Town of Monument, Colorado

Financial Statements
with Independent Auditor's Report

December 31, 2023
with Comparative Totals for December 31, 2022

HINKLE & COMPANY PC
Strategic Business Advisors

TOWN OF MONUMENT, COLORADO
Basic Financial Statements
December 31, 2023

TOWN COUNCIL

Mayor Mitch LaKind
Mayor Pro Tem Steve King
Councilmember Sana Abbott
Councilmember Marco Fiorito
Councilmember Kenneth Kimple
Councilmember Laura Kronick
Councilmember Jim Romanello

ADMINISTRATIVE STAFF

Mike Foreman – Town Manager
Monica Hirjoi – Director of Finance
Laura Hogan – Director of Administration
April Kroner– Planning Director
Patrick Regan – Police Chief
Erica Romero - Director of Operations
Thomas Tharnish – Public Works Director
Madeline VanDenHoek - Director of Parks and Community Partnerships
Will Williams - Director of IT

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State Compliance

HINKLE & COMPANY PC
Strategic Business Advisors

Independent Auditor's Report

Town Council
Town of Monument
Monument, Colorado

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may rise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS 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 GAAS and GAS, we:

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

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

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

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Summarized Comparative Information
We have previously audited the Town's financial statements as of and for the year ended December 31, 2022, and we expressed unmodified audit opinions on the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information in our report dated May 26, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Hinkle & Company, PC

Englewood, Colorado
June 13, 2024

Town of Monument, Colorado

Management's Discussion and Analysis
December 31, 2023

This discussion and analysis of the Town of Monument's financial performance provides an overview of the Town's financial activities for the fiscal year ended December 31, 2023. Please read it in conjunction with the Town's financial statements. This report contains other supplementary information in addition to the basic financial statements themselves.

Financial Highlights

- ~ The assets of the Town of Monument exceeded its liabilities at the close of 2023 by $52,578,868 (net position).
- ~ The Town of Monument's total net position increased by $8,190,238.
- ~ At December 31, 2023, the Town of Monument's governmental funds reported combined ending fund balances of $20,876,432 an increase of $4,271,040 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Monument's basic financial statements. The Town of Monument's basic financial statements comprise three components: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This reports also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town of Monument's finances, in a manner similar to a private-sector business.

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

The ***statement of activities*** presents information showing how the Town of Monument's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the Town of Monument that are principally supported by taxes and intergovernmental revenues *(governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities)*. The governmental activities of the Town of Monument include general government, public safety (law enforcement & court), public works (streets, parks and recreation, cemetery) and planning. The business-type activities of the Town of Monument include water.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Monument, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the Town's funds can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike governmental-wide financial statements, governmental fund statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Most of the Town's basic services are reported in governmental funds and use the modified accrual basis of accounting.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Proprietary fund. The Town's one proprietary fund is the enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Propriety funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Town's water fund.

Notes to 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 also presents certain required supplementary information concerning the Town of Monument's general and 2A water funds. These budget comparisons schedules can be found on pages 34 and 35 of this report. The combining and individual fund financial statements and schedules are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As previously stated, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Town of Monument, assets exceeded liabilities by $52,578,868 at the end of 2023 and at the end of 2022 by $44,388,630, resulting in an increase in Total Net Position of $8,190,238.

	2023 Government-type Activities	2023 Business-type Activities	2023 TOTAL	2022 TOTAL
Current and other assets	$24,713,389	$13,415,775	$ 38,129,164	$ 40,061,110
Capital assets, net	9,712,242	29,501,105	39,213,347	29,506,014
Total assets	34,425,631	42,916,880	77,342,511	69,567,124
Long term liabilities	575,268	19,864,515	20,439,783	20,994,800
Other liabilities	2,391,495	798,246	3,189,741	2,865,101
Total liabilities	2,966,763	20,662,761	23,629,524	23,859,901
Deferred Resources				
Deferred Inflow of Resources	1,662,892	-	1,662,892	1,541,338
Deferred Outflow of Resources	528,773	-	528,773	222,745
Net Position				
Net investment in capital assets	9,699,264	9,017,520	18,176,784	7,291,394
Restricted	562,609	726,320	1,288,929	980,728
Unrestricted	20,062,876	12,510,279	32,573,155	36,116,508
Total net position	$30,324,749	$22,254,119	$52,578,868	$44,388,630

The largest portion of the Town of Monument's net position $18,716,784 reflects its investment in capital assets (e.g. land, buildings, infrastructure, vehicles, equipment, etc.), less any related outstanding debt used to acquire those assets. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

A small portion of the Town of Monument's net position, $1,288,929, represents resources that are subject to external restriction on how they may be used. The remaining unrestricted balance is $32,573,155.

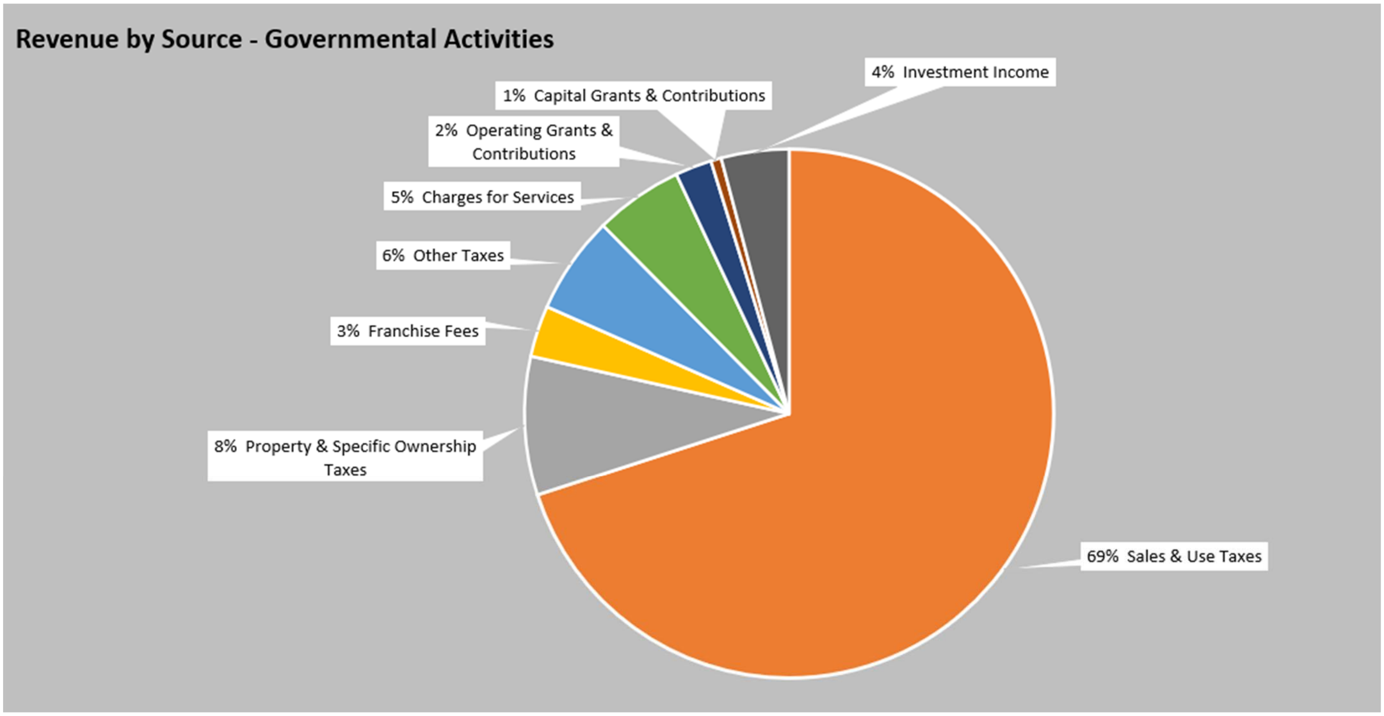
Changes in Net Position

The Town's net position increased $8,190,238 during 2023. Governmental Activities reported an $1,811,804 increase in revenue, with sales tax revenue and Other taxes being the largest contributors.

CHANGES IN NET POSITION

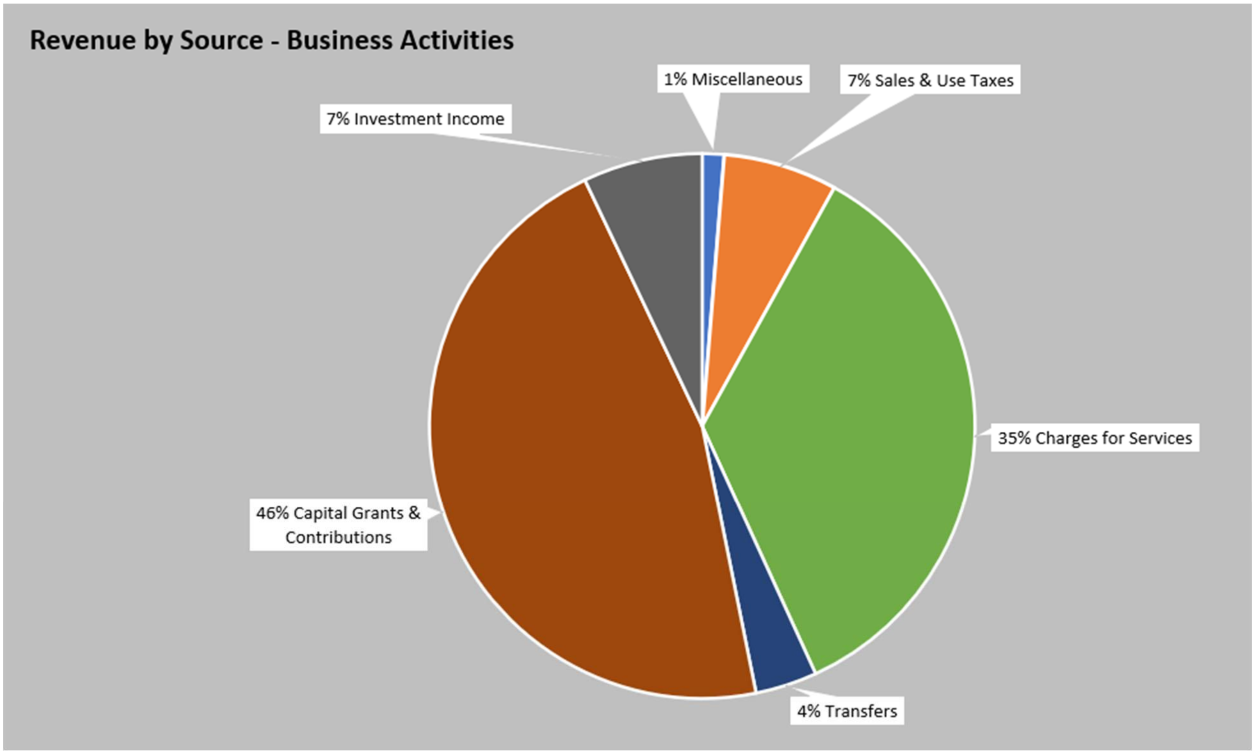
	2023 Governmental Activities	2023 Business Type Activities	2023 Total	2022 Total
Revenues:				
Program revenues:				
Charges for Services	$911,883	$2,432,420	$3,344,303	$3,177,987
Operating Grants & Contributions	537,338	-	537,338	1,790,863
Capital Grants & Contributions	107,855	3,192,730	3,300,585	3,361,630
General revenues:				
Property taxes	1,432,144	-	1,432,144	1,346,383
Sales taxes	11,816,525	468,666	12,285,191	10,714,474
Franchise taxes	528,914	-	528,914	492,898
Other Taxes	1,008,391	-	1,008,391	903,848
Investment income	697,995	490,064	1,188,059	367,640
Other Misc	143,160	89,422	232,582	86,335
Transfers	(264,291)	264,291	-	-
Total revenues	16,919,914	6,937,593	23,857,507	22,242,058
Expenses:				
General government	4,041,802	-	4,041,802	2,694,447
Public safety	4,069,420	-	4,069,420	3,815,031
Public works & parks	3,723,956	-	3,723,956	3,459,713
Capital Outlay	156,944	-	156,944	116,469
Interest on long-term debt	3,043	591,756	594,799	610,644
Water	-	3,080,348	3,080,348	2,445,249
Total expenses	11,995,165	3,672,104	15,667,269	13,153,136
	4,924,749	3,265,489	8,190,238	9,088,923
Net position, Beginning of year	$25,400,000	18,988,630	44,388,630	35,299,707
Restatement of Beginning				
Net Position, End of year	$30,324,749	$22,254,119	$52,578,868	$44,388,630

Governmental Activities



Sales and use taxes are the Town's largest revenue source at 69%. Property taxes are the second largest revenue source at 8% of the Town's governmental activities revenue. Other taxes comprise the third largest revenue source of the Town's at 6%.

Business-type Activities



Capital grants and contributions account for 46% of the Town's revenue for business-type activities while charges for services accounted for 35%. Sales taxes and investment income account for 7% each and transfers account for 4% of total revenues.

Financial Analysis of the Town's Funds

The Town of Monument uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of $20,876,432, an increase of $4,271,040 in comparison with the prior year. Of this amount, 36% ($7,559,694) constitutes unrestricted, unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is categorized to indicate that it is not available for new spending because it is classified as one of the following: A) nonspendable for prepaids ($74,787), B) Restricted for Emergencies ($207,574), C) restricted for parks and recreation ($355,035), or D) committed ($12,679,342).

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the general fund was $7,559,694 while total fund balance amounted to $7,842,055

The fund balance of the Town's general fund increased by $1,195,224 during the current fiscal year. Key factors in this change are as follows:

- ~ Increase in sales tax collections and investment income over the prior year.
- ~ Reduction of expenses for projects that were delayed during the current fiscal year that will be expended in the next fiscal year.
- ~ Purposefully working to increase the Town's General Fund balance reserves.

The fund balance of the Town's 2A water fund increased by $1,120,255 during the current fiscal year. Key factors in this change are as follows:

- ~ Increase in sales tax collections and investment income over the prior year.
- ~ Capital Projects budgeted were pushed on to a future upcoming year.

Proprietary Funds. As of the end of the current fiscal year, the Town's water fund reported an ending net position of $22,254,119 an increase of $3,265,489 in comparison with the prior year. Of this amount, $12,510,279 constitutes unrestricted net position, which is available for spending. The remainder of net position is categorized to indicate that it is not available for new spending because it is classified as one of the following: A) net investment in capital assets ($9,017,520), or B) restricted for future water storage $726,320.

As stated above, the net position of the water fund increased by $3,265,489 during the current fiscal year. Key factors in this change are as follows:

- ~ Increase in sales tax collections over the prior year.
- ~ Increase in tap fees over the prior year.
- ~ Reduction in expenses compared to budget in operations and maintenance.

General Fund Budgetary Highlights

The Town Council must approve increases in the expenditure budget for any fund. Line item budget transfers are allowed within a fund with the approval of the Town Manager.

The General fund actuals included an increase in fund balance of $1,474,401 versus the final budget. Significant budgetary variances are as follows:

- ~ $491,348 additional tax revenue collected over budgeted.
- ~ $293,188 reduction in expenses over budgeted

Capital Assets and Debt Administration

Capital Assets. The Town of Monument's investment in capital assets for its governmental and business-type activities as of December 31, 2023 totaled $39,213,347 (net of accumulated depreciation). Water fund capital assets represent 75% of this total.

Major capital asset events during the current fiscal year included the following:

- Governmental activities expenditures including $617,861 vehicles and street equipment and $609,618 in street improvements.
- Business-type activities including equipment and vehicles $349,202, and wells $296,312.

Note 5 of the financial statements provide a detailed summary of the Town's capital assets.

Long-term Debt. At the end of the current fiscal year, the Town had total long-term debt outstanding of $21,129,977. Of this amount, $561,848 was debt of governmental activities while $20,568,129 was debt of business-type activities.

The Town's long-term debt decreased by $674,264 during the current fiscal year.

Note 6 of the financial statements provide a detailed summary on the Town's long-term debt.

Economic Factors and Next Year's Budget

The Town considered these factors in preparing the Town's budget for the 2023 fiscal year:

- The economic vitality of the Town
- Inflationary effect on expenses
- Legislative outlooks

Requests for Information

This financial report is designed to provide a general overview of the Town of Monument's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information, may be addressed to the Town Treasurer at the Town of Monument, 645 Beacon Lite Road, Monument, Colorado, 80132.

Basic Financial Statements

Town of Monument, Colorado
Statement of Net Position
December 31, 2023
With Comparative Totals for December 31, 2022

	Primary Government			
	Governmental Activities	Business-Type Activities	Total 2023	Total 2022
Assets				
Cash and Investments	$ 20,407,143	$ 12,486,409	$ 32,893,552	$ 34,556,318
Restricted Cash and Investments	119,841	726,320	846,161	773,154
Property Taxes Receivable	1,517,337	-	1,517,337	1,225,306
Sales and Other Receivable	2,572,849	-	2,572,849	2,767,563
Accounts Receivable	21,432	203,046	224,478	306,098
Prepaid Expenses	74,787	-	74,787	16,504
Net Pension Asset	-	-	-	416,167
Capital Assets,				
Not being depreciated	2,182,216	18,388,461	20,570,677	11,213,327
Capital Assets,				
Net of accumulated depreciation	7,530,026	11,112,644	18,642,670	18,292,687
Total Assets	34,425,631	42,916,880	77,342,511	69,567,124
Deferred Outflows of Resources				
Deferred Outflows Related to Pensions	528,773	-	528,773	222,745
Liabilities				
Accounts Payable	1,755,582	18	1,755,600	1,487,783
Accrued Salaries and Benefits	257,401	-	257,401	190,646
Accrued Interest	226	78,914	79,140	83,737
Developer Escrow and Deposits	306,637	15,700	322,337	293,494
Noncurrent Liabilities				
Due Within One Year	71,649	703,614	775,263	809,441
Due in More Than One Year	490,199	19,864,515	20,354,714	20,994,800
Net Pension Liability	85,069	-	85,069	-
Total Liabilities	2,966,763	20,662,761	23,629,524	23,859,901
Deferred Inflows of Resources				
Deferred Property Taxes	1,517,337	-	1,517,337	1,225,306
Deferred Inflows Related to Pensions	145,555	-	145,555	316,032
Total Deferred Inflows of Resources	1,662,892	-	1,662,892	1,541,338
Net Position				
Net Investment in Capital Assets	9,699,264	9,017,520	18,716,784	7,291,394
Restricted for Emergencies	207,574	-	207,574	207,574
Restricted for Parks and Recreation	355,035	-	355,035	83,679
Restricted for Future Water Storage	-	726,320	726,320	689,475
Unrestricted, Unreserved	20,062,876	12,510,279	32,573,155	36,116,508
Total Net Position	$ 30,324,749	$ 22,254,119	$ 52,578,868	$ 44,388,630

See Notes to the Financial Statements.

Town of Monument, Colorado
Statement of Activities
For the Year Ended December 31, 2023
With Comparative Totals for the Year Ended December 31, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Position, Primary Government: Governmental Activities	Business-Type Activities	Total 2023	Total 2022
Primary Government								
Governmental Activities								
General Government	$ 4,041,802	$ 357,657	$ 523,038	$ -	$ (3,161,107)	$ -	$ (3,161,107)	$ (490,619)
Public Safety	4,069,420	50,591	14,300	-	(4,004,529)	-	(4,004,529)	(3,754,558)
Public Works	2,541,446	363,605	-	-	(2,177,841)	-	(2,177,841)	(2,072,806)
Parks and Recreation	1,182,510	140,030	-	107,855	(934,625)	-	(934,625)	(878,919)
Capital Outlay	156,944	-	-	-	(156,944)	-	(156,944)	(116,469)
Interest on Long-Term Debt	3,043	-	-	-	(3,043)	-	(3,043)	(11,583)
Total Governmental Activities	11,995,165	911,883	537,338	107,855	(10,438,089)	-	(10,438,089)	(7,324,954)
Business-Type Activities								
Water	3,080,348	2,432,420	-	3,192,730	-	2,544,802	2,544,802	3,112,942
Interest on Long-Term Debt	591,756	-	-	-	-	(591,756)	(591,756)	(610,644)
Total Business-Type Activities	3,672,104	2,432,420	-	3,192,730	-	1,953,046	1,953,046	2,502,298
Total Primary Government	$ 15,667,269	$ 3,344,303	$ 537,338	$ 3,300,585	$ (10,438,089)	$ 1,953,046	$ (8,485,043)	$ (4,822,656)
General Revenues								
Sales and Use Taxes					11,816,525	468,666	12,285,191	10,714,474
Property Taxes					1,432,144	-	1,432,144	1,346,383
Franchise Taxes					528,914	-	528,914	492,899
Auto Sales Taxes					620,506	-	620,506	540,317
Other Taxes					387,885	-	387,885	363,531
Investment Income					697,995	490,064	1,188,059	367,640
Miscellaneous					143,160	89,422	232,582	86,335
Transfers					(264,291)	264,291	-	-
Total General Revenues and Transfers					15,362,838	1,312,443	16,675,281	13,911,579
Change in Net Position					4,924,749	3,265,489	8,190,238	9,088,923
Net Position, *Beginning of Year*					25,400,000	18,988,630	44,388,630	35,299,707
Net Position, *End of Year*					$ 30,324,749	$ 22,254,119	$ 52,578,868	$ 44,388,630

See Notes to the Financial Statements.

Town of Monument, Colorado

Balance Sheet
Governmental Funds
December 31, 2023
With Comparative Totals for December 31, 2022

	General	Capital Improvement Fund	2A Water ASD Fund	2F Police Fund	Other Governmental Funds	Total 2023	Total 2022
Assets							
Cash and Investments	$ 7,492,607	$ 2,730,608	$ 8,141,059	$ 1,063,029	$ 979,840	$ 20,407,143	$ 14,730,070
Restricted Cash and Investments	-	-	-	-	119,841	119,841	83,679
Property Taxes Receivable	1,517,337	-	-	-	-	1,517,337	1,225,306
Other Taxes Receivable	2,572,849	-	-	-	-	2,572,849	2,767,563
Accounts Receivable	21,432	-	-	-	-	21,432	84,613
Prepaid Expenses	74,787	-	-	-	-	74,787	16,504
Total Assets	$ 11,679,012	$ 2,730,608	$ 8,141,059	$ 1,063,029	$ 1,099,681	$ 24,713,389	$ 18,907,735
Liabilities							
Accounts Payable	$ 1,755,582	$ -	$ -	$ -	$ -	$ 1,755,582	$ 641,851
Accrued Salaries and Benefits	257,401	-	-	-	-	257,401	167,492
Developer Escrow	306,637	-	-	-	-	306,637	267,694
	2,319,620	-	-	-	-	2,319,620	1,077,037
Deferred Inflows of Resources							
Property Taxes	1,517,337	-	-	-	-	1,517,337	1,225,306
Fund Balance							
Nonspendable	74,787	-	-	-	-	74,787	16,504
Restricted for Emergencies	207,574	-	-	-	-	207,574	207,574
Restricted for Parks and Recreation	-	-	-	-	355,035	355,035	299,058
Committed	-	2,730,608	8,141,059	1,063,029	744,646	12,679,342	9,654,888
Unrestricted, Unassigned	7,559,694	-	-	-	-	7,559,694	6,427,368
Total Fund Balance	7,842,055	2,730,608	8,141,059	1,063,029	1,099,681	20,876,432	16,605,392
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 11,679,012	$ 2,730,608	$ 8,141,059	$ 1,063,029	$ 1,099,681	$ 24,713,389	$ 18,907,735

Town of Monument, Colorado
Reconciliation of Balance Sheet of the Governmental Funds to the Statement of Net Position
December 31, 2023

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balance of Governmental Funds	$	20,876,432
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in governmental funds.		9,712,242
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds.		
Capital leases payable		(17,182)
Accrued interest payable		(226)
Accrued compensated absences		(544,666)
Net Pension Asset (Liability)		(85,069)
Deferred Outflows Related to Pensions		528,773
Deferred Inflows Related to Pensions		(145,555)
Total Net Position of Governmental Activities	$	30,324,749

Town of Monument, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2023
With Comparative Totals for the Year Ended December 31, 2022

	General	Capital Improvement Fund	2A Water ASD Fund	2F Police Fund	Other Governmental Funds	Total 2023	Total 2022
Revenues							
Taxes	$ 8,475,660	$ 1,480,994	$ 2,478,382	$ 1,963,053	$ -	$ 14,398,089	$ 12,526,795
Licenses and Permits	125,981	-	-	-	81,720	207,701	218,746
Charges for Services	225,226	-	-	12,224	380,538	617,988	572,758
Intergovernmental	100,407	674,693	-	-	279,281	1,054,381	2,283,843
Court	50,591	-	-	-	-	50,591	53,331
Investment Income	471,792	5,439	209,035	-	11,729	697,995	121,032
Contributions and Donations	-	-	-	12,685	1,615	14,300	7,142
Miscellaneous	17,756	-	-	104,904	20,500	143,160	134,575
Total Revenues	9,467,413	2,161,126	2,687,417	2,092,866	775,383	17,184,205	15,918,222
Expenditures							
Current							
General Government	3,439,672	-	-	-	150,264	3,589,936	2,758,448
Public Safety	126,108	-	-	4,081,300	-	4,207,408	3,839,268
Public Works	1,498,617	491,326	274,004	-	-	2,263,947	2,294,495
Parks and Recreation	1,376,234	-	-	-	188	1,376,422	1,144,001
Capital Outlay	-	415,046	21,758	-	501,506	938,310	390,657
Debt Service							
Principal	33,483	-	-	158,895	-	192,378	114,132
Interest and Fiscal Charges	1,329	-	-	6,311	-	7,640	9,764
Total Expenditures	6,475,443	906,372	295,762	4,246,506	651,958	12,576,041	10,550,765
Excess Revenues Over (Under) Expenditures	2,991,970	1,254,754	2,391,655	(2,153,640)	123,425	4,608,164	5,367,457
Other Financing Sources (Uses)							
Transfers In	954,276	-	-	2,633,022	118,000	3,705,298	3,318,118
Transfers Out	(2,751,022)	-	(1,271,400)	-	(20,000)	(4,042,422)	(3,987,222)
Other Financing Sources (Uses)	(1,796,746)	-	(1,271,400)	2,633,022	98,000	(337,124)	(669,104)
Net Change in Fund Balance	1,195,224	1,254,754	1,120,255	479,382	221,425	4,271,040	4,698,353
Fund Balance, *Beginning of Year*	6,646,831	1,475,854	7,020,804	583,647	878,256	16,605,392	11,907,039
Fund Balance, *End of Year*	$ 7,842,055	$ 2,730,608	$ 8,141,059	$ 1,063,029	$ 1,099,681	$ 20,876,432	$ 16,605,392

Town of Monument, Colorado

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

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balance of Governmental Funds	$ 4,271,040
Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.	
Capital Outlays	1,858,474
Depreciation Expense	(1,187,511)
Repayments of long-term liabilities are expenditures in governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.	
Principal payments on capital leases	192,378
Change in Interest payable	4,597
Change in accrued compensated absences	(189,498)
Change in Pension Asset	(501,236)
Change in Deferred Inflows Related to Pensions	170,477
Change in Deferred Outflows Related to Pensions	306,028
Change in Net Position of Governmental Activities	$ 4,924,749

Town of Monument, Colorado
Statement of Net Position
Proprietary Fund
December 31, 2023
With Comparative Totals for December 31, 2022

	2023	2022
Assets		
Current Assets		
Cash and Investments	$ 12,486,409	$ 19,826,248
Restricted Cash and investments	726,320	689,475
Accounts Receivable	203,046	221,485
Total Current Assets	13,415,775	20,737,208
Noncurrent Assets		
Capital Assets*, not being depreciated*	18,388,461	8,409,752
Capital Assets*, net of accumulated depreciation*	11,112,644	11,213,152
Total Noncurrent Assets	29,501,105	19,622,904
Total Assets	42,916,880	40,360,112
Liabilities		
Current Liabilities		
Accounts Payable	18	4,101
Accrued Liabilities	-	23,154
Accrued Compensated Absences, Current portion	8,454	7,728
Accrued Interest Payable	78,914	78,914
Certificates of Participation, Current Portion	695,160	681,408
Total Current Liabilities	782,546	795,305
Noncurrent Liabilities		
Deposits	15,700	25,800
Accrued Compensated Absences	76,090	68,556
Leases payable	19,788,425	20,481,821
Total Noncurrent Liabilities	19,880,215	20,576,177
Total Liabilities	20,662,761	21,371,482
Net Position		
Net Investment in Capital Assets	9,017,520	(1,540,325)
Restricted for Future Water Storage	726,320	689,475
Unrestricted	12,510,279	19,839,480
Total Net Position	$ 22,254,119	$ 18,988,630

Town of Monument, Colorado

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2023
With Comparative Totals for the Year Ended December 31, 2022

	2023	2022
Operating Revenues		
Charges for Services	$ 2,432,420	$ 2,292,841
Miscellaneous	89,422	92,269
Total Operating Revenues	2,521,842	2,385,110
Operating Expenses		
Operations and Maintenance	2,093,710	1,561,813
Administrative and General	235,856	156,154
Depreciation	823,615	727,282
Total Operating Expenses	3,153,181	2,445,249
Net Operating Income	(631,339)	(60,139)
Non-Operating Revenues (Expenses)		
Sales Taxes	468,666	567,278
Interest Income	490,064	246,608
Interest Expense	(591,756)	(610,644)
Gain on Sale of Assets	-	499
Net Income (Loss) Before Contributed Capital	(264,365)	143,602
Contributed Capital and Transfers		
Tap Fees	3,192,730	3,265,350
Transfers In	1,271,400	1,271,200
Transfers Out	(934,276)	(602,096)
Total Capital Contributions and Transfers	3,529,854	3,934,454
Change in Net Position	3,265,489	4,078,056
Net Position, *Beginning of Year*	18,988,630	14,910,574
Net Position, *End of Year*	$ 22,254,119	$ 18,988,630

Town of Monument, Colorado

Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2023
With Comparative Totals for the Year Ended December 31, 2022

	2023	2022
Cash Flows From Operating Activities		
Cash Received from Customers	$ 2,450,859	$ 2,309,908
Cash Received from Others	89,422	92,269
Cash Paid to Suppliers	(1,429,891)	(1,521,561)
Cash Paid to Employees	(918,652)	(759,913)
Net Cash Provided by Operating Activities	191,738	120,703
Cash Flows From Non-Capital Financing Activities		
Sales Tax Received	468,666	567,278
Transfer from Other Funds	1,271,400	1,271,200
Transfer to Other Funds	(934,276)	(602,096)
Net Cash Provided by Noncapital Financing Activities	805,790	1,236,382
Cash Flows From Capital and Related Financing Activities		
Tap fees received	3,192,730	3,265,350
Acquisition and Construction of Capital Assets	(10,701,816)	(5,517,148)
Deposit Received from Customers	(10,100)	12,700
Proceeds from Sale of Assets	-	499
Debt Principal Payments	(679,644)	(660,556)
Debt Interest Payments	(591,756)	(610,644)
Net Cash Used by Capital and Related Financing Activities	(8,790,586)	(3,509,799)
Cash Flows From Investing Activities		
Interest received	490,064	246,608
Net Cash Used by Capital and Related Financing Activities	490,064	246,608
Net Change in Cash and Cash Equivalents	(7,302,994)	(1,906,106)
Cash and Cash Equivalents, *Beginning of Year*	20,515,723	22,421,829
Cash and Cash Equivalents, *End of Year*	$ 13,212,729	$ 20,515,723
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities:		
Net Operating Income	$ (631,339)	$ (60,139)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities		
Depreciation Expense	823,615	727,282
Changes in Assets and Liabilities Related to Operations		
Accounts Receivable	18,439	17,067
Accounts Payable	(4,083)	(557,244)
Accrued Expenses	(23,154)	(17,844)
Accrued Compensated Absences	8,260	11,581
Net Cash Provided by Operating Activities	$ 191,738	$ 120,703

Note 1: Summary of Significant Accounting Policies

The accounting policies of the Town of Monument, Colorado (the Town) conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

Reporting Entity

In accordance with governmental accounting standards, the Town has considered the possibility of inclusion of additional entities in its basic financial statements.

The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if the Town officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Town. The Town may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Based on the application of these criteria, the Town does not include additional organizations in its reporting entity.

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 nonfiduciary 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, capital and debt resources of the Town. The difference between assets, liabilities and deferred inflows of the Town is net position.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segments 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. Major individual governmental funds are reported as separate columns in the fund financial statements.

Note 1: 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, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 collected 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.

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

In the fund financial statements, the Town reports the following major governmental funds:

> The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.
>
> The *Capital Improvement Fund* is used for the acquisition or construction of major capital facilities and/or assets (other than those financed by proprietary funds). Major capital projects are funded with a portion of sales, highway user's, and road and bridge taxes.

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation *(Continued)*

The *2A Water ASD Fund* accounts for the revenues collected from a 1% sales tax restricted for expenditures allocated for water projects by citizen election.

The *2F Police Fund* accounts for the revenues and expenditures allocated for the Town's police department.

The Town also reports the following major proprietary fund:

The *Water Fund* accounts for the financial activities associated with the provision of water services.

Cash and Investments

Cash equivalents include investments with original maturities of three months or less. Investments are recorded at fair value.

Capital Assets

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual or aggregate group cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property and equipment of the Town is depreciated using the straight-line method over the following estimated useful lives:

Water Rights	50 years
Wells and Treatment Plant	30 years
Infrastructure	30 years
Transmission & Distribution	10 years
Buildings	5 - 30 years
Furniture, Equipment and Vehicles	3 - 10 years
Park and Street Improvements	7 - 20 years

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation *(Continued)*

Compensated Absences

Employees of the Town are allowed to accumulate unused vacation time. Upon termination of employment from the Town, an employee will be compensated for all accrued vacation at a maximum amount ranging from 96 hours to 360 hours, based on length of service at their current rate of pay. Unused sick time will be compensated at a maximum of 120 hours of their current rate of pay.

These compensated absences are recognized as current salary costs when earned in the proprietary fund types and when due in the governmental fund types. A liability has been recorded in the government-wide financial statements for the accrued compensated absences.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund type 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 assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

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.

Net Position

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted. Net investment in capital assets is intended to reflect the portion of net position, which is associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost. Restricted net position is liquid assets, which have third party limitations on their use. Unrestricted net position represents assets that do not have any third-party limitations on their use.

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent.

The classifications used in the governmental fund financial statements are as follows:

Restricted - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Town has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. In addition, the Town has classified the fund balance in the Conservation Trust Fund as restricted because their use is restricted by State Statute.

Committed - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Town Council. These amounts cannot be used for any other purpose unless the Town Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Town's committed resources are presented in the governmental fund balance sheet as of December 31, 2023.

Unassigned - This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Town would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned.

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

Property Taxes

Property taxes are levied on November 1 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the Town on a monthly basis.

Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred revenue are recorded at December 31. As the tax is collected in the succeeding year, the deferred revenue is recognized as revenue and the receivable is reduced.

The Town has evaluated subsequent events through June 13, 2024, the date the financial statements were available to be issued.

Note 2: Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

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

- In October, the Town staff submits to the Town Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 15, the budget is legally enacted through passage of an ordinance.
- The Town Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Council.
- Budgets are legally adopted for all funds of the Town. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparison presented for the Enterprise Fund is presented on a non-GAAP budgetary basis. Capital outlay and debt payments are budgeted as expenditures and depreciation is not budgeted.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Town Council. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

Note 3: Cash and Investments

A summary of deposits and investments as of December 31, 2023 follows:

Petty Cash	$	1,350
Cash Deposits		12,336,655
Investments		21,401,708
Total	$	33,739,713

At December 31, 2023, cash and investments consisted of the following:

Cash and Investments	$	32,893,552
Restricted Cash and Investments		846,161
Total	$	33,739,713

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of Federal Deposit Insurance Corporation (FDIC) levels must be collateralized by eligible collateral as determined by the PDPA. The FDIC insures depositors' accounts up to $250,000 for each financial institution. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group.

The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2023, the Town had deposits with financial institutions with a carrying amount of $12,336,655. The bank balances with the financial institutions totaling $12,655,675 of which $250,000 were covered by the FDIC and $12,175,777 were collateralized with securities held by the financial institution's agent but not in the Town's name.

Investments

The Town does not have a formal investment policy; however, the Town follows state statutes regarding investments. The Town generally limits its concentration risk of investments to Local Government Investment Pools, obligations of the United States and certain U.S. government agency securities, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the Town is not subject to concentration of risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Town Council. Such actions are generally associated with a debt service reserve or sinking fund requirements.

State statutes specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following.

- Obligations of the United States & certain U.S. government agency securities

Note 3: Cash and Investments (Continued)

Investments *(Continued)*

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

At December 31, 2023, the Town had the following investments:

	Maturity	2023
	Weighted Average	
Colotrust	under 60 days	$ 10,967,510
Piper Sandler	One year or less	10,000,000
Certificates of Deposits	One year or less	434,198
		$ 21,401,708

The Town invested in the Colorado Local Government Liquid Asset Trust (Colotrust) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. The Trust offers shares in two portfolios, Colotrust PRIME and Colotrust PLUS+.

Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. Colotrust PLUS+ may also invest in certain obligations of U.S. government agencies, highest rates commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. Colotrust is rated AAAm by Standard & Poor's. Colotrust records its investments at fair value and the Town records its investment in Colotrust using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Interest Rate Risk - State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years. The Town does not have a policy for managing credit risk or interest rate risk.

Restricted Cash

Cash is restricted for the following purposes:	
Future Water Storage - Water Fund	$ 726,320
Parks and Recreation - Conservation Trust Fund	119,841
Total	$ 846,161

Note 3: Cash and Investments (Continued)

Investments *(Continued)*

Future Water Storage - The Town has restricted $726,320 of the Water Fund's cash balance for future water storage in relation to an intergovernmental agreement. The Town also restricted net position for future water storage in relation to this agreement.

Parks and Recreation - The Town has restricted cash of $119,841 in the Conservation Trust Fund for future parks and recreation expenditures.

Note 4: Interfund Transfers

Interfund transfers for the year ended December 31, 2023, consisted of the following:

Transfers In	Transfers Out	Amount
2F Police Fund	General Fund	$ 2,633,022
Water Fund	2A Water ASD Fund	1,271,400
General Fund	Water Fund	934,276
Community Development Fund	General Fund	63,000
Storm Drainage Impact Fee Fund	General Fund	55,000
General Fund	Conservation Trust Fund	20,000
Total		$ 4,976,698

During the year ended December 31, 2023, the Water Fund transferred amounts to the General Fund for administrative costs and fees.

Note 5: Capital Assets

Capital assets activity for the year ended December 31, 2023 is summarized below:

Governmental Activities	Balance 12/31/22	Additions	Deletions	Balance 12/31/23
Capital Assets, *Not Being Depreciated*				
Land	$ 1,767,122	$ 220,472	$ -	$ 1,987,594
Construction in Progress	194,622	-	-	194,622
Total Capital Assets, *Not Being Depreciated*	1,961,744	220,472	-	2,182,216
Capital Assets, *Being Depreciated*				
Buildings	3,945,216	75,196	-	4,020,412
Infrastructure	8,367,154	-	-	8,367,154
Water Rights	135,324	-	-	135,324
Furniture and Equipment	671,133	118,327	-	789,460
Vehicles and Street Equipment	2,344,427	617,861	-	2,962,288
Park Improvements	666,382	217,000	-	883,382
Street Improvements	6,898,454	609,618	-	7,508,072
Total Capital Assets, *Being Depreciated*	$ 23,028,090	$ 1,638,002	$ -	$ 24,666,092
Less Accumulated Depreciation				
Buildings	$ (1,978,816)	$ (139,699)	$ -	$ (2,118,515)
Infrastructure	(6,310,026)	(276,265)	-	(6,586,291)
Water Rights	(37,282)	(2,707)	-	(39,989)
Furniture and Equipment	(599,184)	(42,430)	-	(641,614)
Vehicles and Street Equipment	(1,442,993)	(206,871)	-	(1,649,864)
Park Improvements	(531,488)	(33,751)	-	(565,239)
Street Improvements	(5,048,766)	(485,788)	-	(5,534,554)
Total Accumulated Depreciation	(15,948,555)	(1,187,511)	-	(17,136,066)
Total Capital Assets, *Being Depreciated, net*	7,079,535	450,491	-	7,530,026
Governmental Activities Capital Assets, *net*	$ 9,041,279	$ 670,963	$ -	$ 9,712,242

Note 5: Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the Town as follows:

Governmental Activities		
General Government	$	237,637
Public Safety		95,614
Public Works		805,705
Parks and Recreation		48,555
Total	$	1,187,511

Note 5: Capital Assets (Continued)

Capital assets Business-Type activity for the year ended December 31, 2023 is summarized below:

Business-Type Activities	Balance 12/31/22	Additions	Deletions	Balance 12/31/23
Capital Assets, *Not Being Depreciated*				
Water Master Plan	$ 664,971	$ -	$ -	$ 664,971
Construction in Progress	5,628,255	9,393,398	(256,520)	14,765,133
Monument Dam	2,958,357	-	-	2,958,357
Total Capital Assets, *Not Being Depreciated*	9,251,583	9,393,398	(256,520)	18,388,461
Capital Assets, *Being Depreciated*				
Water Rights	125,000	-	-	125,000
Alluvium Wells	420,392	-	-	420,392
Public Works Buildings	1,289,644	-	-	1,289,644
Iron Treatment Plant	287,854	-	-	287,854
Water Treatment Plant	1,199,322	-	-	1,199,322
Other Equipment	1,399,211	77,593	-	1,476,804
Slabaugh Well	191,390	-	-	191,390
Wells/Treatment	15,092,344	296,312	-	15,388,656
Transmission & Distribution	2,731,482	-	-	2,731,482
Equipment and Vehicles	595,706	349,202	-	944,908
Total Capital Assets, *Being Depreciated*	23,332,345	723,107	-	24,055,452
Total Capital Assets	32,583,928	10,116,505	(256,520)	42,443,913
Less: Accumulated depreciation				
Water Rights	(72,500)	(2,500)	-	(75,000)
Alluvium Wells	(410,563)	(2,456)	-	(413,019)
Public Works Buildings	(107,318)	(43,827)	-	(151,145)
Iron Treatment Plant	(287,854)	-	-	(287,854)
Water Treatment Plant	(666,811)	(39,977)	-	(706,788)
Other Equipment	(1,119,298)	(94,382)	-	(1,213,680)
Slabaugh Well	(116,752)	(3,828)	-	(120,580)
Wells/Treatment	(6,922,146)	(476,986)	-	(7,399,132)
Transmission & Distribution	(2,065,778)	(80,054)	-	(2,145,832)
Equipment and Vehicles	(350,173)	(79,605)	-	(429,778)
	(12,119,193)	(823,615)	-	(12,942,808)
Business-Type Activities Capital Assets, *net*	$ 20,464,735	$ 9,292,890	$ (256,520)	$ 29,501,105

Note 6: Long-Term Debt

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2023.

Governmental Activities	Balance 12/31/22	Additions	Deletions	Balance 12/31/23	Due Within One Year
Long-term leases	$ 209,560	$ -	$ (192,378)	$ 17,182	$ 17,182
Compensated Absences	355,168	209,695	(20,197)	544,666	54,467
Total	$ 564,728	$ 209,695	$ (212,575)	$ 561,848	$ 71,649

Accrued Compensated Absences are being paid from resources generated by the General Fund.

Leases

The Town has entered into several lease agreements to purchase vehicles and equipment which will be paid from revenues of the General Fund. These leases require interest to be paid ranging from 3.20% to 3.48%. These leases mature from 2024 - 2025.

Following is a schedule of the future minimum lease payments required under the outstanding lease obligations at December 31, 2023:

Year Ended December 31,	Total
2024	$ 17,406
Total Future Minimum Lease Payments	17,406
Less: Interest	(224)
Present Value of Future Minimum Lease Payments	$ 17,182

Business-Type Activities

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2023.

Business-Type Activities	Balance 12/31/22	Additions	Deletions	Balance 12/31/23	Due Within One Year
Certificates of Participation	$ 18,910,000	$ -	$ (515,000)	$ 18,395,000	$ 535,000
Premium	2,253,229	-	(164,644)	2,088,585	160,160
Compensated Absences	76,284	10,183	(1,923)	84,544	8,454
Total	$ 21,239,513	$ 10,183	$ (681,567)	$ 20,568,129	$ 703,614

Note 6: Long-Term Debt (Continued)

Business-Type Activities *(Continued)*

In November 2020, the Town entered into an annually-renewable lease purchase agreement with BOKF NA for the purpose of financing the acquisition, construction and installation of water improvements. Certificates of Participation were sold to investors, with the net proceeds of $19,840,000. While the lease does not constitute an indebtedness of the Town for state law purposes because it is subject to annual appropriation, it is treated as a capital lease for financial reporting purposes pursuant to generally accepted accounting principles applicable to governmental units. Payments of the principal component are due annually on December 1, through 2045. The interest component accrues at 4.0% and is payable semiannually on June 1st and December 1st.

The following schedule represents the Town's debt service requirements to maturity for the outstanding participation debt at December 31, 2023.

Year Ended December 31,	Principle	Interest	Total
2024	$ 535,000	735,800	$ 1,270,800
2025	560,000	714,400	1,274,400
2026	580,000	692,000	1,272,000
2027	605,000	668,800	1,273,800
2028	630,000	644,600	1,274,600
2029 - 2033	3,540,000	2,824,800	6,364,800
2034 - 2038	4,305,000	2,058,200	6,363,200
2039 - 2043	5,240,000	1,125,000	6,365,000
2044 - 2045	2,400,000	145,000	2,545,000
	$ 18,395,000	$ 9,608,600	$ 28,003,600

Note 7: Retirement Commitments

Deferred Compensation Plan

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all Town employees and permits them to defer a portion of their salary until future years. The Town matches employee contributions up to 5% of eligible salary. During the year ended December 31, 2023, the Town contributions were $386,524 equal to the required contribution. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Note 8: Public Entity Risk Pool

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability, property, and workers compensation coverages and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA.

It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity, and the Town does not approve budgets, nor does it have the ability to significantly affect the operations of entity.

Note 9: Commitments and Contingencies

Litigation

The Town is not involved in any pending and threatened litigation as of December 31, 2023.

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. In November 1996, voters within the Town approved the collection, retention, and expenditure of the all revenues generated by the Town in 1996 and subsequent years through 2019, notwithstanding the provisions of the Amendment. No such election took place during 2020 to continue this provision, but revenues for 2020 remained in compliance with TABOR limitations.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2023, the emergency reserve of $207,574 was recorded in the General Fund.

Note 10: Defined Benefit Pension Plan

General Information

Plan Description - Eligible employees of the Town are provided with pensions through the SWDB, a cost-sharing multiple-employer defined benefit pension plan administered by FFPA. FFPA issues a publicly available annual comprehensive financial report that can be obtained at http://www.FPPAco.org.

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

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered under Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan. 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 - 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 13.0 percent of pensionable earnings. In 2022, members of the SWDB plan and their employers are contributing at the rate of 12.0 percent and 9.0 percent, respectively, of pensionable earnings for a total contribution rate of 21.0 percent.

Note 10: Defined Benefit Pension Plan (Continued)

General Information *(Continued)*

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.

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

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

The collective total pension liability as of December 31, 2022 is based upon the January 1, 2023 actuarial valuation. The actuarially determined contributions as of December 31, 2022 are based upon the January 1, 2022 actuarial valuation.

At December 31, 2023, the Town reported a liability of $85,069 for its proportionate share of the net pension liability.

At December 31, 2022, the Town's proportion was 0.0958401170%, which was an increase of 0.0190472171% from its proportion measured as of December 31, 2021.

Note 10: Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions *(Continued)*

For the year ended December 31, 2023, the Town recognized pension expense of $29,669. 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	$ 148,279	$ 8,773
Changes of assumptions and other inputs	88,209	-
Net difference between projected and actual earnings on plan investments	202,667	-
Changes in proportion	1,841	136,782
Contributions subsequent to the measurement date	87,777	-
Total	$ 528,773	$ 145,555

The Town's contributions of $87,777 subsequent to the measurement date will be recognized as a reduction to the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended December 31,	Total
2024	$ 53,041
2025	84,655
2026	129,592
2027	10,515
2028	8,316
Thereafter	9,322
Total	$ 295,441

Note 10: Defined Benefit Pension Plan (Continued)

<u>Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</u> *(Continued)*

Actuarial Assumptions - The actuarial valuation as of December 31, 2022 determined the total pension asset using the following actuarial assumptions and other inputs.

Investment rate of return, compounded annually, net of plan investment expenses, including inflation	7.0%
Inflation	2.5%
Projected Salary Increases	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.0%

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

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The 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.

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

Note 10: Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions *(Continued)*

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%	8.93%
Equity Long/Short	6%	7.47%
Private Markets	34%	10.31%
Fixed Income - Rates	10%	5.45%
Fixed Income - Credit	5%	6.90%
Absolute Return	9%	6.49%
Cash	1%	3.92%
Total	100%	

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

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

Note 10: Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions *(Continued)*

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.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Town's proportionate share of the net pension liability (asset)	$ 586,452	$ 85,069	$ (330,239)

Note 11: Restatement of Prior Year Balances

Restatement of December 31, 2022 Assets and Liabilities to record Construction in Progress that was not recorded.

	2022 Balances as Reported	Asset Restatement	2022 Balances as Restated
Business Type Activities			
Statement of Net Position			
Assets	$ 40,360,112	$ 841,831	$ 41,201,943
Liabilties	21,371,482	841,831	22,213,313
Net Position	$ 18,988,630	$ -	$ 18,988,630

Required Supplementary Information

Town of Monument, Colorado

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2023
With Comparative Actual Totals for the Year Ended December 31, 2022

	2023				
	Original Budget	Final Budget	Actual	Variance *Positive* *(Negative)*	2022 Actual
Revenues					
Taxes	$ 6,561,149	$ 7,984,312	$ 8,475,660	$ 491,348	$ 7,737,441
Licenses and Permits	67,750	67,750	125,981	58,231	134,256
Charges for Services	338,975	138,975	225,226	86,251	198,821
Intergovernmental	903,451	903,451	100,407	(803,044)	1,109,900
Court	70,000	70,000	50,591	(19,409)	53,331
Interest	5,000	250,000	471,792	221,792	44,065
Miscellaneous	5,750	5,750	17,756	12,006	70,975
Total Revenues	7,952,075	9,420,238	9,467,413	47,175	9,348,789
Expenditures					
Current					
General Government	3,659,697	3,489,833	3,439,672	50,161	2,556,476
Public Safety	151,744	151,744	126,108	25,636	52,985
Public Works	1,681,440	1,681,440	1,498,617	182,823	1,338,057
Parks and Recreation	1,015,802	1,015,802	1,376,234	(360,432)	1,142,970
Capital Outlay	395,000	395,000	-	395,000	-
Debt Service					
Principal	33,483	33,483	33,483	-	32,066
Interest	1,329	1,329	1,329	-	2,746
Total Expenditures	6,938,495	6,768,631	6,475,443	293,188	5,125,300
Excess Revenues Over (Under) Expenditures	1,013,580	2,651,607	2,991,970	340,363	4,223,489
Other Financing Sources (Uses)					
Transfers In	20,000	20,000	954,276	934,276	622,096
Transfers Out	(2,696,002)	(2,696,002)	(2,751,022)	(55,020)	(2,696,022)
Net Change in Fund Balance	(1,662,422)	(24,395)	1,195,224	1,219,619	2,149,563
Fund Balance, *Beginning of Year*	5,220,694	6,392,049	6,646,831	254,782	4,497,268
Fund Balance, *End of Year*	$ 3,558,272	$ 6,367,654	$ 7,842,055	$ 1,474,401	$ 6,646,831

Town of Monument, Colorado

Budgetary Comparison Schedule
2A Water ASD Fund
For the Year Ended December 31, 2023
With Comparative Actual Totals for the Year Ended December 31, 2022

	2023				
	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*	2022 Actual
Revenues					
Sales Taxes	$ 1,828,036	$ 2,111,649	$ 2,478,382	$ 366,733	$ 2,111,649
Interest	35,000	200,000	209,035	9,035	71,443
Total Revenues	1,863,036	2,311,649	2,687,417	375,768	2,183,092
Expenditures					
Public Works	211,250	311,250	274,004	37,246	99,119
Capital Outlay	250,000	280,000	21,758	258,242	5,678
Total Expenditures	461,250	591,250	295,762	295,488	104,797
Other Financing Sources (Uses)					
Transfers Out	(1,271,400)	(1,271,400)	(1,271,400)	-	(1,271,200)
Net Change in Fund Balance	130,386	448,999	1,120,255	671,256	807,095
Fund Balance, *Beginning of Year*	5,892,809	7,020,804	7,020,804	-	6,213,709
Fund Balance, *End of Year*	$ 6,023,195	$ 7,469,803	$ 8,141,059	$ 671,256	$ 7,020,804

Town of Monument, Colorado

Schedule of Proportionate Share of the Net Pension Liability and Contributions
FPPA Police Officers Statewide Defined Benefit Pension Plan
For the Year Ended December 31, 2023

Measurement Date	12/31/2022	12/31/2021
Proportionate Share of the Net Pension Liability (Benefit)		
Authority's Proportion of the Net Pension Liability (Benefit)	0.0958401170%	0.0767928998%
Authority's Proportionate Share of the Net Pension Liability (Asset)	$ 85,069	$ (416,167)
Authority's Covered Payroll	$ 1,691,532	$ 1,260,019
Authority's Proportionate Share of the Net Pension Liability (Benefit) as a Percentage of Covered Payroll	5%	-33%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Benefit)	98%	116%

Reporting Date	12/31/2023	12/31/2022
Authority Contributions		
Statutorily Required Contribution	$ 87,777	$ 75,944
Contributions in Relation to the Statutorily Required Contribution	(87,777)	(75,944)
Contribution Deficiency (Excess)	$ -	$ -
Authority's Covered Payroll	$ 1,829,046	$ 1,691,532
Contributions as a Percentage of Covered Payroll	4.80%	4.49%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

Note 1: Stewardship, Compliance, and Accountability

Budgets

Budgets are legally adopted for all funds of the Town. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the proprietary fund are presented on a non-GAAP budgetary basis, whereby capital outlay and debt principal are budgeted as expenditures.

The Town follows these procedures to establish the budgetary information reflected in the financial statements:

- In October, management submits to the Town Council a proposed budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Council.
- Budgets are legally adopted for all funds of the Town. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Capital outlay and debt payments are budgeted as expenditures and depreciation is not budgeted.
- Colorado governments may not exceed budgeted appropriations at the fund level.
- All appropriations lapse at year end.

For the year ended December 31, 2023, the Town’s Capital Projects Fund, Conservation Trust Fund, Storm Drainage Impact Fee Fund, and the Park Fee Fund expenditures all exceeded expenditure appropriations. This may be a violation of State statutes.

Supplementary Information

Town of Monument, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023
With Comparative Totals for December 31, 2022

	Community Development Fund	Conservation Trust Fund	Traffic Impact Fee Fund	Storm Drainage Impact Fee Fund	Park Fee Fund	Total 2023	Total 2022
Assets							
Cash and Investments	$ 121,686	$ -	$ 356,703	$ 266,257	$ 235,194	$ 979,840	$ 796,356
Restricted Cash and Investments	-	119,841	-	-	-	119,841	83,679
Prepaid Expenses	-	-	-	-	-	-	188
Total Assets	$ 121,686	$ 119,841	$ 356,703	$ 266,257	$ 235,194	$ 1,099,681	$ 880,223
Liabilities							
Accounts Payable	-	-	-	-	-	-	1,967
Total Liabilities	-	-	-	-	-	-	1,967
Fund Balance							
Nonspendable	-	-	-	-	-	-	188
Restricted for Parks and Recreation	-	119,841	-	-	235,194	355,035	299,058
Committed	121,686	-	356,703	266,257	-	744,646	579,010
Total Fund Balance	121,686	119,841	356,703	266,257	235,194	1,099,681	878,256
Total Liabilities and Fund Balance	$ 121,686	$ 119,841	$ 356,703	$ 266,257	$ 235,194	$ 1,099,681	$ 880,223

Town of Monument, Colorado

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2023
With Comparative Totals for the Year Ended December 31, 2022

	Community Development Fund	Conservation Trust Fund	Traffic Impact Fee Fund	Storm Drainage Impact Fee Fund	Park Fee Fund	Total 2023	Total 2022
Revenues							
Licenses and Permits	$ 81,720	$ -	$ -	$ -	$ -	$ 81,720	$ 84,490
Intergovernmental	-	107,855	-	-	171,426	279,281	96,280
Charges for Services	-	-	150,290	129,543	100,705	380,538	325,776
Investment Income	2,008	1,591	6,086	2,044	-	11,729	3,774
Contributions and Donations	-	798	-	-	817	1,615	4,892
Miscellaneous	20,500	-	-	-	-	20,500	63,600
Total Revenues	104,228	110,244	156,376	131,587	272,948	775,383	578,812
Expenditures							
General Government	136,434	1,651	-	-	12,179	150,264	201,972
Parks and Recreation	-	-	-	-	188	188	1,031
Capital Outlay	-	52,431	23,260	184,861	240,954	501,506	110,791
Total Expenditures	136,434	54,082	23,260	184,861	253,321	651,958	313,794
Excess Revenues Over (Under) Expenditures	(32,206)	56,162	133,116	(53,274)	19,627	123,425	265,018
Other Financing Sources (Uses)							
Transfers In	63,000	-	-	55,000	-	118,000	63,000
Transfers Out	-	(20,000)	-	-	-	(20,000)	(20,000)
Net Change in Fund Balance	30,794	36,162	133,116	1,726	19,627	221,425	308,018
Fund Balance, *Beginning of year*	90,892	83,679	223,587	264,531	215,567	878,256	570,238
Fund Balance, *End of year*	$ 121,686	$ 119,841	$ 356,703	$ 266,257	$ 235,194	$ 1,099,681	$ 878,256

Town of Monument, Colorado
Budgetary Comparison Schedule
Capital Projects Fund
For the Year Ended December 31, 2023
With Comparative Actual Totals for the Year Ended December 31, 2022

	2023				
	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*	2022 Actual
Revenues					
Taxes	$ 500,000	$ 1,186,649	$ 1,480,994	$ 294,345	$ 902,124
Intergovernmental	8,378,363	395,501	674,693	279,192	1,077,663
Interest	2,000	3,949	5,439	1,490	1,750
Total Revenues	8,880,363	1,586,099	2,161,126	575,027	1,981,537
Expenditures					
Public Works	-	-	491,326	(491,326)	857,319
Capital Outlay	8,805,346	580,983	415,046	165,937	274,188
Total Expenditures	8,805,346	580,983	906,372	(325,389)	1,131,507
Net Change in Fund Balance	75,017	1,005,116	1,254,754	249,638	850,030
Fund Balance, *Beginning of Year*	508,817	1,475,854	1,475,854	-	625,824
Fund Balance, *End of Year*	$ 583,834	$ 2,480,970	$ 2,730,608	$ 249,638	$ 1,475,854

Town of Monument, Colorado
Budgetary Comparison Schedule
2F Police Fund
For the Year Ended December 31, 2023
With Comparative Actual Totals for the Year Ended December 31, 2022

	2023				
	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*	2022 Actual
Revenues					
Taxes	$ 1,700,000	$ 1,882,116	$ 1,963,053	$ 80,937	$ 1,775,581
User Charges/ Fees	3,000	10,000	12,224	2,224	48,161
Donations	-	-	12,685	12,685	2,250
Interest	500	-	-	-	-
Miscellaneous	85,826	85,826	104,904	19,078	-
Total Revenues	1,789,326	1,977,942	2,092,866	114,924	1,825,992
Expenditures					
Public Safety	4,227,449	4,277,569	4,081,300	196,269	3,786,283
Capital Outlay	220,694	399,516	-	399,516	-
Debt Service					
Principal	-	-	158,895	(158,895)	82,066
Interest	-	-	6,311	(6,311)	7,018
Total Expenditures	4,448,143	4,677,085	4,246,506	430,579	3,875,367
Other Financing Sources (Uses)					
Transfers In	2,633,002	2,633,002	2,633,022	20	2,633,022
Net Change in Fund Balance	(25,815)	(66,141)	479,382	545,523	583,647
Fund Balance, *Beginning of Year*	45,655	647,671	583,647	(64,024)	-
Fund Balance, *End of Year*	$ 19,840	$ 581,530	$ 1,063,029	$ 481,499	$ 583,647

Town of Monument, Colorado

Budgetary Comparison Schedule
Community Development Fund
For the Year Ended December 31, 2023
With Comparative Actual Totals for the Year Ended December 31, 2022

	2023				
	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*	2022 Actual
Revenues					
Business Licenses	$ 74,125	$ 74,125	$ 81,720	$ 7,595	$ 84,490
Interest	400	1,500	2,008	508	646
Contributions and Donations	-	-	-	-	1,622
Miscellaneous	4,000	20,500	20,500	-	63,600
Total Revenues	78,525	96,125	104,228	8,103	150,358
Expenditures					
General Government	195,055	138,455	136,434	2,021	201,972
Total Expenditures	195,055	138,455	136,434	2,021	201,972
Other Financing Sources (Uses)					
Transfers In	63,000	63,000	63,000	-	63,000
Net Change in Fund Balance	(53,530)	20,670	30,794	10,124	11,386
Fund Balance, *Beginning of Year*	62,637	92,712	90,892	(1,820)	79,506
Fund Balance, *End of Year*	$ 9,107	$ 113,382	$ 121,686	$ 8,304	$ 90,892

Town of Monument, Colorado

Budgetary Comparison Schedule
Conservation Trust Fund
For the Year Ended December 31, 2023
With Comparative Actual Totals for the Year Ended December 31, 2022

	2023				
	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*	2022 Actual
Revenues					
Lottery Revenues	$ 50,000	$ 100,000	$ 107,855	$ 7,855	$ 96,280
Interest	100	1,155	1,591	436	512
Contributions and Donations	-	-	798	798	270
Total Revenues	50,100	101,155	110,244	9,089	97,062
Expenditures					
General Government	-	-	1,651	(1,651)	-
Park and Recreation	40,000	46,915	-	46,915	-
Capital Outlay	-	5,490	52,431	(46,941)	36,397
Total Expenditures	40,000	52,405	54,082	(1,677)	36,397
Other Financing Sources (Uses)					
Transfers Out	(20,000)	(20,000)	(20,000)	-	(20,000)
Net Change in Fund Balance	(9,900)	28,750	36,162	7,412	40,665
Fund Balance, *Beginning of Year*	21,945	83,678	83,679	1	43,014
Fund Balance, *End of Year*	$ 12,045	$ 112,428	$ 119,841	$ 7,413	$ 83,679

Town of Monument, Colorado

Budgetary Comparison Schedule
Traffic Impact Fee Fund
For the Year Ended December 31, 2023
With Comparative Actual Totals for the Year Ended December 31, 2022

	2023				
	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*	2022 Actual
Revenues					
Traffic Impact Fees	$ 77,063	$ 77,063	$ 150,290	$ 73,227	$ 99,024
Interest	1,200	1,200	6,086	4,886	1,958
Total Revenues	78,263	78,263	156,376	78,113	100,982
Expenditures					
Capital Outlay	100,000	100,000	23,260	76,740	52,498
Total Expenditures	100,000	100,000	23,260	76,740	52,498
Net Change in Fund Balance	(21,737)	(21,737)	133,116	154,853	48,484
Fund Balance, *Beginning of Year*	72,234	170,028	223,587	53,559	175,103
Fund Balance, *End of Year*	$ 50,497	$ 148,291	$ 356,703	$ 208,412	$ 223,587

Town of Monument, Colorado

Budgetary Comparison Schedule
Storm Drainage Impact Fee
For the Year Ended December 31, 2023
With Comparative Actual Totals for the Year Ended December 31, 2022

	2023				
	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*	2022 Actual
Revenues					
Storm Drainage Impact Fees	$ 60,000	$ 60,000	$ 129,543	$ 69,543	$ 116,402
Interest	250	250	2,044	1,794	658
Total Revenues	60,250	60,250	131,587	71,337	117,060
Expenditures					
Capital Outlay	100,000	100,000	184,861	(84,861)	21,896
Total Expenditures	100,000	100,000	184,861	(84,861)	21,896
Other Financing Sources (Uses)					
Transfers Out	-	-	55,000	55,000	-
Net Change in Fund Balance	(39,750)	(39,750)	1,726	41,476	95,164
Fund Balance, *Beginning of Year*	129,617	264,531	264,531	-	169,367
Fund Balance, *End of Year*	$ 89,867	$ 224,781	$ 266,257	$ 41,476	$ 264,531

Town of Monument, Colorado
Budgetary Comparison Schedule
Park Fee
For the Year Ended December 31, 2023
With Comparative Actual Totals for the Year Ended December 31, 2022

	2023				
	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*	2022 Actual
Revenues					
Intergovernmental	$ -	$ -	$ 171,426	$ 171,426	$ -
Charges for Services	40,000	255,899	100,705	(155,194)	110,350
Interest	100	20	-	(20)	-
Contributions and Donations	-	-	817	817	3,000
Total Revenues	40,100	255,919	272,948	17,029	113,350
Expenditures					
General Government	-	-	12,179	(12,179)	-
Parks and Recreation	-	-	188	(188)	1,031
Capital Outlay	150,000	241,300	240,954	346	-
Total Expenditures	150,000	241,300	253,321	(12,021)	1,031
Net Change in Fund Balance	(109,900)	14,619	19,627	5,008	112,319
Fund Balance, *Beginning of Year*	143,348	215,566	215,567	1	103,248
Fund Balance, *End of Year*	$ 33,448	$ 230,185	$ 235,194	$ 5,009	$ 215,567

Town of Monument, Colorado
Budgetary Comparison Schedule
Water Fund
For the Year Ended December 31, 2023
With Comparative Actual Totals for the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*	2022 Actual
Revenues					
Charges For Services	$ 2,385,711	$ 2,434,614	$ 2,432,420	$ (2,194)	$ 2,292,841
Other Income	-	19,494	89,422	69,928	92,269
Total Revenue	2,385,711	2,454,108	2,521,842	67,734	2,385,110
Expenses					
Operations and Maintenance	2,340,246	2,340,246	2,093,710	246,536	1,561,813
Administration and General	1,150,323	1,150,323	235,856	914,467	156,154
Capital Outlay	17,057,722	17,057,722	9,859,985	7,197,737	5,517,148
Total Expenses	20,548,291	20,548,291	12,189,551	8,358,740	7,235,115
Net Operating Income	(18,162,580)	(18,094,183)	(9,667,709)	8,426,474	(4,850,005)
Nonoperating Revenues (Expenses)					
Sales taxes	322,476	323,093	468,666	145,573	567,278
Interest Income	20,000	500,000	490,064	(9,936)	246,608
Debt Service	(1,271,400)	(1,271,400)	(1,271,400)	-	(1,271,200)
Total Nonoperating Revenues (Expenses)	(928,924)	(448,307)	(312,670)	135,637	(457,314)
Net Income (Loss) Before Contributed Capital	(19,091,504)	(18,542,490)	(9,980,379)	8,562,111	(5,307,319)
Contributed Capital					
Tap Fees	2,566,950	2,566,950	3,192,730	625,780	3,265,350
Transfers In	1,271,400	1,271,400	1,271,400	-	1,271,200
Transfers Out	-	-	(934,276)	(934,276)	(602,096)
Change in Net Position, *Budgetary Basis*	$ (15,253,154)	$ (14,704,140)	$ (6,450,525)	$ 8,253,615	$ (1,372,865)
Reconciliation to GAAP Basis					
Capital Outlay			9,859,985		5,517,148
Gain on Sale of Assets			-		499
Debt Principal Payments			679,644		660,556
Depreciation			(823,615)		(727,282)
Change in Net Position, *GAAP Basis*			$ 3,265,489		$ 4,078,056

Compliance Section

State Compliance

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

Form Approved
OMB No. 2125-0032

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

This Information From The Records Of:	Prepared By:
TOWN OF MONUMENT	LAURIE YOUNG

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)	$ 1,876,179.34
4. Miscellaneous local receipts (from page 2)	$ 35,413.62
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)	$ 1,911,592.96
B. Private Contributions	
C. Receipts from State government (from page 2)	$ 671,380.33
D. Receipts from Federal Government (from page 2)	$ -
E. Total receipts (A.7 + B + C + D)	$ 2,582,973.29

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital outlay (from page 2)	$ 551,001.03
2. Maintenance:	$ 194,572.83
3. Road and street services:	
a. Traffic control operations	$ 1,565,706.46
b. Snow and ice removal	$ 56,673.51
c. Other	
d. Total (a. through c.)	$ 1,622,379.97
4. General administration & miscellaneous	$ 110,998.46
5. Highway law enforcement and safety	
6. Total (1 through 5)	$ 2,478,952.29
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)	$ 2,478,952.29

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

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

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	$ 2,582,973.29	$ 2,478,952.29		$ 104,021.00

Notes and Comments:

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assesments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	$ 35,413.62
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	$ 224,834.10	d. Parking Meter Fees	
3. Liens	$ -	e. Sale of Surplus Property	
4. Licenses	$ 6,115.00	f. Charges for Services	
5. Specific Ownership &/or Other	$ 1,645,230.24	g. Other Misc. Receipts	
6. Total (1. through 5.)	$ 1,876,179.34	h. Other	
c. Total (a. + b.)	$ 1,876,179.34	i. Total (a. through h.)	$ 35,413.62
(Carry forward to page 1)		***(Carry forward to page 1)***	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes (from Item I.C.5.)	$ 318,994.44	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	$ 33,550.99	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other	$ 318,834.90	f. Other Federal ARPA	
f. Total (a. through e.)	$ 352,385.89	g. Total (a. through f.)	$ -
4. Total (1. + 2. + 3.f)	$ 671,380.33	3. Total (1. + 2.g)	$ -
(Carry forward to page 1)		***(Carry forward to page 1)***	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			$ -
b. Engineering Costs		$ 135,955.58	$ 135,955.58
c. Construction:			
(1). New Facilities			$ -
(2). Capacity Improvements			$ -
(3). System Preservation		$ 415,045.45	$ 415,045.45
(4). System Enhancement And Operation			$ -
(5). Total Construction (1)+(2)+(3)+(4)	$ -	$ 415,045.45	$ 415,045.45
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	$ -	$ 551,001.03	$ 551,001.03
(Carry forward to page 1)			

Notes and Comments:

FORM FHWA-536

HINKLE & COMPANY PC
Strategic Business Advisors

Town Council
Town of Monument
Monument, Colorado

We have audited the financial statements of the Town of Monument (the Town) as of and for the year ended December 31, 2023, and have issued our report thereon dated June 13, 2024. Professional standards require that we advise you of the following matters related to our audit.

Our Responsibility in Relation to the Financial Statement Audit
As communicated in our engagement letter dated November 10, 2023, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are fairly presented, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of the system of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, as part of our audit, we considered the system of internal control of the Town solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We applied certain limited procedures to the required supplementary information (RSI). However, we did not audit the RSI and do not express an opinion or provide any assurance on the RSI. With respect to the supplementary information accompanying the financial statements, we performed procedures to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing the information has not changed from the prior year, and the information is appropriate and complete in relation to our audit of the financial statements.

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Compliance with All Ethics Requirements Regarding Independence
The engagement team, others in our firm, as appropriate, and out firm have complied with all relevant ethical requirements regarding independence.

Significant Accounting Policies
Management is responsible for the selection and use of appropriate accounting policies. A summary of the significant accounting policies adopted by the Town is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Accounting Estimates
Accounting estimates and related disclosures are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

Uncorrected and Corrected Misstatements
For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. The attached schedule summarizes uncorrected financial adjustments whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Uncorrected adjustments or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected adjustments are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached schedule identifies the material adjustments that we identified as a result of our audit procedures, were brought to the attention of, and corrected by management.

Disagreements with Management
For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Town's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Difficulties Encountered in Performing the Audit
We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Representations Requested from Management
We have requested certain written representations from management, which are included in the attached letter dated June 12, 2024.

Management Consultations with Other Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Audit Issues
In the normal course of our professional association with the Town, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the Town, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Town's auditors.

Conclusion
This report is intended solely for the information and use of the Town Council and management of the Town of Monument, Colorado and is not intended to be, and should not be, used by anyone other than these specified parties.

Hinkle & Company, PC

Englewood, Colorado
June 13, 2024