The Town capitalized $963,702 of capital assets, and recorded depreciation of $697,626 during 2023. In 2022 the Town capitalized $986,729 and recorded depreciation of $642,185.

- The Town is debt free.

OVERVIEW OF THE FINANCIAL STATEMENTS
The Town's financial statements are comprised of three components, government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the financial statements themselves.

Government-Wide Financial Statements are comprised of the Statement of Net Position and the Statement of Activities. These two statements are designed to provide readers with a broad overview of the Town's finances utilizing the full accrual method of accounting.

The Statement of Net Position presents information on all of the Town's assets, deferred outflows of resources and liabilities and deferred inflows of resources, including capital assets and long-term liabilities with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities presents information showing how the Town'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 the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include the General Fund, Street Fund, Conservation Trust Fund and Capital Fund. The business-type activities of the Town include the Water Fund and Sewer Fund. The Town does not have any component units.

Fund Financial Statements focus on current available resources and are organized and operated on the basis of funds. 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. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental funds financial statements utilize the modified accrual basis of accounting, which focuses on near-term inflow and outflow of spendable resources, as well as on balances on spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements. The Town maintains four governmental funds (General, Street, Conservation Trust and Capital).

Proprietary Funds provide the same type of information as the government-wide financial statements, only in more detail. These funds are used to account for services in which the Town charges customers a fee. The Town maintains two proprietary funds (Water and Sewer).

The Town does not have any **Fiduciary Funds.**

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide, business-type activities and fund financial statements.

Other Information includes certain required supplementary information containing budgetary comparison schedules of revenues, expenditures and changes in fund balances for all funds.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

Condensed financial information from the **Statement of Net Position** at December 31, 2023:

	Governmental Activities	Business-Type Activities	Total
Current assets	$ 5,277,013	$ (29,043)	$ 5,247,970
Noncurrent assets	7,574,674	5,043,703	12,618,377
Total Assets	**12,851,687**	**5,014,660**	**17,866,347**
Total Deferred Outflows	**78,374**	**-**	**78,374**
Current liabilities	26,592	25,491	52,083
Noncurrent liabilities	77,610	6,022	83,632
Total Liabilities	**104,202**	**31,513**	**135,715**
Total Deferred Inflows	**562,215**	**-**	**562,215**
Net investment in capital assets	7,468,604	5,043,703	12,512,307
Restricted	5,096,436	-	5,096,436
Unrestricted	(301,396)	(60,556)	(361,952)
Total Net Position	**$ 12,263,644**	**$ 4,983,147**	**$ 17,246,791**

The restricted portion of net position ($5,096,436) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($361,952) may be used to meet the Town's obligations to citizens and creditors.

Condensed financial information from the **Statement of Activities** at December 31, 2023:

Revenues	Governmental Activities	Business-Type Activities	Total
Program Revenues:			
Charges for services	$ 141,457	$ 760,025	$ 901,482
General Revenues:			
Taxes	2,510,474	-	2,510,474
Licenses and permits	54,403	-	54,403
Intergovermental revenues	294,674	-	294,674
Fines and forfeitures	198,091	-	198,091
Earnings on investment	37,210	31,003	68,213
Other	801,666	127,000	928,666
Total Revenues	**4,037,975**	**918,028**	**4,956,003**
Expenses:			
General government	928,339	-	928,339
Public safety	753,356	-	753,356
Public works	320,038	-	320,038
Parks and recreation	358,780	-	358,780
Other	194,606	-	194,606
Water	-	543,522	543,522
Sewer	-	483,692	483,692
Total Expenses	**2,555,119**	**1,027,214**	**3,582,333**
Change in Net Position	**1,482,856**	**(109,186)**	**1,373,670**
Net Position - beginning	10,780,788	5,092,333	15,873,121
Net Position - ending	**$ 12,263,644**	**$ 4,983,147**	**$ 17,246,791**

Net position increased to $17,246,791, an increase of $1,373,670 from 2023. The increase was affected by the Town capital assets, contributions, grants, property tax, sales tax increases, permits and sale of assets.

FINANCIAL ANALYSIS OF THE FUNDS

Governmental funds: The Town's functions are reported in the General Fund, Street Fund, Conservation Trust Fund and Capital Fund. The focus of these funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of the Town's net resources available for spending at the end of its fiscal year.

As of December 31, 2023, the Town's governmental funds reported combined ending fund balances of $4,795,961, an increase of $1,158,918 in comparison with 2022. Approximately 6.27% of this total amount ($300,475) constitutes *unrestricted* fund balance, which is available for spending at the government's discretion. The reminder of the fund balance is *restricted* to indicate that it is not available for new spending because it has already been committed for encumbrances or Tabor.

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

Fiduciary funds: As mentioned earlier, the Town does not have any of these types of funds.

Budgetary Highlights

The budgets are prepared in accordance with accounting principles generally accepted in the United States of America. Budget and actual comparison schedules are provided in the other supplementary information section of this report. The budget and actual comparison schedules show the original adopted budget, the final revised budget, actual results, and variance between the final budget and actual results for all funds.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets (Net of Depreciation)

	Governmental Activities	Business-Type Activities	Total
Land	$ 686,249	$ 4,826	$ 691,075
Water rights	-	2,745,665	2,745,665
Construction in progress	437,760	-	437,760
Utility system	-	5,642,910	5,642,910
Equipment	1,581,178	405,480	1,986,658
Buildings and improvements	6,723,102	-	6,723,102
Streets and improvements	5,088,905	-	5,088,905
Total Capital Assets	**14,517,194**	**8,798,881**	**23,316,075**
Less: Accumulated depreciation	(7,048,590)	(3,755,178)	(10,803,768)
Net Capital Assets	**$ 7,468,604**	**$ 5,043,703**	**$ 12,512,307**

Capital assets – net of depreciation increased $220,402 during 2023 due to capital outlay (assets acquired) less depreciation (See Note 5 for further discussion).

DEBT ADMINISTRATION

The Town is debt free.

ECONOMIC FACTORS

- Through the budget, the Board of Trustees approves the direction of the priorities of the Town and allocates funding as needed.
- The Town staff is working with all development opportunities to expand our tax base, job opportunities and amenities for residences and visitors. The Town will continue to pursue grant opportunities for Capital Improvement Projects, planning, safety and general infrastructure projects.

FINANCIAL CONTACT

This financial report is designed to provide a general overview of the Town's finances for those who have an interest in the Town. If you have any questions about the report or need additional financial information, please contact Town Clerk at 446 First Street, Kersey, Colorado 80644. Phone (970) 353-1681.

BASIC FINANCIAL STATEMENTS

TOWN OF KERSEY, COLORADO

Statement of Net Position

Government-Wide

December 31, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash on hand and in checking	$ 2,529,792	$ (1,881,767)	$ **648,025**
Cash on deposit - county treasurer	11,794	-	**11,794**
Cash in savings	844,516	622,042	**1,466,558**
Total Cash	3,386,102	(1,259,725)	**2,126,377**
Certificates of deposit	-	146,452	**146,452**
Local government investment pools	1,031,082	1,026,311	**2,057,393**
Total Investments	1,031,082	1,172,763	**2,203,845**
Property taxes receivable	560,530	-	**560,530**
Accounts receivable	299,299	48,008	**347,307**
Accrued interest receivable	-	49	**49**
Prepaid expenses	-	9,862	**9,862**
Total Current Assets	5,277,013	(29,043)	**5,247,970**
Noncurrent Assets:			
Net pension asset	-	-	**-**
Restricted assets:			
Local government investment pools	106,070	-	**106,070**
Total Restricted Assets	106,070	-	**106,070**
Capital Assets:			
Land	686,249	4,826	**691,075**
Water rights	-	2,745,665	**2,745,665**
Construction in progress	437,760	-	**437,760**
Utility system	-	5,642,910	**5,642,910**
Equipment	1,581,178	405,480	**1,986,658**
Buildings and improvements	6,723,102	-	**6,723,102**
Streets and improvements	5,088,905	-	**5,088,905**
Total Capital Assets	14,517,194	8,798,881	**23,316,075**
Less: accumulated depreciation	(7,048,590)	(3,755,178)	**(10,803,768)**
Net Capital Assets	7,468,604	5,043,703	**12,512,307**
Total Noncurrent Assets	7,574,674	5,043,703	**12,618,377**
Total Assets	12,851,687	5,014,660	**17,866,347**
DEFERRED OUTFLOWS			
Deferred outflows related to pensions	78,374	-	**78,374**
LIABILITIES			
Current Liabilities:			
Accounts payable	11,692	25,491	**37,183**
Payroll taxes payable	14,900	-	**14,900**
Accrued interest payable	-	-	**-**
Current portion of long-term debt	-	-	**-**
Total Current Liabilities	26,592	25,491	**52,083**
Noncurrent Liabilities:			
Compensated absences	63,881	6,022	**69,903**
Lease obligations	-	-	**-**
Less: portion due within one year	-	-	**-**
Net pension liability	13,729	-	**13,729**
Total Noncurrent Liabilities	77,610	6,022	**83,632**
Total Liabilities	104,202	31,513	**135,715**
DEFERRED INFLOWS			
Unearned revenue - property taxes	560,530	-	**560,530**
Deferred inflows related to pensions	1,685	-	**1,685**
Total Deferred Inflows	562,215	-	**562,215**
NET POSITION			
Net investment in capital assets	7,468,604	5,043,703	**12,512,307**
Restricted	5,096,436	-	**5,096,436**
Unrestricted	(301,396)	(60,556)	**(361,952)**
Total Net Position	$ 12,263,644	$ 4,983,147	**$ 17,246,791**

See accompanying notes to the basic financial statements

TOWN OF KERSEY, COLORADO

Statement of Activities

Government-Wide

December 31, 2023

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Capital Contributions	Net (Expense) Revenue and Changes in Net Position — Primary Government: Governmental Activities	Business-Type Activities	Total
Primary Government						
Governmental Activities:						
General government	$ (928,339)	$ -	$ -	$ (928,339)	$ -	**$ (928,339)**
Public safety	(753,356)	-	-	(753,356)	-	**(753,356)**
Public works	(320,038)	74,497	-	(245,541)	-	**(245,541)**
Parks and recreation	(358,780)	66,960	-	(291,820)	-	**(291,820)**
Health and welfare	(5,992)	-	-	(5,992)	-	**(5,992)**
Legislative	(19,735)	-	-	(19,735)	-	**(19,735)**
Judicial	(21,417)	-	-	(21,417)	-	**(21,417)**
Library	(9,187)	-	-	(9,187)	-	**(9,187)**
Seniors	(91,498)	-	-	(91,498)	-	**(91,498)**
IT services	(46,777)			(46,777)		**(46,777)**
Interest on debt	-	-	-	-	-	**-**
Total Governmental Activities	(2,555,119)	141,457	-	(2,413,662)	-	**(2,413,662)**
Business-Type Activities:						
Water fund	(543,522)	354,244	72,000	-	(117,278)	**(117,278)**
Sewer fund	(483,692)	405,781	-	-	(77,911)	**(77,911)**
Total Business-Type Activities	(1,027,214)	760,025	72,000	-	(195,189)	**(195,189)**
Total Primary Government	$ (3,582,333)	$ 901,482	$ 72,000	(2,413,662)	(195,189)	**(2,608,851)**
General Revenues:						
Taxes				2,510,474	-	**2,510,474**
Licenses and permits				54,403	-	**54,403**
Intergovernmental revenue				294,674	-	**294,674**
Fines and forfeitures				198,091	-	**198,091**
Miscellaneous income				225,561	-	**225,561**
Sale of assets				6,300	-	**6,300**
Earnings on investments				37,210	31,003	**68,213**
Grants				277,441	-	**277,441**
Transfers				(55,000)	55,000	**-**
Contributions				339,971	-	**339,971**
Pension net increase (decrease)				7,393	-	**7,393**
Total General Revenues				3,896,518	86,003	**3,982,521**
Change in Net Position				1,482,856	(109,186)	**1,373,670**
Net Position-beginning of year				10,780,788	5,092,333	**15,873,121**
Net Position-End of Year				$ 12,263,644	$ 4,983,147	**$ 17,246,791**

TOWN OF KERSEY, COLORADO

Balance Sheet

Governmental Funds

December 31, 2023

	General	Street	Nonmajor	Total
ASSETS				
Current Assets:				
Cash on hand and in checking	$ (1,427,496)	$ 2,303,364	$ 1,653,924	**$ 2,529,792**
Cash on deposit - county treasurer	-	11,794	-	**11,794**
Cash in savings	373,204	124,405	346,907	**844,516**
Total Cash	(1,054,292)	2,439,563	2,000,831	**3,386,102**
Certificates of deposit	-	-	-	-
Local government investment pools	620,558	205,262	205,262	**1,031,082**
Total Investments	620,558	205,262	205,262	**1,031,082**
Property taxes receivable	560,530	-	-	**560,530**
Accounts receivable	247,583	51,716	-	**299,299**
Accrued interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Total Current Assets	374,379	2,696,541	2,206,093	**5,277,013**
Noncurrent Assets:				
Restricted local government investment pools	-	-	106,070	**106,070**
Total Noncurrent Assets	-	-	106,070	**106,070**
Total Assets	374,379	2,696,541	2,312,163	**5,383,083**
DEFERRED OUTFLOWS				
Grant expenditures paid in advance of meeting timing requirements	-	-	-	-
Total Assets & Deferred Outflows	$ 374,379	$ 2,696,541	$ 2,312,163	**$ 5,383,083**
LIABILITIES				
Current Liabilities:				
Accounts payable	$ 8,337	$ 3,355	$ -	**$ 11,692**
Payroll taxes payable	14,900	-	-	**14,900**
Due to other funds	-	-	-	-
Total Current Liabilities	23,237	3,355	-	**26,592**
Total Liabilities	23,237	3,355	-	**26,592**
DEFERRED INFLOWS				
Unearned revenue - property taxes	560,530	-	-	**560,530**
Total Liabilities & Deferred Inflows	583,767	3,355	-	**587,122**
FUND BALANCE				
Non-spendable	-	-	-	-
Restricted:				
Tabor	91,087	-	-	**91,087**
Streets	-	2,693,186	-	**2,693,186**
Parks and recreation	-	-	116,615	**116,615**
Capital projects	-	-	2,089,478	**2,089,478**
SLRFR program	-	-	106,070	**106,070**
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(300,475)	-	-	**(300,475)**
Total Fund Balance	(209,388)	2,693,186	2,312,163	**4,795,961**
Total Fund Balance, Liabilities & Deferred Inflows	$ 374,379	$ 2,696,541	$ 2,312,163	**$ 5,383,083**

Reconciliation of the Balance Sheet to the Statement of Net Position

Total Governmental Fund Balance	**$ 4,795,961**
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Capital assets	**14,517,194**
Less: accumulated depreciation	**(7,048,590)**
Long-term liabilities, including capital leases, are not due and payable in the current period, therefore, they are not reported in the funds:	
Lease obligation	**-**
Compensated absences	**(63,881)**
Net pension asset and deferred outflows/inflows of resources related to pension plan is not recorded in the governmental funds but is recorded in the statement of net position	**62,960**
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the governmental fund financial statements, an interest expenditure is reported when due:	
Accrued interest payable	**-**
Net Position of Governmental Activities	**$ 12,263,644**

See accompanying notes to the basic financial statements

TOWN OF KERSEY, COLORADO

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

December 31, 2023

	General	Street	Nonmajor	Total
Revenues:				
Taxes	$ 1,805,359	$ 650,203	$ 54,912	**$ 2,510,474**
Licenses and permits	54,403	-	-	**54,403**
Intergovernmental revenue	189,198	84,497	20,979	**294,674**
Charges for services	74,497	-	-	**74,497**
Parks and recreation	66,960	-	-	**66,960**
Judicial	198,091	-	-	**198,091**
Earnings on investments	18,542	6,142	12,526	**37,210**
Miscellaneous revenues	196,161	24,170	5,230	**225,561**
Total Revenues	2,603,211	765,012	93,647	**3,461,870**
Expenditures:				
General government	518,466	32,249	-	**550,715**
Public safety	706,454	-	-	**706,454**
Public works	92,969	145,561	-	**238,530**
Parks and recreation	326,920	-	5,237	**332,157**
Health and welfare	5,992	-	-	**5,992**
Legislative	19,735	-	-	**19,735**
Judicial	21,417	-	-	**21,417**
Library	9,187	-	-	**9,187**
Seniors	91,498	-	-	**91,498**
IT services	46,777	-	-	**46,777**
Capital outlay	570,586	278,616	-	**849,202**
Debt service	-	-	-	**-**
Total Expenditures	2,410,001	456,426	5,237	**2,871,664**
Excess (Deficiency) of Revenues over Expenditures	193,210	308,586	88,410	**590,206**
Other Financing Sources (Uses):				
Sale of assets	6,300	-	-	**6,300**
Contributions	53,710	286,261	-	**339,971**
Grants	277,441	-	-	**277,441**
Transfers in	-	-	-	**-**
Transfers out	(55,000)	-	-	**(55,000)**
Total Other Financing Sources (Uses)	282,451	286,261	-	**568,712**
Net Change in Fund Balance	475,661	594,847	88,410	**1,158,918**
Fund Balance - beginning of year	(685,049)	2,098,339	2,223,753	**3,637,043**
Fund Balance - End of Year	$ (209,388)	$ 2,693,186	$ 2,312,163	**$ 4,795,961**

Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities:

Net Change in Fund Balance - Total Governmental Funds		**$ 1,158,918**
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate to those expenditures over the life of the assets.		
Capital assets sold	**$ -**	
Capital asset purchased	**849,202**	
Depreciation expense	**(509,445)**	
The net effect of transactions involving capital assets (sales, trade-ins)		**339,757**
Loan proceeds provide current financial resources to the governmental funds and repayment of debt principal is an expenditure in the governmental funds, but the proceeds increase and repayment reduces long-term liabilities in the statement to net position:		
Long-term debt payments		**-**
Long-term debt proceeds		**-**
Some expenses reported in statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Change in compensated absences		**(23,212)**
Lease obligations		**-**
Accrued interest		**-**
Net pension asset and deferred outflows/inflows of resources related to pension plan is not recorded in the governmental funds but is recorded in the statement of net position		**7,393**
Change in Net Position of Governmental Activities		**$ 1,482,856**

See accompanying notes to the basic financial statements

TOWN OF KERSEY, COLORADO

Statement of Net Position

Proprietary Funds

December 31, 2023

	Business-Type Activities		
	Water	Sewer	Total
ASSETS			
Current Assets:			
Cash on hand and in checking	$ (1,315,773)	$ (565,994)	**$ (1,881,767)**
Cash on deposit - county treasurer	-	-	**-**
Cash in savings	248,821	373,221	**622,042**
Total Cash	(1,066,952)	(192,773)	**(1,259,725)**
Certificates of deposit	146,452	-	**146,452**
Local government investment pools	410,524	615,787	**1,026,311**
Total Investments	556,976	615,787	**1,172,763**
Accounts receivable	18,957	29,051	**48,008**
Accrued interest receivable	49	-	**49**
Prepaid expenses	9,862	-	**9,862**
Due from other funds	-	-	**-**
Total Current Assets	(481,108)	452,065	**(29,043)**
Capital Assets:			
Land	600	4,226	**4,826**
Water rights	2,745,665	-	**2,745,665**
Utility system	2,226,802	3,416,108	**5,642,910**
Equipment	115,247	290,233	**405,480**
Construction in progress	-		**-**
Total Capital Assets	5,088,314	3,710,567	**8,798,881**
Less: Accumulated depreciation	(1,347,932)	(2,407,246)	**(3,755,178)**
Net Capital Assets	3,740,382	1,303,321	**5,043,703**
Total Assets	3,259,274	1,755,386	**5,014,660**
DEFERRED OUTFLOWS			
Grant expenditures paid in advance of meeting timing requirements	-	-	**-**
Total Assets & Deferred Outflows	3,259,274	1,755,386	**5,014,660**
LIABILITIES			
Current Liabilities:			
Accounts payable	1,262	24,229	**25,491**
Payroll taxes payable	-	-	**-**
Accrued interest payable	-	-	**-**
Due to other funds	-	-	**-**
Current portion of long-term debt	-	-	**-**
Total Current Liabilities	1,262	24,229	**25,491**
Long Term Liabilities:			
Compensated absences	3,243	2,779	**6,022**
Less: portion due within one year	-	-	**-**
Total Long Term Liabilities	3,243	2,779	**6,022**
Total Liabilities	4,505	27,008	**31,513**
DEFERRED INFLOWS			
Unearned revenue	-	-	**-**
Total Liabilities & Deferred Inflows	4,505	27,008	**31,513**
NET POSITION			
Net investment in capital assets	3,740,382	1,303,321	**5,043,703**
Restricted for operations and maintenance	-	-	**-**
Unrestricted:			
Designated for subsequent year's expenditures	-	-	**-**
Undesignated	(485,613)	425,057	**(60,556)**
Total Net Position	$ 3,254,769	$ 1,728,378	**$ 4,983,147**

See accompanying notes to the basic financial statements

TOWN OF KERSEY, COLORADO

Statement of Revenues, Expenses, and Changes in Net Position

Proprietary Funds

December 31, 2023

	Business-Type Activities		
	Water	Sewer	Total
Operating Revenues:			
Charges for services	$ 337,744	$ 395,781	**$ 733,525**
Other operating revenues	16,500	10,000	**26,500**
Total Operating Revenues	354,244	405,781	**760,025**
Operating Expenses:			
General	51,946	50,985	**102,931**
Administrative	100,924	89,133	**190,057**
System operations	323,408	222,637	**546,045**
Depreciation	67,244	120,937	**188,181**
Total Operating Expenses	543,522	483,692	**1,027,214**
Operating Income (Loss)	(189,278)	(77,911)	**(267,189)**
Non-Operating Revenues (Expenses)			
Earnings on investments	12,577	18,426	**31,003**
Miscellaneous revenues	-	-	**-**
Interest expense	-	-	**-**
Proceeds from sale of assets	-	-	**-**
Total Non-operating Revenues (Expenses)	12,577	18,426	**31,003**
Income (Loss) before contributions and transfers	(176,701)	(59,485)	**(236,186)**
Contributions	72,000	-	**72,000**
Transfers In (Out)	55,000	-	**55,000**
Change in Net Position	(49,701)	(59,485)	**(109,186)**
Total Net Position - beginning of year	3,304,470	1,787,863	**5,092,333**
Total Net Position - End of Year	$ 3,254,769	$ 1,728,378	**$ 4,983,147**

TOWN OF KERSEY, COLORADO

Statement of Cash Flows

Proprietary Funds

December 31, 2023

	Business-Type Activities		
	Water	**Sewer**	**Total**
Cash Flows From Operating Activities:			
Cash received from customers	$ 353,831	$ 408,973	**$ 762,804**
Cash payments to employees	(106,997)	(96,850)	**(203,847)**
Cash payments to suppliers	(369,164)	(241,960)	**(611,124)**
Internal activity - payments to other funds	-	-	**-**
Net Cash Flows From Operating Activities	(122,330)	70,163	**(52,167)**
Cash Flows From Non-capital Financing Activities:			
Operating transfers in	55,000	-	**55,000**
Operating transfers out	-	-	**-**
Grants	-	-	**-**
Net Cash Flows From Non-capital Financing Activities	55,000	-	**55,000**
Cash Flows From Capital and Related Financing Activities:			
Acquisition of capital assets	(83,000)	(31,500)	**(114,500)**
Proceeds from long-term debt	-	-	**-**
Contributions	72,000	-	**72,000**
Capital lease obligation payments	-	-	**-**
Principal payments on long-term debt	-	-	**-**
Interest payments on long-term debt	-	-	**-**
Net Cash Flows From Capital and Related Financing Activities	(11,000)	(31,500)	**(42,500)**
Cash Flows From Investing Activities:			
Interest on investments	12,577	18,426	**31,003**
Change in investments	(410,817)	(615,787)	**(1,026,604)**
Net Cash Flows From Investing Activities	(398,240)	(597,361)	**(995,601)**
Net Increase (Decrease) in Cash and Cash Equivalents	(476,570)	(558,698)	**(1,035,268)**
Cash and Cash Equivalents - January 1	(590,382)	365,925	**(224,457)**
Cash and Cash Equivalents - December 31	$ (1,066,952)	$ (192,773)	**$ (1,259,725)**
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating income (loss)	$ (189,278)	$ (77,911)	**$ (267,189)**
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	67,244	120,937	**188,181**
Changes in assets and liabilities:			
Receivables	(413)	3,192	**2,779**
Prepaid expenses	(864)	-	**(864)**
Due from other funds	-	-	**-**
Payables and other accrued expenses	981	23,945	**24,926**
Due to other funds	-	-	**-**
Net Cash Flows From Operating Activities	$ (122,330)	$ 70,163	**$ (52,167)**

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Kersey, Colorado (Town), was incorporated in 1908 as a statutory town. The statutes provide that the mayor is the chief administrative officer and that the Board of Trustees shall be the policy-making authority. The following services are currently offered by the Town: General government, public safety, and public works (streets, trash, communicable disease control, street lighting), parks and recreation, and water and sewer service.

The financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting and reporting policies and practices are described below.

Reporting Entity

The reporting entity consists of only the Town, a primary government that is a general-purpose local government. This primary government has a separately elected governing body and it is legally separate, as well as financially independent of other state and local governments. A component unit may be a financial benefit or burden to the primary government and is a legally separate organization of which the elected officials of the primary government are financially accountable. The Town does not have any component units.

New Accounting Pronouncements

GASB Statement No 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This statement establishes standards of accounting and financial reporting for PPPs and APAs for governments and supersedes Statement No. 60 – *Accounting and Financial Reporting for Service Concession Arrangements*. Implementation had no impact to the Town's financial statements.

GASB Statement No 96, *Subscription-Based Information Technology Arrangements*. This statement establishes standards of accounting and financial reporting for SBITAs arrangements. Implementation had no impact on the Town's financial statements.

GASB Statement No 99, *Omnibus 2022*. This statement establishes and amends accounting and financial reporting requirements for specific issues related to financial guarantees, derivative instruments, leases, the transition from LIBOR, the Supplemental Nutrition Assistance Program (SNAP), nonmonetary transactions, pledges of future revenues, the focus of government-wide financial statements; SBITAs, PPPs and terminology. Implementation had no impact on the Town's financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basic Financial Statements

Government-Wide Financial Statements consist of Statement of Net Position and Statement of Activities, these statements report information about the reporting entity as a whole. These statements are presented on an "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, the assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period earned while expenses are recognized in the period the liability is incurred, regardless of the timing of the related cash flows.

Governmental Fund Financial Statements consist of Balance Sheet and Statement of Revenue, Expenditures and Changes in Fund Balance for all major governmental funds and non-major funds aggregated. These statements are presented on the "*current financial resources*" measurement focus and the modified accrual basis of accounting. Accordingly, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are recognized when received in cash, except for revenues subject to accrual (generally 60 days after year-end) are recognized when due.

The Town reports the following **Governmental Funds**:

- **General Fund (major)** is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.
- **Street Fund (major)** is a special revenue fund of the Town. It is funded by sales tax, specific ownership tax, highway user's tax, motor vehicle fees and various other revenue sources. The expenditures represent the cost of maintaining the Town's streets.
- **Conservation Trust Fund (nonmajor)** is a special revenue fund used to account for revenues derived primarily from intergovernmental revenues (Colorado Lottery) and earnings on investments. The use of these funds is legally restricted to the following activities: acquisition, development and maintenance of new conservation sites or for capital improvements or maintenance for recreation purposes on any public site (parks, trails, sports facilities, arenas or community centers).
- **Capital Projects Fund (nonmajor)** are special revenue fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes.

The Town reports the following **Proprietary Funds**:

- **Water Fund (major)** is used to account for the water use fees and the expenses associated with providing water services to Town residents.
- **Sewer Fund (major)** is used to account for the sewer use fees and the expenses associated with providing wastewater services to Town residents.

The Town does not have any **Fiduciary Funds**.

Required supplementary information includes Management's Discussion and Analysis which includes an analytical overview of the Town's financial activities. In addition, budgetary comparison schedules are presented for all funds that compare the adopted and modified budget with actual results.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of net position will sometimes report a separate section for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements represent a consumption or acquisition of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense) or an inflow of resources (revenue) until that time.

Lease-related amounts are recognized at the inception of the lease. The right-to-use asset is initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less incentives, and ancillary charges necessary to place the lease into service. The right-to-use assets are amortized on a straight-line basis over the lease term.

Leases

The Town recognizes and measures its leases in accordance with GASB Statement No 87, *Leases*. The Town was a lessee of the Town Hall subject to mutual covenants and conditions. The Town determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The Town recognizes a right-to-use asset and lease liability at the commencement date of the lease.

The Town has elected, for all underlying classes of assets, to not recognize right-to-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that the Town is reasonably certain to exercise. The Town recognize lease cost associated with short-term leases on a straight-line basis over the lease term.

Beginning January 1, 2022, lease receivable and related deferred revenue of lease receivable have been presented.

Budgets and Budgetary Accounting

An annual budget and appropriation resolutions is adopted by the Town in accordance with the Colorado State Statutes. The budget for all funds is prepared on a basis consistent with generally accepted accounting principles (GAAP), except that bond and loan proceeds are treated as other financing sources and debt service principal payments and capital outlays are treated as expenditures.

Budgeted amounts are as originally adopted or as increased by supplemental appropriations. Budget appropriations lapse at year-end. Budgetary comparisons with actual revenues and expenditures are included as required supplemental information for the General and Street funds and as other supplemental information for the Conservation Trust Fund, Capital Projects Fund, Water Fund, and the Sewer Fund.

The following is a summary of the original, total revisions and revised budgets for those funds with amended budgets in year 2023:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting (continued)

Governmental Funds	Original Budget	Total Revisions	Revised Budget
General Fund	$ 2,460,387	$ -	$ 2,460,387
Street Fund	490,097	-	490,097
Conservation Trust Fund	10,000	-	10,000
Capital Projects Fund	30,000	245,000	275,000
Business-Type:			
Water Fund	454,673	50,000	504,673
Sewer Fund	359,183	-	359,183
Total	**$ 3,804,340**	**$ 295,000**	**$ 4,099,340**

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

- On or before August 25, the Weld County Assessor submits to the Town the new assessed valuation and other amounts needed to compute the statutory property tax revenue limit.
- On or before October 15, the Budget Committee submits to the Town Board of Trustees a proposed operating budget for the following fiscal year commencing January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- On or before December 15, the Town certifies the mill levy to the Board of County Commissioners.
- On or before December 22, the Board of County Commissioners certifies the levy against the assessed valuation on all taxable properties.
- Prior to December 31, the Town legally adopts the budget.

The Town incurred expenditures in excess of appropriations in the Water Fund & Sewer Fund for the year ended December 31, 2023, which may be in violation of the Local Government Budget Law.

Designated for Subsequent Year's Expenditures

Designated fund balance is the portion of the fund balance that is appropriated in the succeeding year's budget.

Compensated Absences

The Town reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. Under the terms of the Town's personnel policies, the Town employees are granted vacation, sick and compensatory time in varying amounts, depending upon the length of continuous service the employee has given the Town. Upon termination of employment from the Town, an employee will be compensated for all accrued vacation time at their current rate of pay. The liability for vested or accumulated vacation leave is recorded as compensated absences payable in the funds.

Amounts of vested or accumulated vacation pay that are not expected to be liquidated with expendable available financial resources are reported on the government-wide financial statements. The Town has recorded a liability of $69,903 at December 31, 2023. There is no accrual in the fund financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For purposes of the basic financial statements and the statement of cash flows, the Town considers all highly liquid debt instruments with maturities of three months or less to be cash equivalents.

The Town pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the Town's investments.

Restricted Cash and Investments

The Town received funds from the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program. This program is intended to provide support to State, territorial, local and Tribal governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents and businesses. These funds may only be used in compliance with section 603(c.) of the Social Security Act, Treasury's regulations implementing that section, and guidance issued by the Treasury.

Investments

Investments are carried at fair value plus accrued interest with net appreciation or depreciation on investments included in earnings on investments. (See Note 3 for further discussion)

Inventory

Inventory is generally stated at cost in the Water Fund and Sewer Fund, applying the first-in, first-out inventory flow method.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets, are reported in the governmental-wide financial statements. The Town records its property and equipment at historical cost. Contributed capital assets are valued at their estimated fair value on the date donated. Maintenance and repairs are charged to current period operating expenses, whereas additions and improvements are capitalized. Upon retirement or other disposition of property and equipment, the costs and related accumulated depreciation are removed from the respective accounts and any gains or losses are included in operations. Interest costs relating to construction are capitalized. During year ended December 31, 2023, no interest was capitalized. The Town's capitalization level is $2,500 for capital assets.

Depreciation is computed using the straight-line method over the following estimated useful lives:

	Years
Water rights	5 to 30
Buildings and improvements	5 to 20
Machinery and equipment	5 to 20
Utility systems	30 to 40

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (continued)

As a result of Statement No. 34, the Town is accounting for infrastructure and capital assets on its financial statements. The government-wide financial statements include those assets that were completed during the fiscal year-end, considered construction in progress or purchased or constructed in prior years. The Town has elected to capture infrastructure assets with the implementation of Statement No. 34 (the retroactive approach).

Construction in Progress

Construction in progress includes design and construction costs that accumulate until completion or installation of the respective project, at which time the total cost is transferred to depreciate capital assets.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Receivables

Receivables are considered fully collectible and therefore are reported at their gross value.

Equity - Net Position

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as they are needed.

Equity - Fund Balance

In the governmental funds, fund balances should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, or unassigned. The following classifications describe the relative strength of spending constraints:

(1) ***Nonspendable Fund Balance*** – the portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

(2) ***Restricted Fund Balance*** – the portion of fund balance that is constrained to be used for a specific purpose by external parties (creditors, grantors, or contributors), enabling legislation or constitutional provisions. The Town's fund balance is restricted for tabor, street improvement, parks and recreation and capital projects.

(3) ***Committed Fund Balance*** – the portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making, the Town Board. The constraint may be removed or changed only through formal action of the Town's Board through approval of resolutions.

(4) Assigned Fund Balance – the portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Town Board to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

(5) ***Unassigned Fund Balance*** – the residual portion of fund balance that does not meet any of the criteria described above. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity – Fund Balance (continued)

If more than one classification of fund balances is available for use when an expenditure is incurred, it is the Town's practice to use the most restrictive classification first.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Article X, Section 20, of the Colorado Constitution contains several limitations, including raising revenue, spending abilities and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The Town believes that it is in compliance with the requirements of the amendment. However, the Town has made certain interpretations of the amendment's language in order to determine its compliance.

The amendment excludes from its provisions Enterprises. Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than ten percent of their annual revenue in grants from all state and local governments combined, are excluded from the provisions of the Amendment.

Fiscal year spending and revenue limits are determined based on the prior years' spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue. On April 7, 1998, voters approved Ordinance 1-1998 regarding the Town's retention of revenues collected in excess of the fiscal spending limits for 1998, also to be effective for all years thereafter. In addition, voters approved to allow the Town to maintain its operating mill levy at 17.205 mills in 2008 (for 2009 collection) and for a period not to exceed 10 years, qualifying as a TABOR voter approved revenue change and, if applicable, an authorized exception to the statutory 5.5% tax revenue growth limitation. Then in 2016, voters approved to extend operating mill levy for another period not to exceed 10 years. Considering the above interpretation of TABOR, the governing board believes that it is in compliance with its fiscal requirements for the year December 31, 2023.

The Amendment requires that Emergency Reserves be established. The reserves must be at least three percent of the fiscal year spending (excluding bonded debt service). The Town is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The Town has restricted $91,087 for this purpose.

NOTE 3 - CASH DEPOSITS AND INVESTMENTS

Cash deposits and investments are reported in the financial statements as follows:

	Governmental Activities	Business-Type Activities	Total
Cash on hand and in checking	$ 2,529,792	$ (1,881,767)	$ 648,025
Cash with county treasurer	11,794	-	11,794
Cash in savings	844,516	622,042	1,466,558
Investments:			
Certificates of deposit	-	146,452	146,452
Local government investment pools	1,031,082	1,026,311	2,057,393
Restricted: Local government investment pools	106,070	-	106,070
Total	**$ 4,523,254**	**$ (86,962)**	**$ 4,436,292**

NOTE 3 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Cash deposits and investments consist of the following:

	Governmental Activities	Business-Type Activities	Total
Cash on hand and deposit	$ 12,094	$ -	$ 12,094
Bank accounts	3,374,008	(1,259,725)	2,114,283
Investments	1,137,152	1,172,763	2,309,915
Total	**$ 4,523,254**	**$ (86,962)**	**$ 4,436,292**

Cash Deposits

As of December 31, 2023, the carrying amount of the Town's deposits was $2,114,283 and the corresponding bank balance was $1,807,111.

Custodial Credit Risk is the risk that, in the event of the failure of a bank failure, the government's deposits may not be returned to it. Town bank accounts at year-end were entirely covered by federal depository insurance or by eligible collateral maintained by another financial institution or held by the Town's custodial banks in its name under provisions of the Colorado Public Deposit Protection Act (CPDPA). The CPDPA requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate uninsured deposits.

The State Regulatory Commissions for banks are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which a political subdivision may invest, which include:

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

As of December 31, 2023, the Town had the following investments:

	S&P Rating	Investment Maturities in Years: Less than 1	1 to 5	6 to 10	More than 10	Total
Certificates of deposit	-	$ 146,452	$ -	$ -	$ -	$ 146,452
Local govt investment pools:						
Colotrust Prime and Plus+	AAAm	2,057,393	-	-	-	2,057,393
Colotrust EDGE	AAAf	106,070	-	-	-	106,070
Total		**$ 2,309,915**	**$ -**	**$ -**	**$ -**	**$ 2,309,915**

NOTE 3 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)
Investments (continued)
The Town's policy is to hold investments until maturity and to invest its funds in a manner which will provide for the highest investment return consistent with the preservation of principal and provision of the liquidity necessary for daily cash flow demands.

Interest Rate Risk is the risk that changes in interest rate will adversely affect the fair value of an investment. The Town investment portfolio does not contain investments that exceed the five-year limitation imposed by Colorado Statutes.

Credit Risk is the risk that an issuer or other counterparts to an investment in debt securities will not fulfill its obligations to the Town. The Town's investment policy follows Colorado Revised Statues.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of a Town's investment in a single issuer. The Town has no such policy limiting how much can be with one financial institution.

Custodial Credit Risk is the risk that, in the event of the failure of the issuer or counterparty, the Town will not be able to recover the value of its investment or related collateral securities that are in the possession of an outside party. The Town had custodial credit risk for its investments at December 31, 2023.

Local Governmental Investment Pools, the Town had investments in the Colorado Local Government Liquid Asset Trust (COLOTRUST), a local government investment pool, comprised of three funds: COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE. PRIME invests only in U.S. Treasury and government agencies, while PLUS+ invests in U.S. Treasury, government agencies and in the highest-rated commercial paper. These two investment pools are rated AAAm by S&P Global Ratings and operate similar to a money market fund with a share value equal to $1.00 and a maximum weighted average maturity of 60 days. EDGE invests in money market instruments and medium-term notes and is rated AAAf by Fitch Ratings. EDGE is characterized by a higher weighted average maturity (beyond 60 days) and a longer target duration than either PRIME or PLUS+. As an investment pool, COLOTRUST operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. The Trust is exempt from registration with the Securities and Exchange Commission. For more information on COLOTRUST call (303) 864-7474 or go to www.colotrust.com.

Fair Value of Investments, the Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There are three levels of inputs that may be used to measure fair value, as follows:

Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Inputs other than quoted prices in Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs that cannot be corroborated by observable market data.

NOTE 3 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (continued)

The Town's investment in COLOTRUST is measured at net asset value, equal to $1.00 per share. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period. There is not an investment component to be valued under GASB Statement 72, *Fair Value Measurement and Application.*

Investment Income

Investment income, is reported in the financial statements as follows:

Investment Income:	Governmental Activities	Business-Type Activities	Total
Interest income	$ 36,896	$ 31,003	$ 67,899
Net increase (decrease) in the fair value of investments	314	-	314
Total	**$ 37,210**	**$ 31,003**	**$ 68,213**

The net increase (decrease) in the fair value of investments represents the difference in fair value from one year to the next.

NOTE 4 - PROPERTY TAXES RECEIVABLE

Under Colorado law, all property taxes become due and payable in the calendar year following that in which they are levied. Property taxes levied by the General Fund in the current year, 2023, to be collected in the subsequent year, 2024 are accrued as a receivable as of December 31, 2023 and offset by an unearned revenue account.

The Town's property tax calendar for 2023 is as follows:

Lien Date	January 1, 2023
Levy Date	November 1, 2023
Tax bills mailed	January 1, 2024
First installment due	February 28, 2024
Second installment due	June 15, 2024
If paid in full, due	April 30, 2024
Tax sale – delinquent taxes	November 15, 2024

NOTE 5 – CAPITAL ASSETS

The following is a summary of capital assets for the Governmental Activities as of December 31, 2023:

Governmental Activities	Beg Balance	Additions	Retirements	End Balance
Capital Assets, not being depreciated:				
Land	$ 686,249	$ -	$ -	$ 686,249
Construction in progress	11,741	426,019	-	437,760
Total Capital Assets, not being depreciated	**697,990**	**426,019**	**-**	**1,124,009**
Capital Assets, being depreciated:				
Buildings and improvements	6,688,332	34,770	-	6,723,102
Street and improvements	4,810,289	278,616	-	5,088,905
Equipment	1,474,060	109,797	(2,679)	1,581,178
Total Capital Assets, being depreciated	**12,972,681**	**423,183**	**(2,679)**	**13,393,185**
Less: Accumulated Depreciation for:				
Buildings and improvements	(852,180)	(315,312)	-	(1,167,492)
Street and improvements	(4,743,767)	(64,399)	-	(4,808,166)
Equipment	(945,877)	(129,734)	2,679	(1,072,932)
Total Accumulated Depreciation	**(6,541,824)**	**(509,445)**	**2,679**	**(7,048,590)**
Total Capital Assets, being depreciated - Net	**6,430,857**	**(86,262)**	**-**	**6,344,595**
Capital Assets - Net	**$ 7,128,847**	**$ 339,757**	**$ -**	**$ 7,468,604**

Depreciation expense was charged to Governmental Activities as follows:	
General government	$ 354,412
Public safety	46,902
Public works	81,508
Health and welfare	-
Parks and recreation	26,623
Total Depreciation Expense - Governmental Activities	**$ 509,445**

NOTE 5 – CAPITAL ASSETS (CONTINUED)

The following is a summary of capital assets for the Business-Type Activities as of December 31, 2023:

Business-Type Activities	Beg Balance	Additions	Retirements	End Balance
Capital Assets, not being depreciated				
Land	$ 4,826	$ -	$ -	$ 4,826
Water rights	2,673,665	72,000	-	2,745,665
Construction in progress	-	-	-	-
Total Capital Assets, not being depreciated	**2,678,491**	**72,000**	-	**2,750,491**
Capital Assets, being depreciated				
Utility system	5,603,247	39,663	-	5,642,910
Equipment	402,643	2,837	-	405,480
Total Capital Assets, being depreciated	**6,005,890**	**42,500**	-	**6,048,390**
Less: Accumulated Depreciation for:				
Utility system	(3,220,481)	(169,052)	-	(3,389,533)
Equipment	(346,516)	(19,129)	-	(365,645)
Total Accumulated Depreciation	**(3,566,997)**	**(188,181)**	-	**(3,755,178)**
Total Capital Assets, being depreciated - Net	**2,438,893**	**(145,681)**	-	**2,293,212**
Capital Assets - Net	**$ 5,117,384**	**$ (73,681)**	**$ -**	**$ 5,043,703**

Depreciation expense was charged to Business-Type Activities as follows:	
Water fund	$ 67,244
Sewer fund	120,937
Total Depreciation Expense - Business-Type Activities	**$ 188,181**

NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS

A summary of interfund activities at December 31, 2023 were as follows:

Governmental Activities	Interfund Receivable	Interfund Payable	Transfers In	Transfers Out
General Fund	$ -	$ -	$ -	$ 55,000
Street Fund	-	-	-	
Conservation Trust Fund	-	-	-	-
Capital Fund	-	-	-	-
Total Governmental Activities	-	-	-	55,000
Business-Type Activities				
Water Fund	-	-	55,000	-
Sewer Fund	-	-	-	-
Total Business-Type Activities	-	-	55,000	-
Total	**$ -**	**$ -**	**$ 55,000**	**$ 55,000**

NOTE 7 - 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 subcontractors; and natural disasters. The Town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA is a joint self-insurance pool created by intergovernmental agreement to provide property, liability, and workers' compensation coverage to its members. CIRSA is governed by a seven-member Board elected by and from its members.

Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has legal obligation for claims against its members to the extent of funds are available in its annually established loss fund and that amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess loss would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so.

As of December 31, 2023, the Town did not have any liabilities in excess of insurance limits. Claims have not exceeded insurance coverage in the prior three years.

NOTE 8 – CONTINGENCIES

In the opinion of the Town's management and counsel, there is no material pending or threatened litigation, claims, and assessments. Furthermore, the Town's management and counsel are unaware of any unasserted possible claims or assessments that are probable of assertion and must be disclosed as of December 31, 2023.

The Town has received federal and state grants for specific purpose that are subject to review and audit by the grantor agencies, as well as matching obligations from the Town. Such reviews and audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. The Town believes that disallowed items, if any, will not have a material adverse effect on the Town's financial position.

NOTE 9 – RETIREMENT PLAN

Plan Description

Town employees may voluntarily contribute to the Voluntary Investment Program (457 Plan), an Internal Revenue Code Section 457 defined contribution plan administered by the ICMA-RC. Investments are managed by the plan's administrator under several different investment options, or combinations thereof. The choice of the investment option(s) is made by the participants. The Town has no management control over the assets of the plan. Accordingly, the assets of the plan are not included in these financial statements.

Funding Policy

The 457 Plan is funded by voluntary member contributions up to a maximum limit set by the IRS ($22,500 for the calendar year 2023). Catch-up contributions up to $7,500 for the calendar year 2023 were allowed for participants who had attained age 50 before the close of the plan year, subject to the limitations of IRS Section 414(v). The Town contributes 3% of the employee's salary into this plan. The Town's cost under the Plan as of December 31, 2023 was $17,363.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are the solely the property and rights of the participants. The Town has no liability for losses under the plan and authorizes the benefits terms and authority to amend those terms.

NOTE 10 – STATEWIDE DEFINED BENEFIT PENSION PLAN

Plan Description

The Statewide Defined Benefit Plan (SWDB) 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 service 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.

The SWDB assets are included in the Fire & Police Members' Benefit Investment Fund and 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 and Police Pension Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at: http:/www.fppaco.org. The Town enrolls all full-time police officers in SWBD.

Benefits

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

The annual normal retirement benefit is 2 percent of the average of the member's highest 3 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 Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the SWDB plan. Benefit 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 5 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 3 years' pensionable earnings for each year of credited service up to 10 years, plus 2.5 percent for each year of service thereafter.

Plan 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.

NOTE 10 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Plan Contributions (continued)

Contribution rates at December 31, 2022 are as follows:

	Member	Employer
Statewide Defined Benefit Plan (SWBD)	12.00%	9.00%
Statewide Death and Disability Plan (SWD&D) *	1.60%	1.60%
	13.60%	10.60%

Member contributions to SWBD will increase 0.5% annually through 2022 to a total of 12.0% of pensionable earnings. Employer contributions to SWBD will increase 0.5% annually beginning in 2021 through 2030 to a total of 13.0% of pensionable earnings.

Contribution rates for members and employers of affiliated social security employers:

	Member	Employer
Statewide Defined Benefit Plan (SWBD)	6.00%	4.50%
Statewide Death and Disability Plan (SWD&D) *	1.60%	1.60%
	7.60%	6.10%

Member contributions to SWBD will increase 0.25% annually through 2022 to a total of 6.0% of pensionable earnings. Employer contributions to SWBD will increase 0.25% annually beginning in 2021 through 2030 to a total of 6.5% of pensionable earnings.

Pension Liability (Asset)

At December 31, 2023, the Town reported $13,729 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2022, and the total net pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on the Town's share of contributions relative to the contributions of all participants.

Deferred Outflows/Inflows of Resources by Source

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/ (Inflows) of Resources
Pension contributions subsequent to measurement date	$ 21,366	$ -	$ 21,366
Difference between expected and actual experiences	29,718	1,685	28,033
Assumption changes	17,588	-	17,588
Net difference between projected and actual earnings on pension plan investments	31,068	-	31,068
Total	**$ 99,740**	**$ 1,685**	**$ 98,055**

The $21,366 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022.

NOTE 10 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Deferred Outflows/Inflows of Resources by Year to be recognized in Future

Year Ending December 31	Net Deferred Outflows/ (Inflows) of Resources
2023	$ 7,232
2024	13,100
2025	18,495
2026	25,599
2027	5,297
Thereafter	6,966
Total	**$ 76,689**

Actuarial Assumptions

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

	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 *	7.00%	7.00%
Projected salary increases *	4.25% - 11.25%	4.25% - 11.25%
Cost of living adjustments (COLA)	0.00%	0.00%
* Includes inflation at	2.50%	2.50%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retires 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.

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

NOTE 10 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Investments

The FPPA Board Members serve as the fiduciaries for the Funds and are responsible for the investment of the Funds, or the selection of investment options available to defined contribution, deferred compensation and self-directed DROP plan members. As fiduciaries, the FPPA Board Members are required to discharge their duties solely in the interest of fund participants and beneficiaries. The Board has established investment policies and allocates assets, or selects investment options, based upon member characteristics, plan provisions, and the financial requirements of the Funds, in addition to considering the risk/reward trade-offs of various investments.

The Association has established long range statements of investment objectives and policies for managing and monitoring the Funds. The investment policies establish investment objectives and define the responsibilities of the fiduciaries with respect to the Funds, their investment authority under Colorado law, the level of acceptable risk for investments, investment allocation targets, investment performance objectives, and guidelines within which outside investment managers must operate.

The assets in the Fire & Police Members' Benefit Investment Fund are managed primarily by professional investment management firms. Similarly, investment options offered to defined contribution and deferred compensation plan members are typically pooled investment vehicles managed by professional money managers.

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%). Best estimates of arithmetic real rates of return for each major asset class included in the plans target asset allocation as of December 31, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	35.0%	8.93%
Equity Long/Short	6.0%	7.47%
Private Markets	34.0%	10.31%
Fixed Income - Rates	10.0%	5.45%
Fixed Income - Credit	5.0%	6.90%
Absolute Return	9.0%	6.49%
Cash	1.0%	3.92%
Total	**100.0%**	

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). 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 & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

NOTE 10 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity to Single Discount Rate Assumption

The following presents the Town's proportionate share of the net pension liability / (asset), calculated using a Single Discount Rate of 7.00%, as well as what the Town's plan's net pension liability / (asset) would be if it were calculated using a Single Discount Rate that is 1 percent lower or 1 percent higher:

	1% Decrease **6.00%**	Current Rate **7.00%**	1% Increase **8.00%**
Pension Plan's Net Pension Liability / (Asset)	**$ 94,645**	**$ 13,729**	**$ (53,296)**

Pension Plan Fiduciary Net Position

Detailed information about FPPA's plan fiduciary net position is available in the separately issued comprehensive annual financial report of the FPPA plan.

NOTE 11 – SHORT-TERM DEBT

The Town had no short-term debt obligations and had no borrowing during the year ending December 31, 2023.

	12/31/2022	Additions	Reductions	12/31/2023
Short-Term Debt	$ -	$ -	$ -	$ -
Total	$ -	$ -	$ -	$ -

Other Debt and Line of Credit

The Town has no other debt or unused lines of credit.

NOTE 12 – SUBSEQUENT EVENTS

The Town has evaluated events and transactions occurring subsequent to the end of the fiscal year for potential recognition or disclosure through July 19, 2024, the date on which the financial statements were issued, and did not identify events or transactions that would have a material impact on the financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

Schedule of Revenues

Budget to Actual - ***General Fund***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Taxes:					
General property taxes	$ 459,501	$ 459,501	**$ 461,725**	$ 2,224	$ 394,810
Interest on delinquent taxes	650	650	**953**	303	1,111
Sales tax	1,100,000	1,100,000	**1,234,680**	134,680	1,247,955
Franchise tax	58,000	58,000	**76,014**	18,014	61,987
Lodging tax	30,000	30,000	**31,987**	1,987	31,041
Total Taxes	1,648,151	1,648,151	**1,805,359**	157,208	1,736,904
Licenses, Permits and Fees:					
Amusement machine tax	275	275	**225**	(50)	225
Employment occupation tax	1,500	1,500	**1,500**	-	1,250
Carry out bag fee	-	-	**151**	151	-
Business license	-	-	**3,660**	3,660	4,698
Liquor license	1,200	1,200	**879**	(321)	825
Mosquito control fee	6,000	6,000	**5,948**	(52)	6,080
Animal license	750	750	**240**	(510)	610
Impound fee	500	500	**-**	(500)	-
Development fee	-	-	**-**	-	-
Building permits	25,000	25,000	**41,800**	16,800	79,616
Total Licenses, Permits and Fees	35,225	35,225	**54,403**	19,178	93,304
Intergovernmental Revenues:					
Cigarette taxes	3,500	3,500	**4,899**	1,399	3,368
Severance tax	75,000	75,000	**184,299**	109,299	125,597
Total Intergovernmental Revenues	78,500	78,500	**189,198**	110,698	128,965
Charges for Services:					
Refuse collection charge	71,500	71,500	**73,896**	2,396	72,713
Late fees	3,250	3,250	**601**	(2,649)	3,729
Total Charges for Services	74,750	74,750	**74,497**	(253)	76,442
Parks and Recreation:					
Park reservations	2,000	2,000	**1,525**	(475)	1,460
Baseball registration	10,000	10,000	**9,598**	(402)	11,281
Softball registration	1,500	1,500	**4,180**	2,680	2,040
Basketball registration	6,500	6,500	**11,380**	4,880	12,315
Adult fitness	500	500	**460**	(40)	-
Soccer registration	8,500	8,500	**8,244**	(256)	9,832
Swimming registration	-	-	**-**	-	-
Youth volleyball	4,000	4,000	**8,559**	4,559	6,218
Flag football	1,000	1,000	**2,928**	1,928	2,062
Summer activities	800	800	**85**	(715)	250
Winter activities	800	800	**-**	(800)	834
United way	1,200	1,200	**2,500**	1,300	1,165
Miscellaneous rec programs	2,900	2,900	**17,501**	14,601	4,331
Total Parks and Recreation	39,700	39,700	**66,960**	27,260	51,788

(continued on next page)

TOWN OF KERSEY, COLORADO

Schedule of Revenues

Budget to Actual - ***General Fund (continued)***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Judicial:					
Fines and forfeitures	$ 100,000	$ 100,000	**$ 171,489**	$ 71,489	$ 125,943
Traffic calming surcharge	26,000	26,000	**20,075**	(5,925)	15,812
ATV registrations	-	-	**-**	-	-
Police reports	500	500	**610**	110	775
SOE fees	250	250	**415**	165	295
Court costs	2,500	2,500	**5,502**	3,002	4,280
Surcharge	30	30	**-**	(30)	15
Total Judicial	129,280	129,280	**198,091**	68,811	147,120
Earnings on Investments:					
Earnings on investments	1,500	1,500	**18,542**	17,042	701
Net Increase (decrease) in the fair market of investments	-	-	**-**	-	-
Total Earnings on Investments	1,500	1,500	**18,542**	17,042	701
Miscellaneous Revenues:					
Donations	11,000	11,000	**11,000**	-	-
Donations - kersey days	40,000	40,000	**42,710**	2,710	-
Miscellaneous revenues	52,550	52,550	**62,956**	10,406	25,969
Oil and gas royalties	15,000	15,000	**9,314**	(5,686)	16,174
Insurance proceeds	-	-	**94,586**	94,586	17,850
IT contributions	22,500	22,500	**22,500**	-	-
Building rental	4,000	4,000	**6,805**	2,805	5,410
Contributions	-	-	**-**	-	-
Sale of assets	-	-	**6,300**	6,300	21,302
Loan proceeds	-	-	**-**	-	-
Grant proceeds	477,500	477,500	**277,441**	(200,059)	107,517
Total Miscellaneous Revenue	622,550	622,550	**533,612**	(88,938)	194,222
Total Revenue	$ 2,629,656	$ 2,629,656	**$ 2,940,662**	$ 311,006	$ 2,429,446

TOWN OF KERSEY, COLORADO

Schedule of Expenditures
*Budget to Actual - **General Fund***
Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
General Government:					
General:					
Workmen's compensation	$ 14,200	$ 14,200	$ **16,973**	$ (2,773)	$ 18,583
Auditing	4,950	4,950	**4,950**	-	4,500
Bank charges	750	750	**4,982**	(4,232)	2,949
Credit card charges	2,000	2,000	**3,673**	(1,673)	3,909
Treasurer's fee	5,000	5,000	**4,618**	382	3,974
Insurance	15,431	15,431	**19,158**	(3,727)	14,830
Professional services	-	-	**-**	-	-
Bookkeeping services	-	-	**-**	-	-
IT services	-	-	**-**	-	6,852
Bad debt	-	-	**11,426**	(11,426)	-
Total General	42,331	42,331	**65,780**	(23,449)	55,597
Administrative:					
Salaries	223,821	223,821	**223,476**	345	209,980
Payroll taxes	20,750	20,750	**16,361**	4,389	15,272
Health insurance	35,434	35,434	**15,266**	20,168	12,157
Dental insurance	3,022	3,022	**3,682**	(660)	1,772
AFLAC coverage	800	800	**573**	227	647
Life insurance	94	94	**193**	(99)	70
Short-term disability insurance	720	720	**655**	65	741
Long-term disability insurance	1,050	1,050	**707**	343	977
E 457 retirement contribution	6,685	6,685	**6,406**	279	5,936
Cont. education, seminars, training	2,500	2,500	**8,347**	(5,847)	6,713
Pre-employment	250	250	**246**	4	-
Administrative transfer	-	-	**(14,400)**	14,400	(14,400)
Legal services	30,400	30,400	**40,980**	(10,580)	37,163
Publishing	1,000	1,000	**1,143**	(143)	946
Web publishing	738	738	**4,428**	(3,690)	738
Online code	785	785	**546**	239	223
Dues and subscriptions	2,500	2,500	**7,163**	(4,663)	24,964
Fuel	2,500	2,500	**2,721**	(221)	3,128
Miscellaneous	7,500	7,500	**17,745**	(10,245)	23,331
Document storage	2,500	2,500	**3,711**	(1,211)	-
Postage	600	600	**987**	(387)	1,226
Professional services	6,900	6,900	**7,654**	(754)	5,166
Repairs and maintenance - building	5,000	5,000	**16,937**	(11,937)	4,157
Repairs and maintenance - equip/mach	300	300	**107**	193	470
Repairs and maintenance - office equip	300	300	**1,748**	(1,448)	1,805
Repairs and maintenance - vehicles	2,500	2,500	**2,329**	171	3,116
TH cleaning	2,400	2,400	**2,717**	(317)	2,600
Supplies - general	1,500	1,500	**3,057**	(1,557)	2,428
Supplies - office	2,500	2,500	**3,814**	(1,314)	6,633
Telephone expense	2,000	2,000	**1,801**	199	2,056
Travel and meetings	1,000	1,000	**9,436**	(8,436)	11,240
Utility expense	3,000	3,000	**4,471**	(1,471)	3,537
Electronic monitoring	1,500	1,500	**2,256**	(756)	1,772
Total Administrative	372,549	372,549	**397,263**	(24,714)	376,564
Elections:					
Legal services	-	-	**-**	-	-
Publishing	-	-	**-**	-	43
Election judges	-	-	**-**	-	400
Meals	-	-	**-**	-	111
Supplies - general	-	-	**-**	-	909
Total Elections	-	-	**-**	-	1,463

(continued on next page)

TOWN OF KERSEY, COLORADO

Schedule of Expenditures

Budget to Actual - ***General Fund (continued)***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
General Government: (continued)					
Planning and Zoning:					
Salaries	$ 1,050	$ 1,050	**$ 800**	$ 250	$ 700
Payroll taxes	80	80	**50**	30	54
Professional services	60,000	60,000	**35,090**	24,910	19,283
Supplies - general	500	500	**33**	467	140
Ed marketing	4,000	4,000	**17,140**	(13,140)	-
Dues and subscriptions	857	857	**2,310**	(1,453)	-
Annexation incentives	25,000	25,000	**-**	25,000	2,097
Total Planning and Zoning	91,487	91,487	**55,423**	36,064	22,274
Total General Government	506,367	506,367	**518,466**	(12,099)	455,898
Public Safety:					
Police:					
Salaries	491,888	491,888	**459,972**	31,916	342,221
Holiday pay	-	-	**-**	-	-
Payroll taxes	30,403	30,403	**34,200**	(3,797)	25,995
Health insurance	50,455	50,455	**53,594**	(3,139)	41,114
Dental insurance	1,245	1,245	**1,515**	(270)	1,386
Life insurance	500	500	**866**	(366)	1,068
Short-term disability insurance	-	-	**1,766**	(1,766)	-
Long-term disability insurance	-	-	**-**	-	-
E 457 retirement contribution	33,000	33,000	**25,098**	7,902	49,817
Cont. education, seminars, training	6,000	6,000	**484**	5,516	1,021
Pre-employment exams	3,000	3,000	**445**	2,555	738
Legal	2,000	2,000	**-**	2,000	4,946
Web publishing	738	738	**4,428**	(3,690)	-
Clothing and uniforms	6,500	6,500	**5,216**	1,284	6,155
Crime prevention	500	500	**-**	500	-
Juvenile assessment center	600	600	**282**	318	470
Dues and subscriptions	5,500	5,500	**7,521**	(2,021)	1,131
Gas, oil, diesel fuel, etc.	15,000	15,000	**18,383**	(3,383)	15,082
Investigations	2,500	2,500	**1,038**	1,462	143
Weld county communications	25,171	25,171	**26,566**	(1,395)	23,213
Postage	150	150	**93**	57	65
Professional services	-	-	**1,798**	(1,798)	7,567
Record management	3,000	3,000	**3,250**	(250)	1,909
Repairs and maintenance - building	1,000	1,000	**-**	1,000	877
Repairs and maintenance - equip/mach	1,000	1,000	**193**	807	250
Repairs and maintenance - office equip	1,000	1,000	**190**	810	10
Repairs and maintenance - vehicles	10,000	10,000	**13,384**	(3,384)	12,913
Supplies - general	1,500	1,500	**1,399**	101	6,712
Supplies - office	1,000	1,000	**1,664**	(664)	1,951
Telephone expense	5,000	5,000	**5,800**	(800)	6,304
Travel and meetings	2,000	2,000	**135**	1,865	30
Utility expense	1,500	1,500	**2,593**	(1,093)	2,278
Ammunition, taser, bodycam	12,500	12,500	**7,715**	4,785	5,233
Total Police	714,650	714,650	**679,588**	35,062	560,599
Other Protection					
Publishing	-	-	**-**	-	-
Animal shelter fees	500	500	**2,397**	(1,897)	275
Supplies - general	100	100	**82**	18	78
Building inspection fees	20,000	20,000	**24,387**	(4,387)	25,677
Total Other Protection	20,600	20,600	**26,866**	(6,266)	26,030
Total Public Safety	735,250	735,250	**706,454**	28,796	586,629

(continued on next page)

Schedule of Expenditures

Budget to Actual - ***General Fund (continued)***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Public Works:					
Sanitation					
Administrative transfer	$ 5,400	$ 5,400	**$ 5,400**	$ -	$ 5,400
Operation transfer	3,500	3,500	**3,500**	-	3,500
Auditing	1,650	1,650	**1,650**	-	1,500
Postage	550	550	**810**	(260)	665
Trash collection	70,000	70,000	**76,492**	(6,492)	65,956
Clean-up day roll operations	4,750	4,750	**5,117**	(367)	5,517
Total Sanitation	85,850	85,850	**92,969**	(7,119)	82,538
Total Public Works	85,850	85,850	**92,969**	(7,119)	82,538
Parks and Recreation:					
Parks:					
Salaries	67,871	67,871	**63,048**	4,823	30,185
Payroll taxes	4,569	4,569	**4,679**	(110)	2,227
Health insurance	4,702	4,702	**5,905**	(1,203)	3,977
Dental insurance	353	353	**452**	(99)	316
Life insurance	10	10	**81**	(71)	5
Short-term disability insurance	95	95	**184**	(89)	46
Long-term disability insurance	90	90	**131**	(41)	45
E 457 retirement contribution	560	560	**1,313**	(753)	727
Clothing allowance	250	250	**551**	(301)	-
Repairs and maintenance - parks	20,000	20,000	**33,725**	(13,725)	37,916
Supplies - general	750	750	**3,094**	(2,344)	-
Equipment rental	6,600	6,600	**7,533**	(933)	-
Total Parks	105,850	105,850	**120,696**	(14,846)	75,444
Recreation:					
Salaries - part-time	69,820	69,820	**89,903**	(20,083)	91,577
Payroll taxes	4,688	4,688	**6,566**	(1,878)	6,696
Health and dental insurance	11,706	11,706	**16,415**	(4,709)	13,285
E 457 retirement contribution	1,950	1,950	**2,086**	(136)	2,456
Cont. education, seminar, training	400	400	**-**	400	-
Web publishing	738	738	**4,428**	(3,690)	738
Dues and subscriptions	115	115	**11**	104	660
Miscellaneous	3,370	3,370	**2,923**	447	3,998
IT services	-	-	**-**	-	5,649
Building rental fees	3,500	3,500	**6,285**	(2,785)	6,512
Baseball - supplies and fees	6,000	6,000	**7,678**	(1,678)	12,713
Softball - supplies and fees	1,000	1,000	**3,512**	(2,512)	1,558
Basketball - supplies and fees	5,500	5,500	**7,841**	(2,341)	11,568
Supplies - concession	250	250	**-**	250	30
Supplies - general	6,500	6,500	**10,084**	(3,584)	812
Supplies - office	1,000	1,000	**1,236**	(236)	691
Soccer - supplies and fees	5,750	5,750	**4,323**	1,427	7,280
Flag football - supplies and fees	700	700	**570**	130	1,988
Volleyball - supplies and fees	2,500	2,500	**5,129**	(2,629)	3,843
Summer activities	-	-	**-**	-	3,880
Winter/Spring activities	-	-	**-**	-	3,501
Telephone expense	1,800	1,800	**1,442**	358	1,581
Travel and meetings	100	100	**307**	(207)	104
Repairs and maintenance	2,300	2,300	**375**	1,925	1,238
Kersey days	40,000	40,000	**35,110**	4,890	-
Total Recreation	169,687	169,687	**206,224**	(36,537)	182,358
Total Parks and Recreation	275,537	275,537	**326,920**	(51,383)	257,802

(continued on next page)

Schedule of Expenditures

Budget to Actual - ***General Fund (continued)***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Health and Welfare:					
Chemicals	$ 5,936	$ 5,936	**$ 5,992**	$ (56)	$ 5,558
Total Health and Welfare	5,936	5,936	**5,992**	(56)	5,558
Legislative:					
Mayor and trustee fees	12,600	12,600	**11,600**	1,000	11,975
Payroll taxes	-	-	**876**	(876)	917
Legal services	7,000	7,000	**4,920**	2,080	4,715
Publishing	-	-	**-**	-	-
Public relations	1,500	1,500	**678**	822	690
Supplies - office	500	500	**533**	(33)	362
Travel and meetings	3,500	3,500	**1,128**	2,372	1,575
Donation	-	-	**-**	-	-
Total Legislative	25,100	25,100	**19,735**	5,365	20,234
Judicial:					
Legal services	15,000	15,000	**16,275**	(1,275)	9,511
Municipal judge	4,200	4,200	**3,150**	1,050	4,200
Payroll taxes	-	-	**-**	-	-
Dues and subscriptions	-	-	**330**	(330)	-
Juror fees	-	-	**30**	(30)	-
Postage	200	200	**84**	116	54
Professional services	1,200	1,200	**909**	291	1,039
Supplies - office	500	500	**639**	(139)	988
Total Judicial	21,100	21,100	**21,417**	(317)	15,792
Library:					
Salaries	-	-	**-**	-	-
Payroll taxes	-	-	**-**	-	-
Building rent	3,000	3,000	**3,150**	(150)	3,000
Repairs and maintenance - building	2,000	2,000	**1,729**	271	197
Repairs and maintenance - office equip	-	-	**-**	-	-
Supplies - general	-	-	**-**	-	-
Utility expense	2,500	2,500	**4,308**	(1,808)	2,424
Total Library	7,500	7,500	**9,187**	(1,687)	5,621
Seniors:					
Salaries	44,797	44,797	**22,476**	22,321	22,894
Payroll taxes	3,008	3,008	**1,642**	1,366	1,674
Health and dental insurance	11,300	11,300	**4,103**	7,197	3,486
E 457 retirement contribution	1,256	1,256	**522**	734	614
Repairs and maintenance - building	2,300	2,300	**6,591**	(4,291)	6,661
Supplies - general	2,750	2,750	**1,912**	838	2,591
Utility expense	5,200	5,200	**9,572**	(4,372)	11,935
Professional services	35,600	35,600	**44,680**	(9,080)	25,246
Total Seniors	106,211	106,211	**91,498**	14,713	75,101
IT Services					
IT services	22,500	22,500	**46,777**	(24,277)	-
Total IT Services	22,500	22,500	**46,777**	(24,277)	-
Capital Outlay					
General government	22,142	102,142	**406,279**	(304,137)	406,279
Public safety - police	5,500	5,500	**125,171**	(119,671)	125,171
Parks and recreation	-	-	**-**	-	-
Total Capital Outlay	636,536	636,536	**570,586**	(423,808)	531,450
Debt Service					
Principal	-	-	**-**	-	807,103
Interest	-	-	**-**	-	16,736
Total Debt Service	-	-	**-**	-	823,839
Total Expenditures	$ 2,427,887	$ 2,427,887	**$ 2,410,001**	$ (471,872)	$ 2,860,462

TOWN OF KERSEY, COLORADO

Reconciliation of Budgetary Basis to GAAP Basis

*Budget to Actual - **General Fund***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Revenues:					
Taxes	$ 1,648,151	$ 1,648,151	**$ 1,805,359**	$ 157,208	$ 1,736,904
Licenses and permits	35,225	35,225	**54,403**	19,178	93,304
Intergovernmental revenues	78,500	78,500	**189,198**	110,698	128,965
Charges for services	74,750	74,750	**74,497**	(253)	76,442
Parks and recreation	39,700	39,700	**66,960**	27,260	51,788
Judicial	129,280	129,280	**198,091**	68,811	147,120
Earnings on investments	1,500	1,500	**18,542**	17,042	701
Miscellaneous revenues	622,550	622,550	**533,612**	(88,938)	194,222
Total Revenues	2,629,656	2,629,656	**2,940,662**	311,006	2,429,446
Transfers In:					
Street Fund	-	-	**-**	-	-
Conservation Trust Fund	-	-	**-**	-	323,159
Capital Fund	-	-	**-**	-	-
Total Transfers In	-	-	**-**	-	323,159
Total Revenues and Transfers	2,629,656	2,629,656	**2,940,662**	311,006	2,752,605
Expenditures:					
General government	506,367	506,367	**518,466**	(12,099)	455,898
Public safety	735,250	735,250	**706,454**	28,796	586,629
Public works	85,850	85,850	**92,969**	(7,119)	82,538
Parks and recreation	275,537	275,537	**326,920**	(51,383)	257,802
Health and welfare	5,936	5,936	**5,992**	(56)	5,558
Legislative	25,100	25,100	**19,735**	5,365	20,234
Judicial	21,100	21,100	**21,417**	(317)	15,792
Library	7,500	7,500	**9,187**	(1,687)	5,621
Seniors	106,211	106,211	**91,498**	14,713	75,101
Capital outlay	636,536	636,536	**570,586**	65,950	531,450
Debt service	-	-	**-**	-	823,839
Total Expenditures	2,405,387	2,405,387	**2,363,224**	42,163	2,860,462
Transfers Out:					
Street Fund	-	-	**-**	-	-
Conservation Trust Fund	-	-	**-**	-	-
Capital Fund	-	-	**-**	-	-
Water Fund	55,000	55,000	**55,000**	-	-
Sewer Fund	-	-	**-**	-	-
Total Transfers Out	55,000	55,000	**55,000**	-	-
Total Expenditures and Transfers	2,460,387	2,460,387	**2,418,224**	42,163	2,860,462
Excess (Deficit) of Revenues and Transfers over Expenditures and Transfers	$ 169,269	$ 169,269	**522,438**	$ 353,169	(107,857)
Reconciliation of Budgetary Basis to GAAP Basis:					
Capital asset purchases capitalized			**570,586**		531,450
Capital assets sold			**-**		-
Depreciation expense			**(427,937)**		(392,311)
Long term debt - payments			**-**		807,103
Long term debt - proceeds			**-**		-
Compensated absences			**(23,212)**		(2,906)
Accrued interest payable			**-**		567
Net pension liability (asset)			**7,393**		14,224
Change in Net Position			**$ 649,268**		$ 850,270

TOWN OF KERSEY, COLORADO

Schedule of Revenues

*Budget to Actual - **Street Fund***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Taxes:					
Motor vehicle sales and use tax	$ 3,500	$ 3,500	**$ 18,902**	$ 15,402	$ 1,708
Sales tax	363,000	363,000	**611,760**	248,760	623,989
Specific ownership tax	25,000	25,000	**19,541**	(5,459)	23,412
Total Taxes	391,500	391,500	**650,203**	258,703	649,109
Intergovernmental Revenues:					
Highway users tax	64,101	64,101	**65,590**	1,489	64,514
Motor vehicles registration fee	9,000	9,000	**7,851**	(1,149)	9,088
County road and bridge	15,000	15,000	**11,056**	(3,944)	14,405
Total Intergovernmental Revenues	88,101	88,101	**84,497**	(3,604)	88,007
Earnings on Investments:					
Earnings on investments	250	250	**6,142**	5,892	207
Net Increase (decrease) in the fair market of investments	-	-	**-**	-	-
Total Earnings on Investments	250	250	**6,142**	5,892	207
Miscellaneous Revenues:					
Streets reimbursements	500	500	**-**	(500)	-
Traffic calming surcharge	9,600	9,600	**20,085**	10,485	15,696
Maintenance income	1,500	1,500	**1,305**	(195)	2,170
Other income	1,250	1,250	**2,780**	1,530	1,513
Grants	-	-	**-**	-	-
Contributions	-	-	**286,261**	286,261	-
Sale of assets	-	-	**-**	-	-
Total Miscellaneous Revenue	12,850	12,850	**310,431**	297,581	19,379
Total Revenues	$ 492,701	$ 492,701	**$ 1,051,273**	$ 558,572	$ 756,702

TOWN OF KERSEY, COLORADO

Schedule of Expenditures

*Budget to Actual - **Street Fund***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
General Government:					
General:					
Workmen's compensation	$ 3,615	$ 3,615	**$ 3,735**	$ (120)	$ 3,673
Auditing	2,475	2,475	**2,475**	-	2,250
Legal services	-	-	**-**	-	-
Publishing	100	100	**-**	100	16
Professional services	2,000	2,000	**3,588**	(1,588)	3,544
IT services	7,500	7,500	**7,500**	-	2,321
Total General	15,690	15,690	**17,298**	(1,608)	11,804
Administrative:					
Salaries	-	-	**1,613**	(1,613)	-
Payroll taxes	-	-	**110**	(110)	-
Health insurance	-	-	**254**	(254)	-
Life insurance	-	-	**2**	(2)	-
E 457 retirement coverage	-	-	**48**	(48)	-
Administrative fee allocation	9,000	9,000	**8,990**	10	8,990
Professional services	299	299	**546**	(247)	223
Repairs and maintenance	1,050	1,050	**-**	1,050	30
TH cleaning	2,400	2,400	**2,720**	(320)	2,600
Supplies - office	750	750	**668**	82	777
Total Administrative	13,499	13,499	**14,951**	(1,452)	12,620
Total General Government	29,189	29,189	**32,249**	(3,060)	24,424
Public Works:					
Operations:					
Salaries	40,734	40,734	**45,891**	(5,157)	54,241
Payroll taxes	3,033	3,033	**3,372**	(339)	4,070
Health insurance	12,296	12,296	**4,838**	7,458	7,642
Dental insurance	1,400	1,400	**168**	1,232	646
AFLAC coverage	150	150	**145**	5	295
Life insurance	38	38	**63**	(25)	19
Short-term disability insurance	300	300	**141**	159	177
Long-term disability insurance	342	342	**101**	241	171
E 457 retirement coverage	1,800	1,800	**1,062**	738	1,298
Cont. education, seminars, training	500	500	**-**	500	-
Administrative transfer	-	-	**(1,165)**	1,165	(1,165)
Dues and subscriptions	750	750	**350**	400	292
Clothing and uniforms	115	115	**1,008**	(893)	25
Gas, oil, diesel fuel, etc.	4,000	4,000	**5,226**	(1,226)	3,902
Repairs and maintenance - building	1,000	1,000	**60**	940	114
Repairs and maintenance - equip/mach	4,000	4,000	**1,708**	2,292	1,078
Repairs and maintenance - signs	3,000	3,000	**451**	2,549	2,089
Repairs and maintenance - streets	3,500	3,500	**13,239**	(9,739)	2,244
Repairs and maintenance - marking	11,000	11,000	**177**	10,823	240
Repairs and maintenance - vehicles	5,000	5,000	**2,659**	2,341	9,374
Repairs and maintenance - cr 55	10,000	10,000	**3,700**	6,300	4,600
Street improvements	-	-	**-**	-	55,868
Street cleaning	20,000	20,000	**19,115**	885	6,868
Snow removal	35,000	35,000	**19,801**	15,199	18,093
Street lights	15,000	15,000	**16,820**	(1,820)	19,133
Supplies - general	3,500	3,500	**836**	2,664	963
Telephone expense	1,500	1,500	**1,773**	(273)	2,020
Travel and meetings	200	200	**71**	129	216
Utility expense	3,000	3,000	**2,689**	311	2,706
Asset management	1,250	1,250	**1,262**	(12)	1,201
Total Operations	182,408	182,408	**145,561**	36,847	198,420
Total Public Works	182,408	182,408	**145,561**	36,847	198,420
Capital Outlay	278,500	278,500	**278,616**	(116)	4,950
Total Capital Outlay	278,500	278,500	**278,616**	(116)	4,950
Total Expenditures	$ 490,097	$ 490,097	**$ 456,426**	$ 33,671	$ 227,794

TOWN OF KERSEY, COLORADO

Reconciliation of Budgetary Basis to GAAP Basis

*Budget to Actual - **Street Fund***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Revenues:					
Taxes	$ 391,500	$ 391,500	**$ 650,203**	$ 258,703	$ 649,109
Licenses and permits	-	-	**-**	-	-
Intergovernmental revenues	88,101	88,101	**84,497**	(3,604)	88,007
Charges for services	-	-	**-**	-	-
Parks and recreation	-	-	**-**	-	-
Judicial	-	-	**-**	-	-
Earnings on investments	250	250	**6,142**	5,892	207
Miscellaneous revenues	12,850	12,850	**310,431**	297,581	19,379
Total Revenues	492,701	492,701	**1,051,273**	558,572	756,702
Transfers In:					
General Fund	-	-	**-**	-	-
Capital Fund	-	-	**-**	-	-
Water Fund	-	-	**-**	-	-
Total Transfers In	-	-	**-**	-	-
Total Revenues and Transfers	492,701	492,701	**1,051,273**	558,572	756,702
Expenditures:					
General government	29,189	29,189	**32,249**	(3,060)	24,424
Public safety	-	-	**-**	-	-
Public works	182,408	182,408	**145,561**	36,847	198,420
Parks and recreation	-	-	**-**	-	-
Health and welfare	-	-	**-**	-	-
Legislative	-	-	**-**	-	-
Judicial	-	-	**-**	-	-
Library	-	-	**-**	-	-
Seniors	-	-	**-**	-	-
Capital outlay	278,500	278,500	**278,616**	(116)	4,950
Total Expenditures	490,097	490,097	**456,426**	33,671	227,794
Transfers Out:					
General Fund	-	-	**-**	-	-
Capital Fund	-	-	**-**	-	-
Water Fund	-	-	**-**	-	-
Total Transfers Out	-	-	**-**	-	-
Total Expenditures and Transfers	490,097	490,097	**456,426**	33,671	227,794
Excess (Deficit) of Revenues and Transfers over Expenditures and Transfers	$ 2,604	$ 2,604	**594,847**	$ 592,243	528,908
Reconciliation of Budgetary Basis to GAAP Basis:					
Capital asset purchases capitalized			**278,616**		4,950
Capital assets sold			**-**		-
Depreciation expense			**(81,508)**		(67,038)
Change in Net Position			**$ 791,955**		$ 466,820

TOWN OF KERSEY, COLORADO

Schedule of Proportionate Share of the Net Pension Liability and
Schedule of Contributions

Fire and Police Pension Association of Colorado (FPPA)

For The Last 10 Years (to be built prospectively)

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Fiscal Year Ending December 31	2022	2021	2020	2019	2018	2017 *	2016	2015	2014	2013
Town's proportion of the net pension liability (asset)	1.5467000%	0.0139240%	0.0153290%	0.0161900%	0.0144200%	0.0175200%	N/A	N/A	N/A	N/A
Town's proportionate share of the net pension liability (asset)	$ 13,729	$ (75,461)	$ (33,280)	$ (9,158)	$ 18,230	$ -	N/A	N/A	N/A	N/A
Town's covered payroll	$ 269,393	$ 224,764	$ 246,550	$ 238,700	$ 193,175	$ 153,692	N/A	N/A	N/A	N/A
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	5.10%	-33.57%	-13.50%	-3.84%	9.44%	0.00%	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of total pension liability (asset)	97.60%	116.20%	106.70%	101.90%	95.20%	106.30%	N/A	N/A	N/A	N/A

SCHEDULE OF CONTRIBUTIONS

Fiscal Year Ending December 31	2022	2021	2020	2019	2018	2017 *	2016	2015	2014	2013
Contractually required contribution	12,111	9,528	9,850	9,548	7,727	6,148	N/A	N/A	N/A	N/A
Contribution in relation to the contractually required contribution	(12,111)	(9,528)	(9,850)	(9,548)	(7,727)	(6,148)	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Town's covered payroll	$ 269,393	$ 224,764	$ 246,550	$ 238,700	$ 193,175	$ 153,692	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	4.50%	4.24%	4.00%	4.00%	4.00%	4.00%	N/A	N/A	N/A	N/A

* year started with FPPA

SUPPLEMENTAL INFORMATION

TOWN OF KERSEY, COLORADO

Combining Balance Sheet

Governmental Funds - Nonmajor

December 31, 2023

	Conservation Trust	Capital	Total Nonmajor
ASSETS			
Current Assets:			
Cash on hand and in checking	$ (105,890)	$ 1,759,814	**$ 1,653,924**
Cash on deposit - county treasurer	-	-	**-**
Cash in savings	222,505	124,402	**346,907**
Total Cash	116,615	1,884,216	**2,000,831**
Certificates of deposit	-	-	**-**
Local government investment pools	-	205,262	**205,262**
Total Investments	-	205,262	**205,262**
Property taxes receivable	-	-	**-**
Accounts receivable	-	-	**-**
Accrued interest receivable	-	-	**-**
Prepaid expenses	-	-	**-**
Due from other funds	-	-	**-**
Total Current Assets	116,615	2,089,478	**2,206,093**
Noncurrent Assets:			
Restricted local government investment pools	-	106,070	**106,070**
Total Noncurrent Assets	-	106,070	**106,070**
Total Assets	116,615	2,195,548	**2,312,163**
DEFERRED OUTFLOWS			
Grant expenditures paid in advance of meeting timing requirements	-	-	**-**
Total Assets & Deferred Outflows	$ 116,615	$ 2,195,548	**$ 2,312,163**
LIABILITIES			
Current Liabilities:			
Accounts payable	$ -	$ -	**$ -**
Payroll taxes payable	-	-	**-**
Accrued interest payable	-	-	**-**
Due to other funds	-	-	**-**
Total Current Liabilities	-	-	**-**
Total Liabilities	-	-	**-**
DEFERRED INFLOWS			
Unearned revenue	-	-	**-**
Total Liabilities & Deferred Inflows	-	-	**-**
FUND BALANCE			
Non-spendable	-	-	**-**
Restricted	116,615	2,195,548	**2,312,163**
Committed	-	-	**-**
Assigned	-	-	**-**
Unassigned	-	-	**-**
Total Fund Balance	116,615	2,195,548	**2,312,163**
Total Fund Balance, Liabilities & Deferred Inflows	$ 116,615	$ 2,195,548	**$ 2,312,163**

Reconciliation of the Balance Sheet to the Statement of Net Position

Total Governmental Fund Balance	**$ 2,312,163**
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Capital assets	**-**
Less: accumulated depreciation	**-**
Long-term liabilities, including capital leases, are not due and payable in the current period, therefore, they are not reported in the funds:	
Capital leases	**-**
Compensated absences	**-**
Net Position of Governmental Activities	**$ 2,312,163**

See accompanying notes to the basic financial statements

TOWN OF KERSEY, COLORADO

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds - Nonmajor

December 31, 2023

	Conservation Trust	Capital	Total Nonmajor
Revenues:			
Taxes	$ -	$ 54,912	**$ 54,912**
Licenses and permits	-	-	**-**
Intergovernmental revenue	20,979	-	**20,979**
Charges for services	-	-	**-**
Parks and recreation	-	-	**-**
Judicial	-	-	**-**
Earnings on investments	923	11,603	**12,526**
Miscellaneous revenues	-	5,230	**5,230**
Total Revenues	21,902	71,745	**93,647**
Expenditures:			
Current:			
General government	-	-	**-**
Public safety	-	-	**-**
Public works	-	-	**-**
Parks and recreation	5,237	-	**5,237**
Health and welfare	-	-	**-**
Legislative	-	-	**-**
Judicial	-	-	**-**
Library	-	-	**-**
Seniors	-	-	**-**
Capital outlay	-	-	**-**
Total Expenditures	5,237	-	**5,237**
Excess (Deficiency) of Revenues over Expenditures	16,665	71,745	**88,410**
Other Financing Sources (Uses):			
Sale of assets	-	-	**-**
Contributions	-	-	**-**
Grants	-	-	**-**
Transfers in	-	-	**-**
Transfers out	-	-	**-**
Total Other Financing Sources (Uses)	-	-	**-**
Net Change in Fund Balance	16,665	71,745	**88,410**
Fund Balance - beginning of year	99,950	2,123,803	**2,223,753**
Fund Balance - End of Year	$ 116,615	$ 2,195,548	**$ 2,312,163**

Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities:	
Net Change in Fund Balance - Total Governmental Funds	**$ 88,410**
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
Capital asset purchases capitalized	**-**
Depreciation expense	**-**
Change in Net Position of Governmental Activities	**$ 88,410**

TOWN OF KERSEY, COLORADO

Budgetary Comparison Schedule

*Budget to Actual - **Conservation Trust Fund***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Revenues:					
Intergovernmental Revenue:					
State lottery funds	$ 20,000	$ 20,000	**$ 20,979**	$ 979	$ 19,159
Total Intergovernmental Revenue	20,000	20,000	**20,979**	979	19,159
Earnings on Investment:					
Earnings on investments	250	250	**923**	673	159
Net increase (decrease) in fair value of investments	-	-	**-**	-	-
Total Earnings on Investment	250	250	**923**	673	159
Miscellaneous Revenues:					
Park fees	-	-	**-**	-	-
Total Miscellaneous Revenues	-	-	**-**	-	-
Transfers In:					
General Fund	-	-	**-**	-	-
Total Transfers In	-	-	**-**	-	-
Total Revenues and Transfers	20,250	20,250	**21,902**	1,652	19,318
Expenditures:					
Parks:					
Chemicals	1,000	1,000	**825**	175	225
Professional services	-	-	**-**	-	-
Repairs and maintenance - building	1,000	1,000	**247**	753	553
Repairs and maintenance - equip	1,000	1,000	**619**	381	1,109
Repairs and maintenance - turf	2,500	2,500	**2,313**	187	2,857
Tree trimming	1,500	1,500	**-**	1,500	650
Park Equipment	1,000	1,000	**118**	882	21
Supplies - general	2,000	2,000	**1,115**	885	1,503
Supplies - office	-	-	**-**	-	-
Capital outlay	-	-	**-**	-	-
Total Parks	10,000	10,000	**5,237**	4,763	6,918
Community Center:					
Repairs and maintenance - building	-	-	**-**	-	-
Repairs and maintenance - equip	-	-	**-**	-	-
Supplies - general	-	-	**-**	-	-
Supplies - office	-	-	**-**	-	-
Total Community Center	-	-	**-**	-	-
Total Expenditures	10,000	10,000	**5,237**	4,763	6,918
Transfers Out:					
General Fund	-	-	**-**	-	-
Total Transfers Out	-	-	**-**	-	-
Total Expenditures and Transfers	10,000	10,000	**5,237**	4,763	6,918
Excess (Deficit) of Revenues Over Expenditures and Transfers	$ 10,250	$ 10,250	**16,665**	$ 6,415	12,400
Reconciliation of Budgetary Basis to GAAP Basis:					
Capital asset purchases capitalized			**-**		-
Depreciation expense			**-**		-
Change in Net Position			**$ 16,665**		$ 12,400

TOWN OF KERSEY, COLORADO

Budgetary Comparison Schedule

*Budget to Actual - **Capital Fund***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Revenues:					
Taxes:					
Use tax	$ 30,000	$ 30,000	**$ 54,912**	$ 24,912	$ 34,228
Total Taxes	30,000	30,000	**54,912**	24,912	34,228
Earnings on Investment:					
Earnings on investments	500	500	**11,289**	10,789	2,180
Net increase (decrease) in fair value of investments	-	-	**314**	314	(643)
Total Earnings on Investment	500	500	**11,603**	11,103	1,537
Miscellaneous Revenues:					
Road development fees	2,875	2,875	**4,630**	1,755	880
Drainage fees	1,500	1,500	**600**	(900)	339
Park fees	1,700	1,700	**-**	(1,700)	1,730
Contributions	-	-	**-**	-	-
Grant proceeds	-	-	**-**	-	-
Total Miscellaneous Revenues	6,075	6,075	**5,230**	(845)	2,949
Transfers In:					
General Fund	-	-	**-**	-	-
Street Fund	-	-	**-**	-	-
Sewer Fund	-	-	**-**	-	-
Water Fund	-	-	**-**	-	-
Total Transfers In	-	-	**-**	-	-
Total Revenues and Transfers	36,575	36,575	**71,745**	35,170	38,714
Expenditures:					
Park planning	-	-	-	-	-
Capital Outlay:					
Equipment	-	-	**-**	-	-
Projects	30,000	275,000	**-**	(275,000)	13,856
Vehicles & machinery	-	-	**-**	-	-
Total Expenditures	30,000	275,000	**-**	(275,000)	13,856
Transfers Out:					
General Fund	-	-	**-**	-	323,159
Street Fund	-	-	**-**	-	-
Sewer Fund	-	-	**-**	-	-
Water Fund	-	-	**-**	-	-
Total Transfers Out	-	-	**-**	-	323,159
Total Expenditures and Transfers	30,000	275,000	**-**	(275,000)	337,015
Excess (Deficit) of Revenues Over Expenditures and Transfers	$ 6,575	$ (238,425)	**71,745**	$ (239,830)	(298,301)
Reconciliation of Budgetary Basis to GAAP Basis:					
Capital asset purchases capitalized			**-**		-
Depreciation expense			**-**		-
Change in Net Position			**$ 71,745**		$ (298,301)

TOWN OF KERSEY, COLORADO

Schedule of Revenues

*Budget to Actual - **Water Fund***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

Non-GAAP Budgetary Basis	2023 Original Budget	2023 Final Budget	2023 **Actual**	2023 Variance - Favorable (Unfavorable)	**2022** Actual
Operating Revenues:					
Water sales	$ 350,000	$ 350,000	**$ 324,056**	$ (25,944)	$ 349,591
Tap fees	35,000	35,000	**16,500**	(18,500)	14,000
Bulk water sales	7,500	7,500	**3,588**	(3,912)	8,088
Water purchased	-	-	**-**	-	-
Hydrant fees	2,500	2,500	**-**	(2,500)	2,350
Late fees	3,500	3,500	**10,020**	6,520	13,030
Meter charges	2,500	2,500	**80**	(2,420)	800
Miscellaneous	-	-	**-**	-	-
Total Operating Revenues	401,000	401,000	**354,244**	(46,756)	387,859
Earnings on Investment:					
Earnings on investments	500	500	**12,577**	12,077	949
Net Increase (decrease) in the fair market of investments	-	-	**-**	-	-
Total Earnings on Investment	500	500	**12,577**	12,077	949
Miscellaneous Revenues:					
Contributions from customers	-	-	**72,000**	72,000	390,000
Contributions from subdividers	-	-	**-**	-	-
Sale of assets	-	-	**-**	-	-
Loan proceeds	-	-	**-**	-	-
Grants	-	-	**-**	-	-
Total Miscellaneous Revenues	-	-	**72,000**	72,000	390,000
Total Revenues	$ 401,500	$ 401,500	**$ 438,821**	$ 37,321	$ 778,808

TOWN OF KERSEY, COLORADO

Schedule of Expenditures

*Budget to Actual - **Water Fund***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Operating Expenditures:					
General:					
Workmen's compensation	$ 5,164	$ 5,164	**$ 5,284**	$ (120)	$ 5,497
Auditing	3,300	3,300	**3,300**	-	3,000
Bank charges	250	250	**-**	250	8
Credit card charges	1,000	1,000	**3,536**	(2,536)	2,889
Legal services	-	-	**-**	-	-
Publishing	500	500	**203**	297	571
Web publishing	738	738	**4,428**	(3,690)	738
Insurance	22,838	22,838	**23,528**	(690)	21,490
Dues and subscriptions	300	300	**-**	300	660
Professional services	4,000	4,000	**3,588**	412	3,544
Bookkeeping services	-	-	**-**	-	-
IT services	5,500	5,500	**8,079**	(2,579)	5,565
Total General	43,590	43,590	**51,946**	(8,356)	43,962
Administrative:					
Salaries	67,871	67,871	**80,399**	(12,528)	75,322
Payroll taxes	4,556	4,556	**5,847**	(1,291)	5,378
Health insurance	14,956	14,956	**4,563**	10,393	6,194
Dental insurance	900	900	**234**	666	414
AFLAC coverage	612	612	**176**	436	434
Life insurance	42	42	**104**	(62)	22
Short-term disability insurance	300	300	**295**	5	210
Long-term disability insurance	330	330	**265**	65	261
E 457 retirement contribution	2,046	2,046	**2,347**	(301)	2,091
Cont. education, seminars, training	500	500	**-**	500	-
Online code	299	299	**546**	(247)	222
Dues and subscriptions	1,300	1,300	**1,000**	300	1,320
Postage	900	900	**810**	90	833
Professional services	750	750	**574**	176	687
Repairs and maintenance	1,000	1,000	**-**	1,000	-
TH cleaning	2,400	2,400	**2,717**	(317)	2,600
Hydrant deposit refund	1,500	1,500	**-**	1,500	-
Supplies - office	1,200	1,200	**1,013**	187	1,476
Travel and meetings	300	300	**34**	266	263
Total Administrative	101,762	101,762	**100,924**	838	97,727

(continued on next page)

TOWN OF KERSEY, COLORADO

Schedule of Expenditures

*Budget to Actual - **Water Fund (continued)***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Operating Expenditures:					
System Operations:					
Salaries	$ 24,746	$ 24,746	**$ 26,598**	$ (1,852)	$ 16,224
Payroll taxes	1,662	1,662	**1,900**	(238)	1,280
Health insurance	8,289	8,289	**3,692**	4,597	2,415
Dental insurance	700	700	**97**	603	22
AFLAC coverage	-	-	**63**	(63)	-
Life insurance	25	25	**43**	(18)	8
Short-term disability insurance	189	189	**95**	94	78
Long-term disability insurance	243	243	**68**	175	76
E 457 retirement coverage	1,000	1,000	**793**	207	378
Cont. education, seminars, training	600	600	**-**	600	585
Pre-employment exam	-	-	**-**	-	-
Administrative transfer	-	-	**(1,165)**	1,165	(1,165)
Clothing and uniforms	500	500	**175**	325	201
Dues and subscriptions	50	50	**1,308**	(1,258)	-
Gas, oil, diesel fuel, etc.	1,500	1,500	**3,643**	(2,143)	2,229
Postage	100	100	**-**	100	-
Professional services	1,600	1,600	**623**	977	1,311
Repairs and maintenance - building	500	500	**21**	479	134
Repairs and maintenance - equip/mach	4,000	4,000	**933**	3,067	330
Repairs and maintenance - hydrant	1,500	1,500	**-**	1,500	2,840
Repairs and maintenance - office equip	500	500	**38**	462	-
Repairs and maintenance - valve box	-	-	**93**	(93)	234
Repairs and maintenance - vehicles	4,000	4,000	**1,456**	2,544	929
Repairs and maintenance - water lines	15,000	15,000	**6,698**	8,302	929
Repairs and maintenance - water tower	5,000	5,000	**208**	4,792	27,713
Supplies - general	1,000	1,000	**1,092**	(92)	1,570
Telephone expense	1,800	1,800	**1,773**	27	2,106
Travel and meetings	150	150	**71**	79	52
Utility expense	6,000	6,000	**8,083**	(2,083)	7,564
Water (potable) - testing	3,500	3,500	**3,762**	(262)	3,841
Water assessments	24,000	24,000	**26,961**	(2,961)	25,332
Water usage	190,000	190,000	**233,024**	(43,024)	250,218
Bad debt	-	-	**-**	-	-
Asset management	1,167	1,167	**1,262**	(95)	1,202
Total System Operation & Maintenance	299,321	299,321	**323,408**	(24,087)	348,636
Total Operating Expenditures	444,673	444,673	**476,278**	(31,605)	490,325
Non-Operating Expenditures:					
Capital Outlay	10,000	60,000	**83,000**	(23,000)	424,787
Debt Service:					
Principal	-	-	**-**	-	-
Interest	-	-	**-**	-	-
Total Non-Operating Expenditures	10,000	60,000	**83,000**	(23,000)	424,787
Total Expenditures	$ 454,673	$ 504,673	**$ 559,278**	$ (54,605)	$ 915,112

TOWN OF KERSEY, COLORADO

Reconciliation of Budgetary Basis to GAAP Basis

Budget to Actual - ***Water Fund***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Revenues:					
Operating revenues	$ 401,000	$ 401,000	**$ 354,244**	$ (46,756)	$ 387,859
Earnings on investment	500	500	**12,577**	12,077	949
Miscellaneous revenues	-	-	**72,000**	72,000	390,000
Total Revenues	401,500	401,500	**438,821**	37,321	778,808
Transfers In:					
General Fund	55,000	55,000	**55,000**	-	-
Capital Fund	-	-	**-**	-	-
Water Fund	-	-	**-**	-	-
Total Transfers In	55,000	55,000	**55,000**	-	-
Total Revenues and Transfers	456,500	456,500	**493,821**	37,321	778,808
Expenditures:					
General	43,590	43,590	**51,946**	(8,356)	43,962
Administrative	101,762	101,762	**100,924**	838	97,727
System operations	299,321	299,321	**323,408**	(24,087)	348,636
Non-operating expenditures	10,000	60,000	**83,000**	(23,000)	424,787
Total Expenditures	454,673	504,673	**559,278**	(54,605)	915,112
Transfers Out:					
General Fund	-	-	**-**	-	-
Capital Fund	-	-	**-**	-	-
Sewer Fund	-	-	**-**	-	-
Total Transfers Out	-	-	**-**	-	-
Total Expenditures and Transfers	454,673	504,673	**559,278**	(54,605)	915,112
Excess (Deficiency) of Revenues over Expenditures	$ 1,827	$ (48,173)	**(65,457)**	$ (17,284)	(136,304)
Reconciliation of Budgetary Basis to GAAP Basis:					
Capital assets purchases capitalized			**83,000**		424,787
Capital assets sold			**-**		-
Depreciation expense			**(67,244)**		(66,873)
Capital lease obligation payments			**-**		-
Long-term debt - proceeds			**-**		-
Long-term debt - payments			**-**		-
Change in Net Position			**$ (49,701)**		$ 221,610

TOWN OF KERSEY, COLORADO

Schedule of Revenues

Budget to Actual - ***Sewer Fund***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Operating Revenues:					
Sewer service	$ 395,000	$ 395,000	**$ 395,781**	$ 781	$ 417,189
Tap fees	20,000	20,000	**10,000**	(10,000)	8,000
Late fees	2,500	2,500	**-**	(2,500)	-
Miscellaneous	-	-	**-**	-	-
Total Operating Revenues	417,500	417,500	**405,781**	(11,719)	425,189
Earnings on Investment:					
Earnings on investments	3,000	3,000	**18,426**	15,426	621
Net increase (decrease) in the fair market of investments	-	-	**-**	-	-
Total Earnings on Investment	3,000	3,000	**18,426**	15,426	621
Miscellaneous Revenues:					
Contributions from customers	-	-	**-**	-	-
Contributions from subdividers	-	-	**-**	-	-
Sale of assets	-	-	**-**	-	-
Grants	-	-	**-**	-	-
Total Miscellaneous Revenues	-	-	**-**	-	-
Total Revenues	$ 420,500	$ 420,500	**$ 424,207**	$ 3,707	$ 425,810

TOWN OF KERSEY, COLORADO

Schedule of Expenditures
Budget to Actual - ***Sewer Fund***
Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

Non-GAAP Budgetary Basis	2023 Original Budget	2023 Final Budget	2023 **Actual**	2023 Variance - Favorable (Unfavorable)	**2022** Actual
Operating Expenditures:					
General:					
Workmen's compensation	$ 2,840	$ 2,840	**$ 2,960**	$ (120)	$ 3,136
Auditing	4,125	4,125	**4,125**	-	3,750
Bank charges	150	150	**9**	141	8
Credit card charges	1,500	1,500	**3,674**	(2,174)	2,901
Legal services	500	500	**-**	500	-
Publishing	200	200	**203**	(3)	331
Web publishing	696	696	**4,428**	(3,732)	738
Insurance	23,455	23,455	**24,164**	(709)	22,071
Dues and subscriptions	-	-	**-**	-	660
Professional services	3,700	3,700	**3,621**	79	3,569
Bookkeeping services	-	-	**-**	-	-
IT services	7,000	7,000	**7,801**	(801)	5,565
Total General	44,166	44,166	**50,985**	(6,819)	42,729
Administrative:					
Salaries	57,652	57,652	**70,255**	(12,603)	71,757
Payroll taxes	3,870	3,870	**5,072**	(1,202)	5,106
Health insurance	11,483	11,483	**4,563**	6,920	6,194
Dental insurance	450	450	**234**	216	414
AFLAC coverage	600	600	**176**	424	356
Life insurance	32	32	**80**	(48)	22
Short-term disability insurance	229	229	**238**	(9)	210
Long-term disability insurance	321	321	**228**	93	261
E 457 retirement contribution	1,624	1,624	**2,042**	(418)	1,989
Cont. education, seminars, training	-	-	**-**	-	-
Online code	299	299	**546**	(247)	222
Dues and subscriptions	100	100	**288**	(188)	20
Postage	600	600	**810**	(210)	833
Professional services	325	325	**515**	(190)	2,184
Repairs and maintenance	1,000	1,000	**327**	673	-
TH cleaning	2,400	2,400	**2,714**	(314)	2,600
Supplies - office	1,000	1,000	**1,045**	(45)	1,476
Travel and meetings	250	250	**-**	250	263
Total Administrative	82,235	82,235	**89,133**	(6,898)	93,907

(continued on next page)

TOWN OF KERSEY, COLORADO

Schedule of Expenditures

*Budget to Actual - **Sewer Fund (continued)***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Operating Expenditures:					
System Operations:					
Salaries	$ 24,746	$ 24,746	**$ 26,595**	$ (1,849)	$ 16,279
Payroll taxes	1,662	1,662	**1,900**	(238)	1,281
Health insurance	8,422	8,422	**3,692**	4,730	2,417
Dental insurance	200	200	**97**	103	22
AFLAC coverage	-	-	**63**	(63)	-
Life insurance	24	24	**43**	(19)	8
Short-term disability insurance	188	188	**95**	93	78
Long-term disability insurance	230	230	**67**	163	76
E 457 retirement coverage	842	842	**792**	50	378
Cont. education, seminars, training	1,000	1,000	**-**	1,000	-
Pre-employment exam	-	-	**-**	-	-
Administrative transfer	-	-	**(1,160)**	1,160	(1,160)
Chemicals	-	-	**-**	-	-
Clothing and uniforms	500	500	**175**	325	425
Dues and subscriptions	-	-	**720**	(720)	-
Gas, oil, diesel fuel, etc.	2,000	2,000	**3,759**	(1,759)	2,676
Postage	100	100	**-**	100	-
Professional services	9,600	9,600	**20,975**	(11,375)	14,806
Repairs and maintenance - building	1,000	1,000	**5,729**	(4,729)	4,989
Repairs and maintenance - equip/mach	2,000	2,000	**3,126**	(1,126)	1,471
Repairs and maintenance - office equip	-	-	**-**	-	-
Repairs and maintenance - sewer lines	5,000	5,000	**3,474**	1,526	5,955
Repairs and maintenance - sewer plant	30,000	30,000	**2,829**	27,171	4,723
Repairs and maintenance - vehicles	2,500	2,500	**978**	1,522	929
Sewer discharge permit	3,000	3,000	**2,935**	65	2,825
Sewer testing	8,500	8,500	**7,327**	1,173	5,512
Sludge removal	30,000	30,000	**19,435**	10,565	14,300
Supplies - general	5,500	5,500	**2,934**	2,566	1,029
Chemicals - treatment	30,000	30,000	**50,730**	(20,730)	27,645
Telephone expense	4,500	4,500	**2,702**	1,798	4,510
Travel and meetings	100	100	**71**	29	37
Utility expense	40,000	40,000	**61,292**	(21,292)	54,041
Asset management	1,168	1,168	**1,262**	(94)	1,202
Total System Operation & Maintenance	212,782	212,782	**222,637**	(9,855)	166,454
Total Operating Expenditures	339,183	339,183	**362,755**	(23,572)	303,090
Non-Operating Expenditures:					
Capital Outlay	20,000	20,000	**31,500**	(11,500)	25,542
Debt Service:					
Principal	-	-	**-**	-	-
Interest	-	-	**-**	-	-
Total Non-Operating Expenditures	20,000	20,000	**31,500**	(11,500)	25,542
Total Expenditures	$ 359,183	$ 359,183	**$ 394,255**	$ (35,072)	$ 328,632

TOWN OF KERSEY, COLORADO

Reconciliation of Budgetary Basis to GAAP Basis

Budget to Actual - ***Sewer Fund***

Year Ended December 31, 2023

With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2022** Actual
Revenues:					
Operating revenues	$ 417,500	$ 417,500	**$ 405,781**	$ (11,719)	$ 425,189
Earnings on investment	3,000	3,000	**18,426**	15,426	621
Miscellaneous revenues	-	-	**-**	-	-
Total Revenues	420,500	420,500	**424,207**	3,707	425,810
Transfers In:					
General Fund	-	-	**-**	-	-
Capital Fund	-	-	**-**	-	-
Water Fund	-	-	**-**	-	-
Total Transfers In	-	-	**-**	-	-
Total Revenues and Transfers	420,500	420,500	**424,207**	3,707	425,810
Expenditures:					
General	44,166	44,166	**50,985**	(6,819)	42,729
Administrative	82,235	82,235	**89,133**	(6,898)	93,907
System operations	212,782	212,782	**222,637**	(9,855)	166,454
Non-operating expenditures	20,000	20,000	**31,500**	(11,500)	25,542
Total Expenditures	359,183	359,183	**394,255**	(35,072)	328,632
Transfers Out:					
General Fund	-	-	**-**	-	-
Capital Fund	-	-	**-**	-	-
Water Fund	-	-	**-**	-	-
Total Transfers Out	-	-	**-**	-	-
Total Expenditures and Transfers	359,183	359,183	**394,255**	(35,072)	328,632
Excess (Deficiency) of Revenues over Expenditures	$ 61,317	$ 61,317	**29,952**	$ (31,365)	97,178
Reconciliation of Budgetary Basis to GAAP Basis:					
Capital assets purchases capitalized			**31,500**		25,542
Capital assets sold			**-**		-
Depreciation expense			**(120,937)**		(115,963)
Capital lease obligation payments			**-**		-
Long-term debt - proceeds			**-**		-
Long-term debt - payments			**-**		-
Change in Net Position			**$ (59,485)**		$ 6,757

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

Form Approved
OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO
		YEAR ENDING (mm/yy): 12/23
This Information From The Records Of: TOWN OF KERSEY, COLORADO	Prepared By: JULIE PIPER, TOWN CLERK #970-353-1681	

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	$ -
3. Other local imposts (from page 2)	$ 971,771.00
4. Miscellaneous local receipts (from page 2)	$ 869.00
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	$ -
7. Total (1 through 6)	$ 972,640.00
B. Private Contributions	
C. Receipts from State government (from page 2)	$ 73,506.00
D. Receipts from Federal Government (from page 2)	$ -
E. Total receipts (A.7 + B + C + D)	$ 1,046,146.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital outlay (from page 2)	$ -
2. Maintenance:	$ 407,358.00
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	
c. Other **STREET LIGHTING**	$ 16,820.00
d. Total (a. through c.)	$ 16,820.00
4. General administration & miscellaneous	$ 32,249.00
5. Highway law enforcement and safety	
6. Total (1 through 5)	$ 456,427.00
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	$ -
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	$ -
3. Total (1.c + 2.c)	$ -
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total expenditures (A.6 + B.3 + C + D)	$ 456,427.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

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

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
$ 2,201,803.00	$ 1,046,146.00	$ 456,427.00	$ 2,791,522.00	$ -

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	$ 869.00
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	$ 611,841.00	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	$ 359,930.00	g. Other Misc. Receipts	
6. Total (1. through 5.)	$ 971,771.00	h. Other	
c. Total (a. + b.)	$ 971,771.00	i. Total (a. through h.)	$ 869.00
(Carry forward to page 1)		***(Carry forward to page 1)***	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes (from Item I.C.5.)	$ 65,655.00	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	$ 7,851.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal	
f. Total (a. through e.)	$ 7,851.00	g. Total (a. through f.)	$ -
4. Total (1. + 2. + 3.f)	$ 73,506.00	3. Total (1. + 2.g)	$ -
(Carry forward to page 1)		***(Carry forward to page 1)***	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

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

Notes and Comments:

FORM FHWA-536