

Town of La Veta, Colorado

Annual Financial Statements and Independent Auditors' Report

For the year ended December 31, 2023



Table of Contents

	Page
Independent Auditors' Report	i-iii
Management's Discussion and Analysis	1-8
 Basic Financial Statements	
<i>Government-wide Financial Statements</i>	
Statement of Net Position	9
Statement of Activities	10
<i>Governmental Funds</i>	
Balance Sheet – Governmental Funds	11
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	12
Statement of Revenues, Expenditures and Changes in Fund Balances	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
<i>Proprietary Funds – Enterprise Funds – Water & Sewer</i>	
Statements of Net Position	15
Statements of Revenues, Expenses and Changes in Net Position	16
Statements of Cash Flows	17
<i>Fiduciary Fund – Police Pension</i>	
Statement of Fiduciary Net Position	18
Statement of Changes in Fiduciary Net Position	19
<i>Notes to Financial Statements</i>	20-43
 Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balances —Budget and Actual General Fund	44
Schedule of Revenues, Expenditures and Changes in Fund Balances —Budget and Actual Museum Fund	45
Schedule of Proportionate Share of the Net Pension Liability/Asset and Employer Contributions - FPPA	46
 Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balances —Budget and Actual Water Fund	47
Schedule of Revenues, Expenditures and Changes in Fund Balances —Budget and Actual Sewer Fund	48
<i>State Compliance</i>	
Local Highway Finance Report	49-50



Independent Auditors' Report

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Honorable Mayor and the Board of Trustees
Town of La Veta

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 La Veta, as of and for the year ended December 31, 2023 and the related notes to the financial statements, which collectively comprise the Town of La Veta's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of La Veta, 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 audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Town of La Veta and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing 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 La Veta'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 La Veta's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of La Veta's basic financial statements. The budgetary comparison schedules, debt service to maturity schedule, history of assessed valuation and Local Highway Finance Report 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules, debt service to maturity schedule, history of assessed valuation and Local Highway Finance Report are fairly stated, in all material respects, in relation to the financial statements as a whole.

Haynie & Company

Littleton, Colorado
September 26, 2024

**Town of La Veta, Colorado
Management's Discussion and Analysis
December 31, 2023**

Town of La Veta, Colorado

Management's Discussion and Analysis

For the Fiscal Year Ended December 31, 2023

As management of the Town of La Veta, we offer readers of the Town of La Veta's financial statements this narrative overview and analysis of the financial activities of the Town of La Veta for the fiscal year ended December 31, 2023. The focus of the information is on the primary government (general) fund. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Town of La Veta's financial statements, which follow this narrative.

The Town of La Veta has adopted the financial reporting model promulgated by the Government Accounting Standards Board (GASB). In accordance with GASB Statement No. 34, Basic Financial Statements and Management Discussion and Analysis for State and Local Governments, the Town of La Veta provides a comparative analysis of the government-wide information.

Financial Highlights

- The assets of the Town of La Veta exceeded its liabilities at the close of the fiscal year by \$13,010,199 (net position).
- The government's total net assets increased by \$330,136 primarily due to taxes and other revenues.
- As of the close of the current fiscal year, the Town of La Veta's governmental funds reported combined ending fund balances of \$2,187,731.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$1,895,484.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Town of La Veta's basic financial statements. The Town's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Town of La Veta.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Town's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the Town's financial status as a whole.

The two government-wide statements report the Town's net position and how they have changed. Net position is the difference between the Town's total assets and total liabilities. Measuring net position is one way to gauge the Town's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the Town's basic services such as public safety, parks and recreation, and general administration. Property taxes, county and town taxes, cigarette tax, motor fuel tax, highway user tax, franchise taxes, business, contractor and liquor

Town of La Veta, Colorado

Management's Discussion and Analysis

For the Fiscal Year Ended December 31, 2023

licensing fees, court and traffic fines, and leases finance most of these activities. The business-type activities are those that the Town charges customers to provide. These include water and sewer services offered by the Town of La Veta.

Fund Financial Statements

The fund financial statements provide a more detailed look at the Town's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of La Veta, like all other governmental entities in Colorado, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the Town's budget ordinance. All of the funds of the Town of La Veta can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the Town's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* that provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Town's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The Town adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary schedule provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether or not the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison schedule uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The schedule shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary schedule.

Proprietary Funds – The Town of La Veta has two proprietary funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of La Veta uses enterprise funds to account for its water operations and sewer operation. These funds are the same as those functions shown in the business-type activities in the Statement of Net Positions and the Statement of Activities.

Town of La Veta, Colorado

Management's Discussion and Analysis

For the Fiscal Year Ended December 31, 2023

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information including the budgetary comparison schedule for the General and Museum funds and the Town of La Veta's progress in funding its obligation to provide pension benefits to its police force.

Government-Wide Financial Analysis

Analysis of Net Position – Net position may serve over time as a useful indicator of a government's financial position. Town of La Veta's combined net position (governmental and business-type activities) was \$13 million at the end of 2023 (a \$330,136 increase from 2022).

The bulk of the Town's net position is comprised of investments in capital assets, while most of the rest is restricted for recreation, debt, museum, and streets and sidewalks.

The Town has an unrestricted net position of \$4.2 million at the end of 2023. Of the Town's total net position, 58.09% is net investment in capital assets, 10.01% is subject to external restrictions by outside parties, and the unrestricted amount represents 31.9% of the total net position. Unrestricted net position is positive at the end of 2023, a decrease of \$1.1 million over 2022.

The condensed financial information that follows is derived from the government-wide Statement of Net Position and reflects the Town's net position in 2023 compared with 2022.

NET POSITION	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
ASSETS						
Current and Other Assets	\$ 2,429,740	\$ 2,371,119	\$ 3,245,079	\$ 3,443,637	\$ 5,674,819	\$ 5,814,756
Capital Assets - Net	2,228,416	2,248,429	9,613,227	9,464,433	11,841,643	11,712,862
Total Assets	4,658,156	4,619,548	12,858,306	12,908,070	17,516,462	17,527,618
Deferred Outflows	48,987	38,915	-	-	48,987	38,915
LIABILITIES						
Current and Other Liabilities	27,335	2,464	16,673	338,763	44,008	341,227
Long Term Liabilities	31,342	17,788	4,296,398	4,297,155	4,327,740	4,314,943
Total Liabilities	58,677	20,252	4,313,071	4,635,918	4,371,748	4,656,170
Deferred Inflows	183,502	230,300	-	-	183,502	230,300
NET POSITION						
Invested in capital assets, Net of Related Debt	2,228,416	2,248,429	5,329,536	5,002,823	7,557,952	7,251,252
Restricted for:						
Recreation	81,869	75,571	-	-	81,869	75,571
Debt	-	-	123,237	56,874	123,237	56,874
Tabor Reserve	26,844	34,000	-	-	26,844	34,000
Streets and Sidewalks	777,539	-	-	-	777,539	-
Museum	292,247	-	-	-	292,247	-
Unrestricted	1,058,049	2,049,911	3,092,462	3,212,455	4,150,511	5,262,366
	<u>\$ 4,464,964</u>	<u>\$ 4,407,911</u>	<u>\$ 8,545,235</u>	<u>\$ 8,272,152</u>	<u>\$ 13,010,199</u>	<u>\$ 12,680,063</u>

Town of La Veta, Colorado

Management's Discussion and Analysis

For the Fiscal Year Ended December 31, 2023

Total liabilities decreased by \$284,422 in 2023. Current and other liabilities decreased by \$297,219 while long-term liabilities increased by \$12,797. The Town's long-term debt is explained in more detail in Note 6 and 7. Deferred outflows increased \$10,072.

Total assets decreased by \$11,156 in 2023 from 2022, which is due to a capital asset increase of \$128,781 and a decrease in current and other assets of \$139,937. The key factor in the negative variance in current and other assets is the decrease in cash from the Business-Type Activities related to capital projects during the year.

Analysis of Changes in Net Position – The Town's total change in net position related to 2023 activities was an increase of \$330,136 compared to an increase of \$711,189 in 2022. The condensed financial information that follows is derived from the Government-Wide Statement of Activities and reflects how the Town's 2023 changes in net position compare with 2022.

CHANGES IN NET POSITION	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
REVENUES						
Property taxes	\$ 47,153	\$ 47,590	\$ -	\$ -	\$ 47,153	\$ 47,590
Specific ownership taxes	4,738	4,574	-	-	4,738	4,574
Sales and use taxes	632,234	798,067	-	-	632,234	798,067
Franchise taxes	28,581	28,773	-	-	28,581	28,773
Highway user taxes	46,248	-	-	-	46,248	-
Other taxes	111,367	-	-	-	111,367	-
Earnings on investments	7,709	7,619	5,354	5,123	13,063	12,742
Other revenues	53,326	59,804	39,518	8,369	92,844	68,173
Charges for services	48,107	75,859	853,462	836,708	901,569	912,567
Operating grants	6,095	223,217	35,000	-	41,095	223,217
Capital grants	-	16,077	-	-	-	16,077
TOTAL REVENUES	985,558	1,261,580	933,334	850,200	1,918,892	2,111,780
EXPENSES						
Administrative	379,884	318,873	-	-	379,884	318,873
Public Works	312,074	280,907	-	-	312,074	280,907
Public Safety	100,077	85,386	-	-	100,077	85,386
Community Service	136,470	153,298	-	-	136,470	153,298
Sewer Fund	-	-	323,563	238,330	323,563	238,330
Water Fund	-	-	336,688	332,871	336,688	332,871
Pensions Charge	-	(9,074)	-	-	-	(9,074)
TOTAL EXPENSES	928,505	829,390	660,251	571,201	1,588,756	1,400,591
Increase (Decrease in Net Position)	\$ 57,053	\$ 432,190	\$ 273,083	\$ 278,999	\$ 330,136	\$ 711,189

In 2023, the Town experienced a decrease in total revenues of \$192,888 (9.1%). This variance can be attributed to the significant decrease in operating grants of \$182,122 (81.59%) from 2022, a key factor in this was the Town did not receive any COVID related grants, as these funds are no longer available. Charges for services in Governmental Activities experienced a moderate decrease of \$27,752 (36.58%), due to a decrease in licenses and permits pulled during 2023, and a decrease in fines and forfeits.

The Town's total expenses increased by \$188,165 (13.4%), from \$1,400,591 in 2022, to \$1,588,756 to 2023. The primary contributing factors to this increase were from Administrative from Governmental Activities, and the Sewer Fund from Business-Type Activities. Administrative expenses saw an

Town of La Veta, Colorado

Management's Discussion and Analysis

For the Fiscal Year Ended December 31, 2023

increase of \$61,011 (19%), from 2022, due to increase in attorney's fees, see subsequent events note 13, and an increase in payroll. The Sewer Fund experienced a modest increase of \$85,233 (35.8%), from \$238,330 in 2022 to \$323,563 in 2023. This is attributable to rising costs of utilities, an increase in repairs and maintenance from 2022, and in payroll.

Governmental Activities

The following table shows the Town's major functions. It also shows the net costs (total costs less revenues generated by activities).

Government Activities (Net of Depreciation)

Governmental Activities by Major Function	2023		2022	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Administrative	\$ 379,884	\$ (331,948)	\$ 318,873	\$ (53,009)
Public Works	312,074	(312,074)	280,907	(262,320)
Public Safety	100,077	(100,077)	85,386	(84,716)
Community Service	<u>136,470</u>	<u>(130,204)</u>	<u>153,298</u>	<u>(123,266)</u>
Total	<u>\$ 928,505</u>	<u>\$ (874,303)</u>	<u>\$ 838,464</u>	<u>\$ (523,311)</u>

Most of the Town's costs, however, were financed by Town and State taxpayers. This portion of governmental activities was financed with \$870,321 local property, specific ownership, sales and use, highway users, and other taxes, and \$61,035 investment earnings and other miscellaneous revenue, and donations.

Business-Type Activities

Business-type activities are made up the water and sewer funds. These programs had revenues of \$993,334 and expenses of \$600,251.

Financial Analysis of the Town's Funds

General Fund Budgetary Highlights

The Town's budget is prepared according to Colorado law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The most significant budgeted fund is the General Fund.

Town of La Veta, Colorado
Management's Discussion and Analysis
For the Fiscal Year Ended December 31, 2023

Overall, actual revenues (\$868,967) are lower than the budgeted amount (\$2,764,182) by \$1,895,215. The biggest contributing factor to the negative variance is the grants budgeted were not received in 2023.

Total expenditures are lower than the budget by \$2,791,728. The biggest contributing factor was in the positive variance was in General Government - Administration and Capital Outlay, as the Town was not able to complete the expected maintenance and capital projects without the capital grants in 2023.

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Town of La Veta, Colorado

Management's Discussion and Analysis

For the Fiscal Year Ended December 31, 2023

Capital Assets and Debt Administration

Capital Assets

The Town's net investment in capital assets for its governmental and business-type activities as of December 31, 2023, amounts to \$11,841,643.

Capital Assets	December 31, 2022			December 31, 2023
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 828,044	\$ 100,000	\$ -	\$ 928,044
Total Capital Assets Not Being Depreciated	<u>828,044</u>	<u>100,000</u>	<u>-</u>	<u>928,044</u>
Capital Assets Being Depreciated:				
Buildings	1,018,692	-	-	1,018,692
Equipment	697,161	-	-	697,161
Site Improvements	<u>1,814,902</u>	<u>-</u>	<u>-</u>	<u>1,814,902</u>
Total Capital Assets Being Depreciated	<u>3,530,755</u>	<u>-</u>	<u>-</u>	<u>3,530,755</u>
Less: Accumulated Depreciation				
Buildings	682,055	29,425	-	711,480
Equipment	557,566	36,323	-	593,889
Site Improvements	<u>870,749</u>	<u>54,265</u>	<u>-</u>	<u>925,014</u>
Total Accumulated Depreciation	<u>2,110,370</u>	<u>120,013</u>	<u>-</u>	<u>2,230,383</u>
Governmental Activities - Capital Assets, Net	<u>\$ 2,248,429</u>	<u>\$ (20,013)</u>	<u>\$ -</u>	<u>\$ 2,228,416</u>
	December 31, 2022			December 31, 2023
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<u>Business-Type Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 520,711	\$ -	\$ -	\$ 520,711
Construction in Progress	<u>5,867,388</u>	<u>215,236</u>	<u>-</u>	<u>6,082,624</u>
Total Capital Assets Not Being Depreciated	<u>6,388,099</u>	<u>215,236</u>	<u>-</u>	<u>6,603,335</u>
Capital Assets Being Depreciated:				
Buildings and Systems	<u>6,487,310</u>	<u>102,606</u>	<u>-</u>	<u>6,589,916</u>
Total Capital Assets Being Depreciated	<u>6,487,310</u>	<u>102,606</u>	<u>-</u>	<u>6,589,916</u>
Less: Accumulated Depreciation				
Buildings and Systems	<u>3,410,976</u>	<u>169,048</u>	<u>-</u>	<u>3,580,024</u>
Total Accumulated Depreciation	<u>3,410,976</u>	<u>169,048</u>	<u>-</u>	<u>3,580,024</u>
Business-Type Activities - Capital Assets, Net	<u>\$ 9,464,433</u>	<u>\$ 148,794</u>	<u>\$ -</u>	<u>\$ 9,613,227</u>

Town of La Veta, Colorado

Management's Discussion and Analysis

For the Fiscal Year Ended December 31, 2023

At year-end, the Town had \$4,283,690 in water and sewer loans.

Long-Term Debt	<u>Beginning Balance December 31, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance December 31, 2023</u>	<u>Current Portion</u>
Water Fund					
Note Payable - Colorado Water Resource - 2008	\$ 708,429	\$ -	\$ 37,007	\$ 671,422	\$ 37,705
Colorado Water Conservation Board Loan - 2014	255,854	-	11,339	244,515	11,679
Sewer Fund					
Water Pollution Revolving Fund Loan - 2014	162,000	-	13,500	148,500	13,500
Water Pollution Revolving Fund Loan - 2015	75,000	-	6,000	69,000	6,000
Water Pollution Revolving Fund Loan - 2018	1,425,000	-	50,000	1,375,000	50,000
Water Pollution Revolving Fund Loan - 2020	1,835,327	-	60,073	1,775,254	60,374
	<u>\$ 4,461,610</u>	<u>\$ -</u>	<u>\$ 177,919</u>	<u>\$ 4,283,691</u>	<u>\$ 179,258</u>

Economic Factors Bearing on the Town's Future

The Town of La Veta, like many other small municipalities depends on tourism, in part, to provide sales tax revenues to help provide public service and public safety services. These revenues change dependent on conditions within the local area and sometimes the state. When required, the Town's management, the Board of Trustees, provides direction as to necessary expenditures to provide a continuing balance in funds received and those available for expenditures, allowing for an adequate cash flow.

To make projections of revenues for the general fund is difficult when there is a certain dependency on tourism. The Board of Trustees continues to review actual revenues and make required adjustments throughout the year to stay within the financial capability of the Town.

Contacting the Town's Financial Management

This financial report is designed to provide a general overview of the Town of La Veta's finances for all those with an interest in the Town. Questions concerning any of the information provided in the report or requests for additional information should be address to:

Town of La Veta
c/o Town Clerk
PO Box 174
La Veta, CO 81055

Basic Financial Statements

Town of La Veta
Statement of Net Position
December 31, 2023

	PRIMARY GOVERNMENT		
	GOVERNMENTAL	BUSINESS-TYPE	
	ACTIVITIES	ACTIVITIES	TOTAL
ASSETS			
Cash and investments	\$ 2,022,442	\$ 3,035,452	\$ 5,057,894
Cash and investments - restricted	81,869	123,237	205,106
Cash held by county treasurer	14,091	-	14,091
Accounts receivable	120,593	77,123	197,716
Inventory	-	9,267	9,267
Lease receivable	144,981	-	144,981
Property taxes receivable	45,764	-	45,764
Capital assets, not being depreciated	928,044	6,603,335	7,531,379
Capital assets, net of accumulated depreciation	1,300,372	3,009,892	4,310,264
TOTAL ASSETS	4,658,156	12,858,306	17,516,462
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	48,987	-	48,987
TOTAL DEFERRED OUTFLOWS OF RESOURCES	48,987	-	48,987
LIABILITIES			
Accounts payable and other liabilities	27,335	11,900	39,235
Accrued interest payable	-	4,773	4,773
Noncurrent liabilities:			
Accrued compensated absences	25,877	12,707	38,584
Net pension liability	5,465	-	5,465
Notes Payable - due within one year	-	179,258	179,258
Notes Payable - due in more than one year	-	4,104,433	4,104,433
TOTAL LIABILITIES	58,677	4,313,071	4,371,748
DEFERRED INFLOWS OF RESOURCES			
Leases	137,067	-	137,067
Deferred inflows related to pensions	671	-	671
Deferred property taxes	45,764	-	45,764
TOTAL DEFERRED INFLOWS OF RESOURCES	183,502	-	183,502
NET POSITION			
Net investment in capital assets	2,228,416	5,329,536	7,557,952
Restricted			
Emergency reserve	26,844	-	26,844
Recreation	81,869	-	81,869
Streets and Sidewalks	777,539	-	777,539
Debt service	-	123,237	123,237
Museum	292,247	-	292,247
Unrestricted	1,058,049	3,092,462	4,150,511
TOTAL NET POSITION	\$ 4,464,964	\$ 8,545,235	\$ 13,010,199

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

Town of La Veta

Statement of Activities

For the Year Ended December 31, 2023

FUNCTIONS / PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Primary Government						
Governmental activities:						
General government - Administrative	\$ 379,884	\$ 6,095	\$ -	\$ (331,948)	\$ -	\$ (331,948)
Public safety - Police	100,077	-	-	(100,077)	-	(100,077)
Public works	312,074	-	-	(312,074)	-	(312,074)
Community Service	136,470	-	-	(130,204)	-	(130,204)
Total Governmental Activities	<u>928,505</u>	<u>6,095</u>	<u>-</u>	<u>(874,303)</u>	<u>-</u>	<u>(874,303)</u>
Business-Type Activities:						
Water	315,902	35,000	-	-	139,848	139,848
Sewer	314,461	-	-	-	118,251	118,251
Total Business-Type Activities	<u>630,363</u>	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>258,099</u>	<u>258,099</u>
Total Primary Government	<u>\$ 1,558,868</u>	<u>\$ 41,095</u>	<u>\$ -</u>	<u>\$ (874,303)</u>	<u>\$ 258,099</u>	<u>\$ (616,204)</u>
General Revenues (Expenses):						
Taxes				870,321	-	870,321
Earnings on investments				7,709	5,354	13,063
Interest expense				-	(29,888)	(29,888)
Other				53,326	39,518	92,844
Total general revenues				931,356	14,984	946,340
Change in net position				57,053	273,083	330,136
NET POSITION, BEGINNING				4,407,911	8,272,152	12,680,063
NET POSITION, ENDING				<u>\$ 4,464,964</u>	<u>\$ 8,545,235</u>	<u>\$ 13,010,199</u>

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

Town of La Veta

Balance Sheet

Governmental Funds

December 31, 2023

	GENERAL FUND	MUSEUM FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash, and cash equivalents	\$ 1,822,866	\$ 281,445	\$ 2,104,311
Cash held by county treasurer	14,091	-	14,091
Accounts receivable	120,593	-	120,593
Lease receivable	144,981	-	144,981
Property taxes receivable	45,764	-	45,764
Due from other funds	-	10,908	10,908
TOTAL ASSETS	<u><u>\$ 2,148,295</u></u>	<u><u>\$ 292,353</u></u>	<u><u>\$ 2,440,648</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable and payroll liabilities	\$ 27,229	\$ 106	\$ 27,335
Due to other funds	10,907	-	10,907
TOTAL LIABILITIES	<u>38,136</u>	<u>106</u>	<u>38,242</u>
DEFERRED INFLOWS OF RESOURCES			
Leases	137,067	-	137,067
Franchise tax	31,844	-	31,844
Deferred property taxes	45,764	-	45,764
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>214,675</u>	<u>-</u>	<u>214,675</u>
FUND BALANCES			
Restricted for:			
Recreation	81,869	-	81,869
Emergencies	26,844	-	26,844
Streets and Sidewalks	777,539	-	777,539
Museum	-	292,247	292,247
Committed for:			
Parks and Trees	67,284	-	67,284
Unassigned	941,948	-	941,948
TOTAL FUND BALANCES	<u>1,895,484</u>	<u>292,247</u>	<u>2,187,731</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u><u>\$ 2,148,295</u></u>	<u><u>\$ 292,353</u></u>	<u><u>\$ 2,440,648</u></u>

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

Town of La Veta

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

For the Year Ended December 31, 2023

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

Total fund balances - governmental funds	\$ 2,187,731
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Certain revenue is recognized as a deferred inflow in the fund financials as it is not available within sixty days of year end. The statement of net position includes the recognition of this revenue.	31,843
--	--------

Capital assets used in governmental activities are not financial resources and
therefore are not reported as assets in governmental funds:

Capital assets	4,458,799
Less: Accumulated depreciation	(2,230,383)
Net capital assets	2,228,416

Pension liabilities and related deferred inflows and deferred outflows
of resources are not current financial resources and, therefore, are
not reported in the fund financial statements.

Net pension liability	(5,465)
Deferred outflows of resources relating to pensions	48,987
Deferred inflows of resources relating to pensions	(671)

Long-term liabilities are not due and payable from current financial resources, and therefore,
are not reported as liabilities on the fund financial statements.

Accrued compensated absences	(25,877)
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Total net position - governmental activities	\$ 4,464,964
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Town of La Veta
Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended December 31, 2023

	GENERAL FUND	MUSEUM FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:			
Taxes	767,058	\$ 100,000	\$ 867,058
Licenses, permits and fees	41,811	-	41,811
Charges for service	-	6,266	6,266
Fines and Forfeitures	30	-	30
Grants and donations	-	6,095	6,095
Interest earned	7,709	-	7,709
Other revenue	52,359	967	53,326
TOTAL REVENUES	868,967	113,328	982,295
EXPENDITURES:			
General and Operating:			
General Government - Administration	358,181	-	358,181
Public Safety - Police	81,861	-	81,861
Public works	226,829	-	226,829
Community Service	3,604	122,235	125,839
Capital outlay	102,081	-	102,081
TOTAL EXPENDITURES	772,556	122,235	894,791
NET CHANGE IN FUND BALANCES	96,411	(8,907)	87,504
FUND BALANCES, BEGINNING OF YEAR	1,799,073	301,154	2,100,227
FUND BALANCES, END OF YEAR	\$ 1,895,484	\$ 292,247	\$ 2,187,731

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

Town of La Veta
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2023

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

Total net change in fund balances - governmental funds	\$ 87,504
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are capitalized in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlay exceeded depreciation during the period.	
Capital outlay	100,000
Depreciation expense	(120,013)
Increase in accrued compensated absences liability is reflected as an expense on the statement of activities and not reflected as an expense on the governmental fund statement of revenues, expenditures and changes in fund balances until paid.	
	(8,089)
Changes in the Town's net pension asset, liability, deferred outflows of resources and deferred inflows of resources related to the Town's pension plan for the current year do not require the use of current financial resources, and therefore, are not reported as expense in the governmental fund financial statements.	
	(5,611)
Revenue is recognized at the fund level for resources available within sixty days of year end. However, revenue in the statement of activities includes all revenues earned for the period. This is the net effect of the revenue difference.	
	<u>3,262</u>
Change in net position of governmental activities	<u>\$ 57,053</u>

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

Town of La Veta
Proprietary Funds
Statements of Net Position
December 31, 2023

ASSETS	Water	Sewer	
Current Assets	Fund	Fund	Total
Cash and investments	\$ 1,612,142	\$ 1,423,310	\$ 3,035,452
Cash and investments - restricted	66,247	56,990	123,237
Accounts receivable	7,738	69,385	77,123
Inventory	8,610	657	9,267
Total Current Assets	1,694,737	1,550,342	3,245,079
Capital Assets			
Nondepreciable	519,711	6,083,624	6,603,335
Depreciable, net	1,978,088	1,031,804	3,009,892
Total Capital Assets	2,497,799	7,115,428	9,613,227
TOTAL ASSETS	4,192,536	8,665,770	12,858,306
LIABILITIES			
Current Liabilities:			
Accounts payable and other liabilities	4,379	7,521	11,900
Accrued interest payable	4,773	-	4,773
Compensated absences	5,890	6,817	12,707
Current portion - notes payable	49,384	129,874	179,258
Total Current Liabilities	64,426	144,212	208,638
Non-current Liabilities:			
Notes payable	866,553	3,237,880	4,104,433
Total Non-Current Liabilities	866,553	3,237,880	4,104,433
TOTAL LIABILITIES	930,979	3,382,092	4,313,071
NET POSITION			
Net investment in capital assets	1,581,862	3,747,674	5,329,536
Restricted:			
Bonded debt service	-	-	-
Debt Service	66,247	56,990	123,237
Unrestricted	1,613,448	1,479,014	3,092,462
TOTAL NET POSITION	\$ 3,261,557	\$ 5,283,678	\$ 8,545,235

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

Town of La Veta
Proprietary Funds
Statements of Revenues, Expenditures
and Changes in Net Position
For the Year Ended December 31, 2023

OPERATING REVENUES	Water Fund	Sewer Fund	Total
Charges for services	420,750	\$ 432,712	\$ 853,462
Other	1,871	37,647	39,518
TOTAL OPERATING REVENUES	422,621	470,359	892,980
OPERATING EXPENSES			
Water sample and testing	9,581	6,409	15,990
Administration	17,858	28,942	46,800
Water & Sewer - salaries	78,638	109,282	187,920
Water and Sewer repairs and supplies	45,024	34,658	79,682
Payroll taxes and employee benefits	20,976	21,445	42,421
Fuel	1,663	3,174	4,837
Miscellaneous	6,652	-	6,652
Utilities	15,239	49,258	64,497
Engineering	1,373	-	1,373
Legal and audit fees	7,476	3,667	11,143
Depreciation expense	111,422	57,626	169,048
TOTAL OPERATING EXPENSES	315,902	314,461	630,363
OPERATING INCOME	106,719	155,898	262,617
NON-OPERATING REVENUES (EXPENSES)			
Interest earnings	2,184	3,170	5,354
Tap Fees	35,000	-	35,000
Interest expense	(20,786)	(9,102)	(29,888)
TOTAL NON-OPERATING REVENUES (EXPENSES)	16,398	(5,932)	10,466
CHANGES IN NET POSITION	123,117	149,966	273,083
NET POSITION, BEGINNING OF YEAR	3,138,440	5,133,712	8,272,152
NET POSITION, END OF YEAR	\$ 3,261,557	\$ 5,283,678	\$ 8,545,235

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

**Town of La Veta
Proprietary Funds
Statements of Cash Flows
For the Year Ended December 31, 2023**

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 431,924	\$ 408,778	\$ 840,702
Receipts from others	1,871	37,648	39,519
Payments to suppliers for goods and services	(100,754)	(273,379)	(374,133)
Payments to and on behalf of employees	<u>(101,637)</u>	<u>(130,474)</u>	<u>(232,111)</u>
NET CASH FROM OPERATING ACTIVITIES	<u>231,404</u>	<u>42,573</u>	<u>273,977</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Tap fees/PIFS	35,000	-	35,000
Acquisition of capital assets	(102,606)	(215,236)	(317,842)
Principal paid on long-term debt	(48,346)	(129,573)	(177,919)
Interest paid on long-term debt	<u>(20,786)</u>	<u>(9,102)</u>	<u>(29,888)</u>
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(136,738)</u>	<u>(353,911)</u>	<u>(490,649)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	<u>2,184</u>	<u>3,170</u>	<u>5,354</u>
NET CASH FROM INVESTING ACTIVITIES	<u>2,184</u>	<u>3,170</u>	<u>5,354</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	96,850	(308,168)	(211,318)
CASH AND CASH EQUIVALENTS			
Beginning of Year	<u>1,581,539</u>	<u>1,788,468</u>	<u>3,370,007</u>
End of Year	<u>\$ 1,678,389</u>	<u>\$ 1,480,300</u>	<u>\$ 3,158,689</u>
CASH IS REFLECTED ON THE STATEMENT OF NET POSITION AS FOLLOWS:			
Cash and investments	\$ 1,612,142	\$ 1,423,310	\$ 3,035,452
Cash and investments - restricted	<u>66,247</u>	<u>56,990</u>	<u>123,237</u>
Total cash	<u>\$ 1,678,389</u>	<u>\$ 1,480,300</u>	<u>\$ 3,158,689</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ 106,719	\$ 155,898	262,617
Adjustments to reconcile operating income to net cash flows from operating activities			
Depreciation	111,422	57,626	169,048
(Increase) decrease in operating assets:			
Accounts receivable	11,174	(23,934)	(12,760)
(Increase) decrease in operating liabilities:			
Accounts payable and other liabilities used for operations	3,100	(147,271)	(144,171)
Compensated Absences	<u>(1,011)</u>	<u>254</u>	<u>(757)</u>
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 231,404</u>	<u>\$ 42,573</u>	<u>\$ 273,977</u>

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

Town of La Veta
Statement of Fiduciary Net Position
Police Pension Fund
December 31, 2023

	Pension Trust Fund
ASSETS	
Cash and investments	\$ 4,929
TOTAL ASSETS	<u>\$ 4,929</u>
 Net Position	
Held in trust for Pension Benefits	\$ 4,929
TOTAL Net Position	<u>\$ 4,929</u>

The accompanying notes are an integral part of these financial statements

Town of La Veta
Statement of Changes in
Fiduciary Fund Balances
Police Pension Fund
For the Year Ended December 31, 2023

	Pension Trust Fund
Additions	
Earnings on investments	\$ 13
Total Additions	<u>13</u>
Change in Net Position	<u>13</u>
Net Position - Beginning of Year	<u>4,916</u>
Net Position - End of Year	<u><u>\$ 4,929</u></u>

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

Town of La Veta, Colorado

Notes to Financial Statements

December 31, 2023

1. Definition of Reporting Entity

Reporting Entity

The Town of La Veta, (The Town), was organized as a statutory Town in Colorado by court order in 1876. The Town provides general government, public works, public safety, community service, water, and sewer services for the geographical area are organized as the Town.

The Town follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

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

2. Summary of Significant Accounting Policies

The more significant accounting policies of the Town are described as follows:

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position reports all financial and capital resources of the Town. The difference between the assets and deferred outflows of resources, and liabilities and deferred inflows of resources of the Town is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

2. Summary of Significant Accounting Policies (continued)

Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for property, equipment and infrastructure are shown as increases in assets, and redemptions of bonds are recorded as a reduction in liabilities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, sales taxes and franchise fees. All other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

General Fund - The General Fund is the Town's primary operating fund. It accounts for all financial resources of the general government except those required to be accounted or in another fund, which include the following departments: Legislative, Judicial, Administrative, Public Safety-Police, and Public Works.

Museum Special Revenue Fund – The Museum Special Revenue Fund accounts for all financial activity related to the operation of the museum.

The Town reports the following major proprietary funds:

Water Fund – The Water Fund was established to account for the acquisition, operation and maintenance of the Town's water facilities and infrastructure.

Sewer Fund – The Sewer Fund was established to account for the acquisition, operation and maintenance of the Town's sewer facilities and infrastructure.

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

2. Summary of Significant Accounting Policies (continued)

Additionally, the government reports the following fund types.

Police Pension Trust Fund – The Police Pension Trust Fund (health and safety) uses its resources for public safety expenditures.

Proprietary funds are used to account for ongoing activities that are financed and operated in a manner similar to private business enterprises. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for water and sewer service. Operating expenses include the costs of the services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash Equivalents

For the purpose of the statement of cash flows of the proprietary funds, cash and cash equivalents include operating and restricted cash deposits and highly liquid investments with original maturities of three months or less from the date of acquisition.

Accounts receivable, allowance for doubtful accounts

The Town writes off bad debts when accounts are deemed uncollectible. Receivables are reviewed annually to determine uncollectible accounts.

Contraband

Per Colorado Contraband Forfeiture Act (CRS 16-13-501-511), proceeds received from the seizure of contraband must be used for the specific purposes of law enforcement activities. These proceeds are exempt from the appropriation process. The Town of La Veta received no proceeds during 2023.

Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Leases

Leases are defined as a contractual agreement that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. The lease term is defined as the period during which a lessee has a noncancelable right to use an underlying asset, plus any applicable periods covered by any renewable

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

2. Summary of Significant Accounting Policies (continued)

options that are reasonably certain to be exercised, or option to terminate that are not reasonably certain to be exercised. Contracts that transfer ownership of the underlying asset are recognized as financed purchases in the financial statements. Leases that have a maximum term of less than 12 months are considered short-term leases. Short-term lease payments are recognized in the period of payment.

As a lessor, the Town recognizes a lease receivable and a corresponding deferred inflow of resources. At the commencement of a lease, the lease receivable is recorded at the net present value of the future fixed lease payments, discounted at either the explicit interest rate in the agreement or the Town's incremental borrowing rate at lease inception. The account "deferred inflow-leases" is recognized as inflows (revenue) on a straight-line basis over the term of the lease.

As a lessee, the Town recognizes a lease payable and an intangible right-to-use lease asset. At the commencement of a lease, the lease payable is recorded at the net present value of the future fixed lease payments, discounted at either the explicit interest rate in the agreement or the Town's incremental borrowing rate at lease inception. The right-to-use asset is initially recorded at the amount of the lease liability plus any prepayments less lease incentives received prior to lease commencement. The right-to-use leased asset is amortized on a straight-line basis over the term of the lease or the asset's useful life for leases where the Town is reasonably certain that the bargain purchase option will be exercised.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capitalized assets are defined by the Town as assets that have a useful life of two or more years and for which the initial, individual value equals or exceeds the following dollar amounts:

<u>Asset Class</u>	<u>Dollar Value</u>
Land	No Minimum
Buildings	No Minimum
Buildings & other improvements	\$ 5,000
Furniture and Equipment	\$ 5,000
Infrastructure	\$ 5,000

All purchased assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated assets are valued at acquisition value on the date received. The cost of normal maintenance and repairs that does not add to the value of an asset or materially extend asset life is not capitalized.

Depreciation expense is included in program expense in the government-wide statement of activities. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Useful Life</u>
Equipment	5-30 years
Building & Plant	15-40 years

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

2. Summary of Significant Accounting Policies (continued)

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

Compensated absences

It is the Town's policy to permit employees to accumulate earned, but unused, vacation benefits. These benefits accrue as Paid Time Off (PTO). PTO accrues to a maximum of 120 days of annual leave (960 hours) if hired before January 1, 2022, and 30 days (240 hours) if hired after January 1, 2022.

Property taxes

Property taxes are levied by the Town's Board of Trustees. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June.

Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the Town.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The deferred inflows are recorded as revenue in the year they are available or collected.

Deferred Outflows/Inflows of resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. The separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has certain items that relate to its pension plan that qualify for reporting in this category. Accordingly, these items are deferred and will be recognized as an outflow of resources in the period the resource is required for use.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Town has certain items that relate to its pension benefits and property tax revenue that qualify for this category. Accordingly, these items are deferred and will be recognized as an inflow of resources in the period that the amount becomes available.

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

2. Summary of Significant Accounting Policies (continued)

Pensions

The Town participates in the Statewide Defined Benefit Plan (SWDB), a cost sharing multi-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (FPPA) that provides retirement benefits for members and beneficiaries.

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

FPPA administers the Statewide Death & Disability Plan discussed in Note 7, which qualifies as a cost sharing multiple-employer defined benefit OPEB plan under the standard. This plan covers substantially all active full- time (and some part-time) employees of fire and police departments in Colorado. As it pertains to the requirements in Statement No. 75 regarding the FPPA Statewide Death & Disability Plan and the Town, FPPA concluded that because all contributions to the plan are considered member contributions (and not employer), the employers' proportionate share of any Net OPEB liability (asset) is \$0.

Fund balances

Fund balance for governmental funds 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: non-spendable, restricted, committed, assigned and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Non-spendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid items or inventory) or is legally or contractually required to be maintained intact.

Restricted fund balance – The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.

Committed fund balance – The portion of fund balance constrained for specific purposes according to limitations imposed by the Town's highest level of decision-making authority, the Board of Trustees. The constraint may be removed or changed only through formal action of the Town's Board of Trustees.

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's Board of Trustees 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.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the above criteria.

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

2. Summary of Significant Accounting Policies (continued)

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

At December 31, 2023, the Town had \$26,844 restricted by legislation (for emergencies), \$81,869 restricted for recreation (Conservation Trust), and \$777,539 restricted for streets and sidewalks, and \$292,247 for the museum fund.

At December 31, 2023, the Town had \$67,284 committed for parks and trees.

The remaining fund balance is considered by the Town to be unassigned. At December 31, 2023, the Town had an unassigned fund balance in the general fund of \$943,258.

Budgets

The Town follows these procedures in establishing the budgetary data reflected in the supplementary information:

- By October 15, the Town Administrator submits to the Board of Trustees, a proposed operating budget for the fiscal year beginning the following January 1. The operating budget includes proposed expenditures and the means of financing them. The appropriation is at the total fund expenditures level.
- A public hearing is conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- Any budget revisions that alter the total expenditures of any fund must be approved by the Board of Trustees through passage of a resolution.
- The Town legally adopts budgets for all of the funds. The budget includes each fund on its basis of accounting unless otherwise indicated.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Board of Trustees. All appropriations lapse at year end.

The Town's Board of Trustees can modify the budget by line item within the total appropriation without notification. The total appropriation can only be modified upon completion of notification and publication requirements.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Museum Fund and Enterprise Funds. All encumbrances lapse at the end of the year.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires that the Town's management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

2. Summary of Significant Accounting Policies (continued)

Adoption of New Accounting Pronouncements

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* or “SBITAs”, in fiscal year 2023. This Statement was issued in May 2020 and increases the usefulness of government financial statements by requiring recognition of certain subscription-based IT assets and liabilities for subscriptions that previously were classified as expenses and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement were effective for the District as of January 1, 2023. There was no impact to the Town as a result of implementing this statement.

3. Cash and Investments

Cash and investments are reflected on the December 31, 2023 Statement of Net Position as follows:

Cash and investments	\$ 5,057,894
Cash and investments - restricted	205,106
Cash with county treasurer	<u>14,091</u>
Total cash and investments	<u>\$ 5,277,091</u>

A summary of cash and investments as of December 31, 2023 consist of the following:

Petty cash	\$ 1,230
Bank deposits	<u>5,275,861</u>
Total	<u>\$ 5,277,091</u>

At December 31, 2023, the Town's cash deposits had bank balances of \$5,262,969 and carrying balances of \$5,277,091.

Deposits with financial institutions

The Colorado Public Deposit Protection Act, (PDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. As of December 31, 2023, the federal insurance limit was \$250,000. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

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

Custodial credit risk - deposits

Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. The Town’s cash deposit and investment policy adopts state statutes regarding custodial

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

3. Cash and Investments (continued)

credit risk for deposits. As of December 31, 2023, the Town's bank balances and carrying balances were insured or collateralized as follows:

Bank balances	
Federally insured	\$ 250,000
Collateralized	<u>5,012,969</u>
Total bank balances	<u>\$ 5,262,969</u>

Carrying balances	
Federally insured	\$ 250,000
Collateralized	<u>5,027,091</u>
Total bank balances	<u>\$ 5,277,091</u>

As of December 31, 2023, cash is restricted as follows:

Restriction

Sewer fund CD restricted for debt service	\$ 56,990
Water fund CD restricted for debt service	66,247
Conservation trust proceeds restricted for recreation expenditures	<u>81,869</u>
Total	<u>\$205,106</u>

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Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

4. Lease Receivable

The Town has two lease receivables for space leased for cell towers. The commencement date for the leases were November 1, 2008 and November 1, 2009 with the same lease terms for both leases. The lease term for each lease is 5 years with an automatic 5-year renewal up to 3 terms. Payments start at \$750 per month per month with an increase of 3% per year and no stated interest rate. An imputed interest rate of 3% has been applied to the lease.

Future minimum rental payments to be received under the leases are as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 23,677	\$ 4,038	\$ 27,715
2025	25,239	3,304	28,543
2026	26,875	2,523	29,398
2027	28,586	1,691	30,277
2028	27,667	810	28,477
2029	<u>12,937</u>	<u>179</u>	<u>13,116</u>
	<u>\$144,981</u>	<u>\$12,545</u>	<u>\$ 157,526</u>

For the year ended December 31, 2023, the Town received \$22,215 of lease payments and \$4,749 of interest income.

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Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

5. Capital Assets

Governmental capital assets activity for the year ended December 31, 2023 was as follows:

	December 31, 2022			December 31, 2023
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 828,044	\$ 100,000	\$ -	\$ 928,044
Total Capital Assets Not Being Depreciated	<u>828,044</u>	<u>100,000</u>	<u>-</u>	<u>928,044</u>
Capital Assets Being Depreciated:				
Buildings	1,018,692	-	-	1,018,692
Equipment	697,161	-	-	697,161
Site Improvements	<u>1,814,902</u>	<u>-</u>	<u>-</u>	<u>1,814,902</u>
Total Capital Assets Being Depreciated	<u>3,530,755</u>	<u>-</u>	<u>-</u>	<u>3,530,755</u>
Less: Accumulated Depreciation				
Buildings	682,055	29,425	-	711,480
Equipment	557,566	36,323	-	593,889
Site Improvements	<u>870,749</u>	<u>54,265</u>	<u>-</u>	<u>925,014</u>
Total Accumulated Depreciation	<u>2,110,370</u>	<u>120,013</u>	<u>-</u>	<u>2,230,383</u>
Governmental Activities - Capital Assets, Net	<u>\$ 2,248,429</u>	<u>\$ (20,013)</u>	<u>\$ -</u>	<u>\$ 2,228,416</u>

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Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

5. Capital Assets (continued)

Business-type activity for the year ended December 31, 2023 was as follows:

	December 31, 2022 <u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	December 31, 2023 <u>Ending Balance</u>
<u>Business-Type Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 520,711	\$ -	\$ -	\$ 520,711
Construction in Progress	5,867,388	215,236	-	6,082,624
Total Capital Assets Not Being Depreciated	<u>6,388,099</u>	<u>215,236</u>	<u>-</u>	<u>6,603,335</u>
Capital Assets Being Depreciated:				
Buildings and Systems	6,487,310	102,606	-	6,589,916
Total Capital Assets Being Depreciated	<u>6,487,310</u>	<u>102,606</u>	<u>-</u>	<u>6,589,916</u>
Less: Accumulated Depreciation				
Buildings and Systems	3,410,976	169,048	-	3,580,024
Total Accumulated Depreciation	<u>3,410,976</u>	<u>169,048</u>	<u>-</u>	<u>3,580,024</u>
Business-Type Activities - Capital Assets, Net	<u>\$ 9,464,433</u>	<u>\$ 148,794</u>	<u>\$ -</u>	<u>\$ 9,613,227</u>

6. Long-Term Debt

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

	Beginning Balance <u>December 31, 2022</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>December 31, 2023</u>	Current <u>Portion</u>
Water Fund					
Note Payable - Colorado Water Resource - 2008	\$ 708,429	\$ -	\$ 37,007	\$ 671,422	\$ 37,705
Colorado Water Conservation Board Loan - 2014	255,854	-	11,339	244,515	11,679
Sewer Fund					
Water Pollution Revolving Fund Loan - 2014	162,000	-	13,500	148,500	13,500
Water Pollution Revolving Fund Loan - 2015	75,000	-	6,000	69,000	6,000
Water Pollution Revolving Fund Loan - 2018	1,425,000	-	50,000	1,375,000	50,000
Water Pollution Revolving Fund Loan - 2020	1,835,327	-	60,073	1,775,254	60,374
	<u>\$ 4,461,610</u>	<u>\$ -</u>	<u>\$ 177,919</u>	<u>\$ 4,283,691</u>	<u>\$ 179,258</u>

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

6. Long-Term Debt (continued)

Notes Payable

Colorado Water Resources and Power Authority

On April 11, 2008, the Town of La Veta entered into a loan agreement with Colorado Water Resources and Power Development Authority for the purpose of improving the Town's water system. The total amount available through the loan is \$1,134,000 at an interest rate of 1.875% and a term of 30 years. The loan was drawn down as the project progressed. The first payment on the loan was on November 1, 2009, based on an amortization schedule reflecting the total amount borrowed. The Town drew the entire \$1,134,000 of the loan by December 31, 2012.

Below is a summary of payments due:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 60,374	\$ 8,801	\$ 69,175
2025	60,676	8,499	69,175
2026	60,980	8,195	69,175
2027	61,285	7,890	69,175
2028	61,592	7,583	69,175
2029-2033	312,617	33,258	345,875
2034-2038	320,521	25,354	345,875
2039-Thereafter	837,207	27,482	864,689
	<u><u>\$ 1,775,252</u></u>	<u><u>\$ 127,062</u></u>	<u><u>\$ 1,902,314</u></u>

As a condition of the CWR & PDA debts, the Town must certify to the Authority the following information:

1. Compliance with rate covenant - the rate covenant requires that fees charged and collected be at least sufficient each year to pay the sum of amounts required to pay operating and maintenance expenses (as defined) of \$205,491 in 2023, 110% of the debt service on the loans of \$40,709 in 2023, debt reserve payment of \$0 in 2023, subordinate lien debt service of \$0 in 2023, and other debt service payable from the above fees of \$0 in 2023. The \$246,200 total requirement of the covenant was exceeded by fees of \$420,750 for the year ended December 31, 2023.
2. Compliance with operations and maintenance reserve covenant - the reserve requirement is estimated to be approximately \$50,000 at December 31, 2023 based on Exhibit F of the loan agreement. The Town had a maintained reserve account of \$66,247 at December 31, 2023.
3. Lien representation - the property pledged for this debt, except as disclosed to the Authority in writing, is free and clear of any pledge, lien, charge or encumbrance.

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

6. Long-Term Debt (continued)

Colorado Water Conservation Board Loan

The Town of La Veta secured a construction loan of \$344,139 from the Colorado Water Conservation Board for the La Veta Lake north dam project. The terms of the loan call for 30 annual payments of \$19,014 at 3% beginning September 2014.

Below is a summary of payments due:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 11,679	\$ 7,335	\$ 19,014
2025	12,029	6,985	19,014
2026	12,390	6,624	19,014
2027	12,762	6,252	19,014
2028	13,145	5,869	19,014
2029-2033	71,881	23,191	95,072
2034-2038	83,329	11,742	95,071
2039-2040	27,300	1,092	28,392
	<u>\$ 244,515</u>	<u>\$ 69,090</u>	<u>\$ 313,605</u>

Sewer Note Payable – Colorado Water Resources and Power Authority

On April 23, 2014, the Town of La Veta entered into a loan agreement with Colorado Water Resources and Power Development Authority for the purpose of improving the Town's sewer system. The total amount available through the loan was \$270,000 at an interest rate of 0% and a term of 20 years. The loan was drawn down as the project progressed. The first payment on the loan was on May 1, 2015, based on an amortization schedule reflecting the total amount borrowed.

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Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

6. Long-Term Debt (continued)

Below is a summary of payments due:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 13,500	\$ -	\$ 13,500
2025	13,500	-	13,500
2026	13,500	-	13,500
2027	13,500	-	13,500
2028	13,500	-	13,500
2029-Thereafter	81,000	-	81,000
	<u>\$ 148,500</u>	<u>\$ -</u>	<u>\$ 148,500</u>

Sewer Note Payable – Colorado Water Resources and Power Authority

On January 23, 2015, the Town of La Veta entered into a loan agreement with Colorado Water Resources and Power Development Authority for the purpose of improving the Town's sewer system. The total amount available through the loan was \$120,000 at an interest rate of 0% and a term of 20 years. The loan was drawn down as the project progressed. The first payment on the loan was on November 1, 2015, based on an amortization schedule reflecting the total amount borrowed.

Below is a summary of payments due:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 6,000	\$ -	\$ 6,000
2025	6,000	-	6,000
2026	6,000	-	6,000
2027	6,000	-	6,000
2028	6,000	-	6,000
2029-2033	30,000	-	30,000
2034-Thereafter	9,000	-	9,000
	<u>\$ 69,000</u>	<u>\$ -</u>	<u>\$ 69,000</u>

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

6. Long-Term Debt (continued)

Sewer Note Payable - Colorado Water and Resources and Power Authority

On October 17, 2018, the Town of La Veta entered into a loan agreement with the Colorado Water Resources and Power Development Authority for the purpose of improving the Town's sewer system. The total amount available through the loan was \$1,500,000 at an interest rate of 0% and a term of 30 years. Nothing was drawn on the loan until 2021 and the amortization schedule was amended to reflect the first payment on November 1, 2021.

Below is a summary of the payments due:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 50,000	\$ -	\$ 50,000
2025	50,000	-	50,000
2026	50,000	-	50,000
2027	50,000	-	50,000
2028	50,000	-	50,000
2029-2033	250,000	-	250,000
2034-2038	250,000	-	250,000
2039-Thereafter	625,000	-	625,000
	<u>\$ 1,375,000</u>	<u>\$ -</u>	<u>\$ 1,375,000</u>

Sewer Note Payable - Colorado Water and Resources and Power Authority

On August 28, 2020, the Town of La Veta entered into a loan agreement with the Colorado Water Resources and Power Development Authority for the purpose of improving the Town's Sewer system. The total amount available through the loan was \$1,900,000 at an interest rate of .5% and a term of 30 years. Nothing was drawn on the loan until 2021 and the amortization schedule was amended to reflect the first payment on November 1, 2021.

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Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

6. Long-Term Debt (continued)

Below is a summary of the payments due:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 60,374	\$ 8,801	\$ 69,175
2025	60,676	8,499	69,175
2026	60,980	8,195	69,175
2027	61,285	7,890	69,175
2028	61,592	7,583	69,175
2029-2033	312,617	33,258	345,875
2034-2038	320,521	25,354	345,875
2039-Thereafter	837,209	27,482	864,691
	<u>\$ 1,775,254</u>	<u>\$ 127,062</u>	<u>\$ 1,902,316</u>

7. Change in Compensated Absences

Below are the changes in compensated absences by fund for the year ended December 31, 2023.

	<u>Beginning Balance</u>			<u>Ending Balance</u>
	<u>December 31, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2023</u>
General Fund	\$ 17,788	\$ 8,089	\$ -	\$ 25,877
Water Fund	6,901	-	1,011	5,890
Sewer Fund	6,563	254	-	6,817
	<u>\$ 31,252</u>	<u>\$ 8,343</u>	<u>\$ 1,011</u>	<u>\$ 38,584</u>

8. State Fire and Police Pension Plan (FPPA)

Plan description

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

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

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

8. State Fire and Police Pension Plan (FPPA) (continued)

Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. FPPA issues a publicly available annual comprehensive financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

Description of 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 2.0 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan ("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 five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Effective January 1, 2021, 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.

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

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

pensionable earnings for a total contribution rate of 21.0 percent. In 2023, members of the SWDB plan and their employers are contributing at the rate of 12.0 percent and 9.5 percent, respectively, of pensionable earnings for a total contribution rate of 21.5 percent. Contributions to the Plan from the

8. State Fire and Police Pension Plan (FPPA) (continued)

Town were \$5,665 for the year ended December 31, 2023

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

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

At December 31, 2023, the Town reported a liability of \$5,465 for its proportionate share of the net pension asset. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension asset was based upon the January 1, 2023 actuarial valuation. The Town's proportion of the net pension asset was based on the Town's share of contributions to the pension plan relative to the contributions of all participating entities. At December 31, 2022, the Town's proportion was 0.00616 percent, which was an increase of 0.00043 percent from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Town recognized pension income of \$11,275. At December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,830	\$ 671
Changes of assumptions or other inputs	7,001	-
Net difference between projected and actual earnings on pension plan investments	12,367	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	12,124	-
Contributions subsequent to the measurement date	<u>5,665</u>	<u>-</u>
Total	<u>\$ 48,987</u>	<u>\$ 671</u>

\$5,665 in total reported as deferred outflows of resources related to pension resulting from Town contributions subsequent to measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

8. State Fire and Police Pension Plan (FPPA) (continued)

Year ended December 31,	Amount
2024	\$ 15,231
2025	12,061
2026	9,146
2027	5,307
2028	1,914
Thereafter	(1,009)
	<u>\$ 42,652</u>

Actuarial Assumptions

The actuarial valuations for the plan were used to determine the total pension liability 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	7.0%	7.0%
Projected salary increases	4.25 – 11.25 percent	4.25 – 11.25 percent
Cost of Living Adjustment	0%	0%
Inflation	2.5%	2.5%

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

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

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were

8. State Fire and Police Pension Plan (FPPA) (continued)

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, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

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

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

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	35.00%	8.93%
Equity Long/Short	6.00%	7.47%
Private Markets	34.00%	10.31%
Fixed Income - Rates	10.00%	5.45%
Fixed Income - Credit	5.00%	6.90%
Absolute Return	9.00%	6.49%
Cash	1.00%	3.92%
Total	100%	

Discount rate

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

Projected benefit payments are required to be discounted to their actuarial present values using a Single

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

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

8. State Fire and Police Pension Plan (FPPA) (continued)

credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

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

Sensitivity of the Town's Proportionate Share of the Net Pension Liability (Asset) to changes in the Discount Rate

The following presents the Town's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the Town's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1- percentage-point lower (6.00 percent) or 1- percentage-point higher (8.00 percent) than the current rate:

	1.00 % Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
Proportionate Share of the Net Pension Liability / (Asset)	\$37,675	\$ 5,465	\$ (21,215)

Pension Plan Fiduciary Net Position

Detailed information about the SWDB's fiduciary net position is available in FPPA's annual comprehensive financial report, which can be obtained at <http://www.fppaco.org>.

9. Risk Management

The Town is exposed to various risks of loss related to torts, thefts of, damages to, or destruction of assets; errors or omissions; injuries to employees or acts of God.

The Town maintains commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

10. Pension Trust Fund

The balance remaining in the Pension Trust Fund is from prior years contributions for people who are no longer eligible or who never met the vesting requirements to receive pension benefits. The Town currently has no employees receiving benefits through this fund and will not in the future as the police retirement is now funded through FPPA. The Town can request permission to use these collective contributions for current and future requirements.

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

11. Tax, Spending and Debt Limitation

Article X, Section 20 of the Colorado constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The Town's management believes the Enterprise funds of the Town qualify for this exclusion.

Spending and revenue limits are determined based on the prior year's fiscal year spending as adjusted for allowable increases for inflation and local growth. Fiscal year spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenues in excess of the fiscal year spending limit must be refunded unless retention of such revenue has been approved by the voters.

TABOR requires local governments to establish emergency reserves. These reserves must be at least 3% of fiscal year spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary or benefit increases.

The Town believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits and qualification as an Enterprise will require judicial interpretation.

The Town passed a ballot question on November 5, 1996. The ballot question permitted the Town to collect, retain and expend, without imposing any new taxes or increases in its present mill levy on general property or its sales and use tax rates, the full revenues generated by the Town's sales and use tax, non-federal grants, its existing mill levy and any other excess revenues, commencing January 1, 1995, and each subsequent year, notwithstanding any state restrictions of Article X, Section 20, of the Colorado Constitution, and spend as a voter- approved change and exception to the limits which would otherwise apply for: (a) street construction, repair, and maintenance; (b) capital improvements; (c) parks and recreation; (d) police protection; (e) storm drainage; (f) snow removal; (g) street sweeping; and (h) other municipal services. In 2016, the Town received notification from the State of Colorado Department of Local Affairs that they have determined that the ballot question language is not sufficient to remove the Town from the statutory property revenue tax limitation of 5.5%.

12. Defined Contribution Plan

All Town employees not eligible for FPPA participate in the Town's 401K plan which is managed by Vanguard. The Town contributes 4% for all employees who do not contribute individually to the plan and 6% for all employees who do make a contribution. There is no waiting period for employees to participate and there is no vesting terms or forfeitures associated with the plan. During 2023, employees contributed \$5,827 to the plan which was appropriately funded by the Town recognizing \$21,501 in pension expense.

Town of La Veta, Colorado
Notes to Financial Statements (continued)
December 31, 2023

for the year. There was a employer liability of \$4,656 outstanding related to this plan at December 31, 2023.

13. Subsequent Events

In 2022, the Town filed a condemnation action against a property landowner. Subsequent to year-end, following a trial, an award of \$265,000 was entered for the value of the land to be paid to the landowner. Because \$100,000 was already deposited by the Town for eminent domain in 2023, an additional \$165,000 was deposited by the Town with the Court on May 15, 2024.

Town of La Veta

Required Supplementary Information

Town of La Veta
General Fund
Schedule of Revenues, Expenditures
and Change in Fund Balances—Budget and Actual
For the Year Ended December 31, 2023

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Taxes			
Property taxes	\$ 47,000	\$ 47,153	\$ 153
Specific ownership taxes	4,500	4,738	238
Sales and use taxes	453,750	632,234	178,484
Franchise taxes	29,000	28,581	(419)
Highway user taxes	44,993	46,248	1,255
Other taxes	7,150	8,104	954
Licenses, permits and fees	35,000	41,811	6,811
Fines and Forfeitures	200	30	(170)
Grants	2,100,000	-	(2,100,000)
Interest earned	-	7,709	7,709
Other revenue	42,589	52,359	9,770
TOTAL REVENUES	<u>2,764,182</u>	<u>868,967</u>	<u>(1,895,215)</u>
EXPENDITURES			
General Government - Administration	1,342,692	358,181	984,511
Public Safety - Police	206,806	81,861	124,945
Public Works - Streets	260,286	196,739	63,547
Public Works - Parks	24,000	30,090	(6,090)
Trash services	-	3,604	(3,604)
Capital outlay	1,730,500	102,081	1,628,419
TOTAL EXPENDITURES	<u>3,564,284</u>	<u>772,556</u>	<u>2,791,728</u>
Excess (deficiency) of revenues over expenditures	(800,102)	96,411	(4,686,943)
NET CHANGE IN FUND BALANCE	<u>\$ (800,102)</u>	<u>\$ 96,411</u>	<u>\$ 896,513</u>
FUND BALANCES, BEGINNING OF YEAR		<u>1,799,073</u>	
FUND BALANCES, END OF YEAR		<u>\$ 1,895,484</u>	

Town of La Veta
Museum Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual
For the Year Ended December 31, 2023

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Other taxes	\$ 100,000	\$ 100,000	\$ -
Charges for service	11,000	6,266	(4,734)
Grants and donations	15,000	6,095	(8,905)
Other revenue	<u>5,000</u>	<u>967</u>	<u>(4,033)</u>
TOTAL REVENUES	<u>131,000</u>	<u>113,328</u>	<u>(17,672)</u>
EXPENDITURES			
Community Service	<u>185,626</u>	<u>122,235</u>	<u>63,391</u>
TOTAL EXPENDITURES	<u>185,626</u>	<u>122,235</u>	<u>63,391</u>
NET CHANGE IN FUND BALANCE	<u>\$ (54,626)</u>	<u>\$ (8,907)</u>	<u>\$ 45,719</u>
FUND BALANCE, BEGINNING OF YEAR		<u>301,154</u>	
FUND BALANCE, END OF YEAR		<u>\$ 292,247</u>	

Town of La Veta
Required Supplementary Information
Schedule of Employer Contributions - FPPA
For the Year Ended December 31, 2023

Schedule of Proportionate Share of the Net Pension Liability (Asset)

Colorado FPPA- Pension		Proportionate				
Plan	Proportion of	Share of the Net		Net Pension Liability	Fiduciary Net Position	
Measurement	the Net Pension	Pension Liability	Covered	as a Percentage	as a Percentage of	
Date	Liability	(Asset)	Payroll	of Member Payroll	Total Pension Liability	
12/31/2014	0.00000%	\$ -	\$ -	0.0%	0.0%	
12/31/2015	0.00000%	\$ -	\$ -	0.0%	0.0%	
12/31/2016	0.00010%	\$ (176)	\$ 48,425	-0.4%	135.5%	
12/31/2017	0.00014%	\$ 5,050	\$ 73,120	6.9%	98.2%	
12/31/2018	0.01250%	\$ (17,983)	\$ 75,238	-23.9%	106.3%	
12/31/2019	0.01123%	\$ 14,200	\$ 78,212	18.2%	95.2%	
12/31/2020	0.01061%	\$ (6,352)	\$ 68,387	-9.3%	101.9%	
12/31/2021	0.00869%	\$ (18,866)	\$ 49,087	-38.4%	106.7%	
12/31/2022	0.00573%	\$ (31,053)	\$ 60,750	-51.1%	116.2%	
12/31/2023	0.00616%	\$ (5,465)	\$ 59,750	-9.1%	97.6%	

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

* The data provided in this schedule is based as of the measurement date of the Town's net pension liability, which is as of the beginning of the year.

Period	Actuarially	Actual	Contribution	Actual	Contributions as
Ended	Required	Contributions	Excess/(Deficiency)	Covered	a Percentage of
	Contributions			Payroll	Covered Payroll
12/31/2014	\$ -	\$ -	\$ -	\$ -	0%
12/31/2015	-	-	-	-	0%
12/31/2016	3,874	3,874	-	48,425	8%
12/31/2017	5,850	5,850	-	73,120	8%
12/31/2018	6,019	6,019	-	75,238	8%
12/31/2019	6,257	6,257	-	78,212	8%
12/31/2020	5,471	5,471	-	68,387	8%
12/31/2021	3,927	3,927	-	49,087	8%
12/31/2022	4,860	4,860	-	60,750	8%
12/31/2023	4,821	5,665	844	59,750	9%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Town of La Veta

Supplementary Information

Town of La Veta
Enterprise Fund - Water
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual (Non-GAAP Basis)
For the Year Ended December 31, 2023

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Charges for services	\$ 405,700	\$ 420,750	\$ 15,050
Other operating	1,000	1,871	871
Earnings on investments	1,700	2,184	484
Tap fees/PIFs	14,000	35,000	21,000
Grants	600,000	-	(600,000)
TOTAL REVENUES	<u>422,400</u>	<u>459,805</u>	<u>37,405</u>
EXPENDITURES			
Operating expenses			-
Water sample and testing	2,500	9,581	(7,081)
Administration	26,050	17,858	8,192
Water & Sewer - salaries	85,115	78,638	6,477
Water and Sewer repairs and supplies	63,000	45,024	17,976
Payroll taxes and employee benefits	26,800	20,976	5,824
Fuel	1,500	1,663	(163)
Miscellaneous	4,000	6,652	(2,652)
Utilities	22,000	15,239	6,761
Engineering	277,000	1,373	275,627
Legal and audit fees	11,500	7,476	4,024
Debt service			
Principal	48,346	48,346	-
Interest	20,786	20,786	-
Capital outlay	220,000	116,563	103,437
TOTAL EXPENDITURES	<u>808,597</u>	<u>390,175</u>	<u>418,422</u>
 CHANGE IN FUND BALANCE	 <u>(386,197)</u>	 <u>69,630</u>	 <u>455,827</u>
 FUNDS AVAILABLE - BEGINNING OF YEAR	 <u>1,000,517</u>	 <u>3,138,440</u>	 <u>2,137,923</u>
 FUNDS AVAILABLE - END OF YEAR	 <u>\$ 614,320</u>	 <u>\$ 3,208,070</u>	 <u>\$ 2,593,750</u>
 ADJUSTMENTS FROM BUDGETARY BASIS TO GAAP BASIS			
Principal		48,346	
Capital outlay		116,563	
Depreciation		<u>(111,422)</u>	
 CHANGE IN NET POSITION - GAAP BASIS		 123,117	
 NET POSITION, BEGINNING OF YEAR, as restated		 <u>3,138,440</u>	
 NET POSITION, END OF YEAR		 <u><u>\$ 3,261,557</u></u>	

Town of La Veta
Enterprise Fund - Sewer
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual (Non-GAAP Basis)
For the Year Ended December 31, 2023

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Charges for services	\$ 445,000	\$ 432,712	\$ (12,288)
Other operating	500	37,647	37,147
Earnings on investments	2,200	3,170	970
Tap fees/PIFs	8,000	-	(8,000)
Grants	300,000	-	(300,000)
TOTAL REVENUES	<u>455,700</u>	<u>473,529</u>	<u>17,829</u>
EXPENDITURES			
Operating expenses			
Water sample and testing	5,000	6,409	(1,409)
Administration	26,188	28,942	(2,754)
Water & Sewer - salaries	115,990	109,282	6,708
Water and Sewer repairs and supplies	16,000	34,658	(18,658)
Payroll taxes and employee benefits	36,032	21,445	14,587
Fuel	2,000	3,174	(1,174)
Utilities	86,000	49,258	36,742
Engineering	10,000	-	10,000
Legal and audit fees	6,000	3,667	2,333
Debt service			
Principal	139,381	129,573	9,808
Interest	9,102	9,102	-
Capital outlay	<u>1,050,000</u>	<u>322,573</u>	<u>727,427</u>
TOTAL EXPENDITURES	<u>1,501,693</u>	<u>718,083</u>	<u>783,610</u>
 CHANGE IN FUND BALANCE	 <u>(1,045,993)</u>	 <u>(244,554)</u>	 <u>(765,781)</u>
 FUNDS AVAILABLE - BEGINNING OF YEAR	 <u>769,401</u>	 <u>5,133,712</u>	 <u>4,364,311</u>
 FUNDS AVAILABLE - END OF YEAR	 <u>\$ (276,592)</u>	 <u>\$ 4,889,158</u>	 <u>\$ 3,598,530</u>
 ADJUSTMENTS FROM BUDGETARY BASIS TO GAAP BASIS			
Principal		129,573	
Capital outlay		322,573	
Depreciation		<u>(57,626)</u>	
 CHANGE IN NET POSITION - GAAP BASIS		 149,966	
 NET POSITION, BEGINNING OF YEAR		 <u>5,133,712</u>	
 NET POSITION, END OF YEAR		 <u>\$ 5,283,678</u>	

Town of La Veta

Compliance Section

LOCAL HIGHWAY FINANCE REPORT		STATE:
		COLORADO
		YEAR ENDING (mm/yy): 12/23
This Information From The Records Of: Town of La Veta		Prepared By: Heather Hillis

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)	\$ 158,533.74
4. Miscellaneous local receipts (from page 2)	\$ 180.36
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)	\$ 158,714.10
B. Private Contributions	
C. Receipts from State government (from page 2)	\$ 50,411.92
D. Receipts from Federal Government (from page 2)	\$ -
E. Total receipts (A.7 + B + C + D)	\$ 209,126.02

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital outlay (from page 2)	\$ -
2. Maintenance:	
3. Road and street services:	
a. Traffic control operations	\$ 506.21
b. Snow and ice removal	\$ 21,054.74
c. Other	
d. Total (a. through c.)	\$ 21,560.95
4. General administration & miscellaneous	\$ 18,600.00
5. Highway law enforcement and safety	\$ 24,000.00
6. Total (1 through 5)	\$ 64,160.95
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)	\$ 64,160.95

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
	\$ 213,378.66	\$ 209,126.02	\$ 64,160.95	\$ 358,343.73	\$ -

Notes and Comments:

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	\$ 150.36
b. Other local imposts:		b. Traffic Fines & Penalties	\$ 30.00
1. Sales Taxes	\$ 153,795.32	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	\$ 4,738.42	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 158,533.74	h. Other	
c. Total (a. + b.)	\$ 158,533.74	i. Total (a. through h.)	\$ 180.36
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 46,246.01	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 4,165.91	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ 4,165.91	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 50,411.92	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

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