TOWN OF NEDERLAND, COLORADO

BASIC FINANCIAL STATEMENTS

December 31, 2023

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FINANCIAL SECTION

Honorable Mayor and Members of the Board of Trustees
Town of Nederland
Nederland, Colorado

INDEPENDENT AUDITORS' REPORT

Report on 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 Nederland (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 referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Nederland 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). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Nederland, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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 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 judgement made by a reasonable user based on the financial statements.

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In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 of 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 of 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required budgetary and pension information on pages 26-28 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 (GASB) 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 and Other 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 combining and individual fund financial statements and schedules and State Compliance information as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The combining and individual fund financial statements and schedules and State Compliance have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and State Compliance are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

John Cutler & Associates, LLC

July 22, 2024

Town of Nederland, Colorado
Management's Discussion and Analysis

Fiscal Year Ending December 31, 2023

This Management's Discussion and Analysis (MD&A) of the Town of Nederland's 2023 financial statements is offered to provide an overview and analysis of the government's financial activities. The MD&A should be read in conjunction with the Town's basic financial statements.

The Town of Nederland is a Statutory Municipality incorporated in 1874. The Town has seven elected officials who are responsible for all policy decisions that affect the government's financial condition. The appointed Town Administrator is responsible for preparing the annual budget which is adopted by the Board of Trustees every December. The Town Administrator and appointed Town Treasurer are responsible for financial reporting to the Town's Board of Trustees and to the public at large. The Town maintains six separate funds, which are as follows:

A) General Fund (includes Health & Human Services Fund)
B) Community Center Fund
C) Conservation Trust Fund
D) Water Fund
E) Sewer Fund
F) Street Fund

Additionally, the Town maintains a Downtown Development Authority (DDA) Fund which acts as a component unit and is reflected as a non-major fund in Town's financial statements.

Overview of the Financial Statements

The Town's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements:

The government-wide financial statements, which consist of the Statement of Net Position and the Statement of Activities, give readers a broad overview of the entire Town's financial position and changes in financial position in a manner similar to a private-sector business. These statements report information about the Town as a whole and include all assets and liabilities using the accrual basis of accounting, which reports all of the current year's revenues and expenses regardless of when the cash is received or paid.

The statement of net position presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating. Other non-financial factors, however, such as changes in the Town's property tax base, are needed to assess the overall financial condition of the Town.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows (accrual basis of accounting). Thus, some revenues and expenses reported in this statement will result in cash flows in future periods (e.g., uncollected taxes).

The government-wide financial statements distinguish the different functions of the Town that are principally supported by taxes and intergovernmental revenues (Governmental Activities) from the other functions that are intended to recover all or a significant portion of their costs through user fees or charges for services (Business Type Activities). The Governmental Activities of the Town of Nederland include general government, administration and finance, municipal court, public safety, public works, and parks and recreation. The Business Type Activities include water and wastewater.

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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and proprietary fund.

Governmental Funds - The activity of the Town's General, Community Center, Street, Downtown Development Authority, and Special Revenue (Conservation Trust) funds are reported as governmental funds, which are essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial 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. Such information may be useful in evaluating a government's near-term financing requirements.

The Town adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary (Business Like) Fund - The Town of Nederland maintains two proprietary (enterprise) funds, which report the same functions as the business-type activities in the government-wide financial statements. The Town uses the proprietary funds to account for the activities associated with its water and sewer utilities that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs, including depreciation, of providing goods or services to the public be financed or recovered primarily through user fees or charges.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information and certain additional supplemental information.

Financial Highlights

Governmental Activities

- As of December 31, 2023, the governmental funds held $2,946,753 in cash & investments and $583,440 in current liabilities.

- As of December 31, 2023, the Town's governmental activities fund held $6,237,078 in capital assets, a 4.7% increase; and $437,243 in long-term liabilities, an increase of $372,445.

- 2023 Nederland tax revenue was up 8.5% compared to fiscal year 2022.

- Total governmental activities net position increased by 1.3 % or $119,935 during the 2023 fiscal year.

Business-type Activities

- As of December 31, 2023 total assets are $11,239,952, a decrease of 3.5% over 2022. Current and other assets decreased by $85,323, or 2.5%; Capital assets decreased by $316,787, or 3.8%.

- Total liabilities decreased by 7.2% or $317,813 during 2023.

- 2023 service revenue from the water and wastewater services decreased slightly by $4,792 compared to fiscal year 2022. Total program revenues for 2023 decreased by $88,403 or 6.2% when compared to 2022 total program revenue.

- 2023 expenses from the water and wastewater funds increased by $249,345 or 14.5% compared to fiscal year 2022.

- Total business-type activities net position decreased by 1.2% or $84,297 during the 2023 fiscal year.

Statement of Net Position

The following table reflects the condensed Statement of Net Position compared to the prior fiscal year.

	Government Activities		Business Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	$ 5,386,184	$ 4,942,428	$ 3,276,216	$ 3,361,539	$ 8,662,400	$ 8,303,967
Capital assets	6,237,078	5,956,862	7,963,736	8,280,523	14,200,814	14,237,385
Total assets	11,623,262	10,899,290	11,239,952	11,642,062	22,863,214	22,541,352
Long-term debt outstanding	437,243	64,798	3,495,747	3,885,156	3,932,990	3,949,954
Other liabilities	583,440	504,356	582,054	510,458	1,165,494	1,014,814
Total liabilities	1,020,683	569,154	4,077,801	4,395,614	5,098,484	4,964,768
Deferred Inflows	1,411,782	1,259,274	-	-	1,411,782	1,259,274
Liabilities & Deferred Inflows	2,432,465	1,828,428	4,077,801	4,395,614	6,510,266	6,224,042
Net position:						
Net Investment in capital assets	5,688,419	5,861,541	4,100,680	4,024,884	9,789,099	9,886,425
Restricted	2,164,395	1,975,632	250,000	250,000	2,414,395	2,225,632
Unrestricted	1,337,983	1,233,689	2,811,471	2,971,564	4,149,454	4,205,253
Total net position	$ 9,190,797	$ 9,070,862	$ 7,162,151	$ 7,246,448	$16,352,948	$16,317,310

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation:

Net Results of Activities – will impact (increase/decrease) current assets and unrestricted net position.
Borrowing for Capital – will increase current assets and long-term debt.
Spending Borrowed Proceeds on New Capital – will reduce current assets and increase capital assets. A second impact results in an increase in capital assets and an increase in related net debt which will not change the net investment in capital assets.
Spending of Non-borrowed Current Assets on New Capital – will (1) reduce current assets and increase capital assets and (2) will reduce restricted and or unrestricted net position and increase invested in capital assets, net of debt.
Principal Payment on Debt – will (1) reduce current assets and reduce long-term debt and (2) reduce unrestricted net position and increase the net invested in capital assets.
Reduction of Capital Assets Through Depreciation – will reduce capital assets and net investment in capital assets.

The Town's total net position for fiscal year 2023 increased by 0.2% or $35,638. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Town's assets exceed liabilities by $16,352,948 (net position).

The net funds invested in Capital assets (e.g. land, buildings, equipment, etc.) make up 59.9% or $9,789,099 of net position. The Town uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the Town's investments in capital assets are 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 retire these liabilities.

The restricted net position (14.8%) represents resources that are subject to various debt provisions, contracts and contingencies on how they may be used. The remaining balance $4,149,454 is unrestricted and can be used to meet the Town's ongoing obligations to its citizens and creditors.

STATEMENT OF ACTIVITIES

The Statement of Activities takes into consideration the Town as a whole and reflects the change in net position for fiscal year 2023.

	Government Activities		Business Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Program Revenue						
Charges for Services	$ 344,682	$ 298,178	$ 1,226,705	$ 1,231,497	$ 1,571,387	$1,529,675
Operating Grants & Contributions	198,496	154,365	-	-	198,496	154,365
Capital Grants & Contributions	130,901	128,809	117,567	201,178	248,468	329,987
Total Program Revenue	674,079	581,352	1,344,272	1,432,675	2,018,351	2,014,027
General Revenues:						
Taxes	3,303,189	3,045,156	541,196	547,498	3,844,385	3,592,654
Investment Income	56,523	9,777	38,420	1,433	94,943	11,210
Other Revenues	114,582	367,422	7,479	17,244	122,061	384,666
Transfers	48,954	43,158	(48,954)	(43,158)	-	-
Total General Revenues	3,523,248	3,465,513	538,141	523,017	4,061,389	3,988,530
TOTAL REVENUES	**4,197,327**	**4,046,865**	**1,882,413**	**1,955,692**	**6,079,740**	**6,002,557**
Program Expenses:						
General Government	2,191,130	1,579,070	-	-	2,191,130	1,579,070
Public Safety	936,179	851,343	-	-	936,179	851,343
Public Works	183,725	739,421	-	-	183,725	739,421
Parks and Recreation	748,607	447,615	-	-	748,607	447,615
Interest on Long Term Debt	17,751	8,488	39,771	42,889	57,522	51,377
Water and Wastewater	-	-	1,926,939	1,674,476	1,926,939	1,674,476
TOTAL EXPENSES	**4,077,392**	**3,625,937**	**1,966,710**	**1,717,365**	**6,044,102**	**5,343,302**
Change in Net Position	**$ 119,935**	**$ 420,928**	**$ (84,297)**	**$ 238,327**	**$ 35,638**	**$ 659,255**
Net Position, Beginning	*9,070,862*	*8,649,934*	*7,246,448*	*7,008,121*	*16,317,310*	*15,658,055*
Net Position, Ending	*9,190,797*	*9,070,862*	*7,162,151*	*7,246,448*	*16,352,948*	*16,317,310*

Governmental Activities

At the end of fiscal year 2023, the Town's governmental activities reported a combined net position of $9,190,797, an increase of $119,935 during fiscal year 2023. The reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of governmental funds to the Statement of Activities can be found on page 5 of the Basic Financial Statements. On the Statement of Revenues, Expenditures and Changes in Fund Balance, the total fund balance for governmental funds is $3,505,744, an increase of $296,423 over the 2022 fund balance.

Revenue increased $150,462 or 3.7% in 2023 compared to 2022. In 2023, tax related revenue in the amount of $3,303,189 comprised 78.7% of total revenues from governmental activities. The Town's major sources of revenue are sales tax, property tax, use tax, motor vehicle tax and grants.

The cost of governmental activities in 2023 was $4,077,392 compared to $3,625,937 in 2022, a 12.5% increase.

Expenses by Type – Governmental Activities

General Government includes Town Board of Trustees, Town Administrator, Town Clerk, Planning & Zoning, Finance and General Administration. Public Safety includes both Law Enforcement and Municipal Court. Parks & Recreation include expenses associated with the Town's Community Center and general park maintenance. Public Works accounts for streets and building maintenance.

Year-to-year changes by type of activity:

	2023	2022	% Change
General Government	**$ 2,191,130**	**$ 1,579,070**	**38.8%**
Public Safety	**936,179**	**851,343**	**10.0%**
Public Works	**183,725**	**739,421**	**-75.2%**
Parks and Recreation	**748,607**	**447,615**	**67.2%**
Interest on Long Term Debt	**17,751**	**8,488**	**9.1%**
Total	**$ 4,077,392**	**$ 3,625,937**	**12.5%**

Fund Balance

At the end of 2023, the Town's governmental funds reported a combined (General, Community Center, DDA, Non-Major) fund balance of $3,505,744. This is an increase of $296,423 compared to the prior year's ending balance.

Business Type Activities

At year-end, the business-type activities reported total net position of $7,162,151, a decrease of $84,297.

Budgetary Highlights

Voters approved a 0.25% sales tax increase for the General Fund in November 2022, effective 1/1/2023, to be used for law enforcement services; personnel to support public safety; equipment and facilities to support public safety; personnel to support other town services; and/or other lawful municipal purposes. Total revenue in the General Fund was $3,113,247 less than budgeted, this is mainly due to grants budgeted at $2,741,626 versus actual received in the amount of $308,768. Tax revenue was slightly below the budgeted amount of $2,386,451, a decrease of $23,949 and Licenses and Permits were $99,430 higher than budgeted. Total expenditures for the General Fund were $2,852,342 less than budgeted. Each department is reporting lower than budgeted expenses, the biggest savings being in General Government in the amount of $2,442,334, which does include the grants.

Voters also approved a 5% special sales tax in November 2022, to be effective 1/1/2023 on the sale of retail marijuana and retail marijuana products to consumers, retail marijuana stores, or retail marijuana product manufacturers. This is in addition to the Nederland sales tax, with proceeds to be used for Parks & Recreation programs and services and/or other lawful municipal purposes.

The Community Center revenues were higher than budgeted by $14,130 primarily due to increased revenue received for charges for services. Expenditures were $65,902 under budget due to savings in multiple operating expense lines.

Sewer Fund revenues were lower than budgeted by $93,561, this is mainly due to Plant Investment Fees budgeted at $58,100 versus actual received in the amount of $31,124. Charges for services received were $21,900 higher than budgeted. Total expenditures were $156,169 lower than budgeted.

Water Fund revenues were lower than budgeted by $29,822 and total expenditures were $58,478 less than the budgeted amount. The biggest savings in expenditures was in Personnel in the amount of $63,061.

Voters approved a 0.25% sales tax increase in April 2018 to support in town road improvements. The Street Fund revenues were $1,789 higher than budgeted and expenses were $89,071 under budget due to savings in multiple expense accounts and savings in the capital outlay project in the amount of $57,048.

The Downtown Development Authority's actual change in fund balance was higher than budgeted by $434,754, primarily due to capital outlay budgeted at $714,630 compared to actual spent in the amount of $306,577, a savings of $408,053.

Capital Assets and Debt Administration

At year-end, the Town had $14,200,814 invested in a broad range of capital assets including land and improvements, buildings, parks and equipment, vehicles, equipment, and water and sewer plants and distribution and collection systems. The decrease of $36,571, or 0.3% from 2022 is primarily due to a combination of an increase in construction in process; increase in plant, land & building; increase in equipment and the increase in accumulated depreciation.

Capital Assets at Year-End

	Government Activities		Business Activities		Total	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
Land	$ 701,805	$ 701,805	$ 11,436	$ 11,436	$ 713,241	$ 713,241
Water Rights	-	-	35,000	35,000	35,000	35,000
Construction in Process	714,906	549,525	-	-	714,906	549,525
Plant, Land & Building	8,760,134	8,629,477	15,130,535	14,880,086	23,890,669	23,509,563
Equipment	1,344,557	892,909	969,504	812,292	2,314,061	1,705,201
Transportation Equipment	238,292	260,977	352,120	352,120	590,412	613,097
Less Acc Depreciation	(5,522,616)	(5,077,831)	(8,534,859)	(7,810,411)	(14,057,475)	(12,888,242)
Total Capital Assets	**$ 6,237,078**	**$ 5,956,862**	**$ 7,963,736**	**$ 8,280,523**	**$ 14,200,814**	**$ 14,237,385**

During 2023, Public Works purchased a grader, water truck and a RAM truck. In addition, the old heating system in the Public Works Building was repaired and upgraded. The Community Center purchased a new dishwasher, a new Matrix Endurance LED Climbmill, replaced the lighting in the multi-purpose room and gymnasium, and installed an IDD compliant (Intellectual & Development Disabilities) door. The Nederland Downtown Development Authority (NDDA) finalized their Big Springs Parking Project and improvements were made to the Covered Bridge. The Streets Department continued with designing the sidewalks, which will be developed under the Transportation Improvement Project. The NDDA is providing a match for this project. The Parks Department completed their improvements to Barker Meadows Park with the help of a GOCO grant. The Utilities Department completed a Raw Water Improvement Project, replaced water hydrants, purchased membrane skid equipment, and invested in a programmable logic controller for the Water Treatment Plant. The department continues to make infrastructure improvements, including the addition of a grit removal system at the Wastewater Treatment facility.

Significant 2023 Capital Asset Additions:

Public Works-140M AWD CAT Motor Grader	$ 313,300
-2015 Ford F750 Water Truck	79,999
-2023 RAM 3500 Truck	83,395
-Public Works Building-Heating System	42,916
Community Center	
-Dishwasher	6,624
-Matrix Endurance LED Climbmill	6,630
-Lighting replacement in MPR room & gymnasium	8,434
-Installation of IDD door	8,400
Nederland Downtown Sidewalk Improvement Project- (CDOT TIP) Design Phase	104,671
Barker Meadows Improvements	58,089
Nederland Downtown Development Authority	
- Big Springs Parking Project	55,304
- Covered Bridge	29,652
Raw Water Improvement Project	70,436
Hydrant Replacement	64,415
Membrane Skid Equipment	39,417
Programmable Logic Controller-Water Treatment Plant	32,000
Grit Removal System	180,013
	$ 1,183,695

Long-Term Debt

At year-end the Town's governmental funds had outstanding capital leases and accrued compensated absences, which totaled $548,659.

The Town's business-type funds had outstanding debt from direct borrowings and accrued compensated absences totaling $3,890,798 on December 31, 2023.

Additional information on the Town's long-term debt can be found in Note 6 on pages 22-24 of this report.

Financial Contact

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department at: PO Box 396, Nederland, Colorado 80466; or telephone (303) 258-3266.

BASIC FINANCIAL STATEMENTS

TOWN OF NEDERLAND, COLORADO

STATEMENT OF NET POSITION
As of December 31, 2023

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTALS 2023	TOTALS 2022
ASSETS				
Cash and Investments	$ 2,946,753	$ 3,601,792	$ 6,548,545	$ 6,430,000
Receivables				
Taxes	1,400,265	-	1,400,265	1,223,278
Grants	205,837	-	205,837	144,720
Accounts Receivable	-	417,794	417,794	425,181
Other	64,163	-	64,163	60,501
Prepaid Expenses	12,091	2,945	15,036	9,527
Inventories	-	10,760	10,760	10,760
Interfund Amounts	757,075	(757,075)	-	-
Capital Assets, Not Depreciated	1,416,711	46,436	1,463,147	1,297,766
Capital Assets, Depreciated				
Net of Accumulated Depreciation	4,820,367	7,917,300	12,737,667	12,939,619
TOTAL ASSETS	11,623,262	11,239,952	22,863,214	22,541,352
LIABILITIES				
Accounts Payable	209,726	164,070	373,796	217,170
Accrued Liabilities	110,187	11,317	121,504	189,702
Unearned Revenue	14,831	1,684	16,515	50,352
Accrued Interest Payable	-	9,932	9,932	10,676
Deposits	137,280	-	137,280	123,808
Noncurrent Liabilities				
Due within One Year	111,416	395,051	506,467	423,106
Due in More Than One Year	437,243	3,495,747	3,932,990	3,949,954
TOTAL LIABILITIES	1,020,683	4,077,801	5,098,484	4,964,768
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenues	263,761	-	263,761	271,696
Deferred Property Tax Revenue	1,148,021	-	1,148,021	987,578
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	2,432,465	4,077,801	6,510,266	6,224,042
NET POSITION				
Net Investment in Capital Assets	5,688,419	4,100,680	9,789,099	9,886,425
Restricted for Emergencies	147,000	-	147,000	130,000
Restricted for Community Center	500,280	-	500,280	347,717
Restricted for Downtown Development	1,257,669	-	1,257,669	1,191,645
Restricted for Highways and Streets	234,492	-	234,492	291,944
Restricted for Parks and Recreation	24,954	-	24,954	14,326
Restricted by Debt Covenant	-	250,000	250,000	250,000
Unrestricted	1,337,983	2,811,471	4,149,454	4,205,253
TOTAL NET POSITION	$ 9,190,797	$ 7,162,151	$ 16,352,948	$ 16,317,310

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

TOWN OF NEDERLAND, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES CHARGES FOR SERVICES	PROGRAM REVENUES OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	$ 1,484,911	$ 31,969	$ 111,524	$ -
Administration and Finance	548,135	-	-	-
Municipal Court	18,505	-	-	-
Law Enforcement	917,674	35,885	61,222	-
Planning and Zoning	158,084	134,805	25,750	-
Highway and Streets	183,725	-	-	46,920
Parks and Recreation	748,607	142,023	-	83,981
Interest on Long Term Debt	17,751	-	-	-
Total Governmental Activities	4,077,392	344,682	198,496	130,901
Business-Type Activities				
Sewer	1,029,182	707,675	-	31,876
Water	897,757	519,030	-	85,691
Interest on Long-term Debt	39,771	-	-	-
Total Business-Type Activities	1,966,710	1,226,705	-	117,567
Total Primary Government	$ 6,044,102	$ 1,571,387	$ 198,496	$ 248,468

GENERAL REVENUES
- Property Taxes
- Specific Ownership Taxes
- Sales and Use Taxes
- Other Taxes
- Interest
- Miscellaneous
- Transfers

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION, Beginning

NET POSITION, Ending

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

NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION			
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS 2023	TOTALS 2022
$ (1,341,418)	$ -	$ (1,341,418)	$ (870,807)
(548,135)	-	(548,135)	(405,933)
(18,505)	-	(18,505)	(23,600)
(820,567)	-	(820,567)	(794,565)
2,471	-	2,471	1,639
(136,805)	-	(136,805)	(667,980)
(522,603)	-	(522,603)	(274,851)
(17,751)	-	(17,751)	(8,488)
(3,403,313)	-	(3,403,313)	(3,044,585)
-	(289,631)	(289,631)	(183,294)
-	(293,036)	(293,036)	(58,507)
-	(39,771)	(39,771)	(42,889)
-	(622,438)	(622,438)	(284,690)
(3,403,313)	(622,438)	(4,025,751)	(3,329,275)
678,190	-	678,190	693,030
32,111	-	32,111	32,166
2,217,953	541,196	2,759,149	2,469,348
374,935	-	374,935	398,110
56,523	38,420	94,943	11,210
114,582	7,479	122,061	384,666
48,954	(48,954)	-	-
3,523,248	538,141	4,061,389	3,988,530
119,935	(84,297)	35,638	659,255
9,070,862	7,246,448	16,317,310	15,658,055
$ 9,190,797	$ 7,162,151	$ 16,352,948	$ 16,317,310

TOWN OF NEDERLAND, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2023

			SPECIAL REVENUE	
	GENERAL FUND	COMMUNITY CENTER FUND	DOWNTOWN DEVELOPMENT AUTHORITY	NONMAJOR FUNDS
ASSETS				
Cash and Investments	$ 778,593	$ 571,361	$ 1,293,353	$ 303,446
Taxes Receivable	908,558	63,061	428,646	-
Grants Receivable	205,837	-	-	-
Other Receivables	6,367	-	36,788	21,008
Due from Other Funds	915,951	-	-	-
Prepaid Items	12,014	77	-	-
TOTAL ASSETS	$ 2,827,320	$ 634,499	$ 1,758,787	$ 324,454
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 155,495	$ 18,527	$ 35,704	$ -
Accrued Liabilities	99,905	6,916	-	-
Due to Other Funds	-	93,868	-	65,008
Unearned Revenues	-	14,831	-	-
Deposits	137,280	-		-
TOTAL LIABILITIES	392,680	134,142	35,704	65,008
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenues	226,993	-	36,768	-
Deferred Property Tax Revenue	719,375	-	428,646	-
TOTAL DEFERRED INFLOWS OF RESOURCES	946,368	-	465,414	-
FUND BALANCES				
Nonspendable	12,014	77	-	-
Restricted for Emergencies	147,000	-	-	-
Restricted for Community Center	-	500,280	-	-
Restricted for Downtown Development	-	-	1,257,669	-
Restricted for Highways and Streets	-	-	-	234,492
Restricted for Parks and Recreation	-	-	-	24,954
Unassigned	1,329,258	-	-	-
TOTAL FUND BALANCES	1,488,272	500,357	1,257,669	259,446
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	$ 2,827,320	$ 634,499	$ 1,758,787	$ 324,454
	-	-	-	-

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.

Long-term liabilities are not due and payable in the current period and are not reported in the funds. These include lease payable ($480,129), accrued interest payable ($3,366) and accrued compensated absences ($68,530).

Net position of governmental activities

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

TOTAL GOVERNMENTAL FUNDS 2023	TOTAL GOVERNMENTAL FUNDS 2022
$ 2,946,753	$ 2,967,060
1,400,265	1,223,278
205,837	144,720
64,163	60,501
915,951	622,443
12,091	7,207
$ 5,545,060	$ 5,025,209
$ 209,726	$ 119,544
106,821	182,248
158,876	82,781
14,831	48,233
137,280	123,808
627,534	556,614
263,761	271,696
1,148,021	987,578
1,411,782	1,259,274
12,091	7,207
147,000	130,000
500,280	347,717
1,257,669	1,191,645
234,492	291,944
24,954	14,326
1,329,258	1,226,482
3,505,744	3,209,321
6,237,078	5,956,862
(552,025)	(95,321)
$ 9,190,797	$ 9,070,862

TOWN OF NEDERLAND, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2023

			SPECIAL REVENUE FUNDS	
	GENERAL FUND	COMMUNITY CENTER FUND	DOWNTOWN DEVELOPMENT AUTHORITY	NONMAJOR FUNDS
REVENUES				
Taxes	$ 2,362,502	$ 406,127	$ 399,262	$ 135,299
Licenses and Permits	134,805	-	-	-
Intergovernmental	308,768	-	-	20,628
Charges for Services	31,969	142,023	-	-
Fines and Forfeitures	35,885	-	-	-
Miscellaneous	112,752	1,830	-	-
Interest	31,056	5,348	16,441	3,678
TOTAL REVENUES	3,017,737	555,328	415,703	159,605
EXPENDITURES				
Current				
General Government	582,228	-	42,852	-
Administration and Finance	548,135	-	-	-
Municipal Court	18,505	-	-	-
Law Enforcement	846,790	-	-	-
Planning and Zoning	158,084	-	-	-
Highway and Streets	358,665	-	-	113,477
Parks and Recreation	298,993	370,181	-	10,000
Debt Service				
Principal	106,984	-	-	-
Interest	14,135	-	250	-
Capital Outlay	577,699	32,598	306,577	25,751
TOTAL EXPENDITURES	3,510,218	402,779	349,679	149,228
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(492,481)	152,549	66,024	10,377
OTHER FINANCING SOURCES (USES)				
Proceeds from Issuance of Debt	511,000	-	-	-
Transfers In	106,155	-	-	-
Transfers Out	-	-	-	(57,201)
TOTAL OTHER FINANCING SOURCES (USES)	617,155	-	-	(57,201)
NET CHANGE IN FUND BALANCES	124,674	152,549	66,024	(46,824)
FUND BALANCES, Beginning	1,363,598	347,808	1,191,645	306,270
FUND BALANCES, Ending	$ 1,488,272	$ 500,357	$ 1,257,669	$ 259,446

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

TOTAL GOVERNMENTAL FUNDS	
2023	2022
$ 3,303,190	$ 3,026,215
134,805	133,124
329,396	302,115
173,992	145,339
35,885	19,715
114,582	367,422
56,523	9,777
4,148,373	4,003,707
625,080	816,796
548,135	405,933
18,505	23,600
846,790	817,954
158,084	158,485
472,142	715,356
679,174	371,367
106,984	151,753
14,385	8,488
942,625	460,552
4,411,904	3,930,284
(263,531)	73,423
511,000	-
106,155	43,158
(57,201)	-
559,954	43,158
296,423	116,581
3,209,321	3,092,740
$ 3,505,744	$ 3,209,321

TOWN OF NEDERLAND, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Year Ended December 31, 2023

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:		
Net Changes in Fund Balances - Total Governmental Funds	$	296,423
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay $831,081, exceeds depreciation ($518,136) and loss on disposal ($32,729), in the current period.		280,216
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. These include loan proceeds of ($511,000), debt payments $76,968, change in accrued interest of ($3,366) and change in compensated absences of ($19,306).		(456,704)
Change in Net Position of Governmental Activities	$	119,935

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

TOWN OF NEDERLAND, COLORADO

STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE
As of December 31, 2023

			TOTALS	
ASSETS	SEWER	WATER	2023	2022
Current Assets				
Cash and Investments	$ 1,096,120	$ 2,505,672	$ 3,601,792	$ 3,462,940
Accounts Receivable	256,110	161,684	417,794	425,181
Inventories	-	10,760	10,760	10,760
Prepaid Expense	62	2,883	2,945	2,320
Total Current Assets	1,352,292	2,680,999	4,033,291	3,901,201
Noncurrent Assets				
Capital Assets, net of accumulated depreciation	5,635,894	2,327,842	7,963,736	8,280,523
Total Noncurrent Assets	5,635,894	2,327,842	7,963,736	8,280,523
TOTAL ASSETS	6,988,186	5,008,841	11,997,027	12,181,724
LIABILITIES				
Current Liabilities				
Accounts Payable	48,890	115,180	164,070	97,626
Accrued Liabilities	5,658	5,659	11,317	7,454
Due to Other Funds	430,033	327,042	757,075	539,662
Unearned Revenue	-	1,684	1,684	2,119
Accrued Interest Payable	6,811	3,121	9,932	10,676
Current Portion of Long-term Debt	269,799	125,252	395,051	392,583
Total Current Liabilities	761,191	577,938	1,339,129	1,050,120
Noncurrent Liabilities				
Loans Payable	2,661,815	806,190	3,468,005	3,863,056
Loan Premium	15,398	-	15,398	17,366
Compensated Absences	6,172	6,172	12,344	4,734
Total Noncurrent Liabilities	2,683,385	812,362	3,495,747	3,885,156
TOTAL LIABILITIES	3,444,576	1,390,300	4,834,876	4,935,276
NET POSITION				
Net Investment in Capital Assets	2,704,280	1,396,400	4,100,680	4,024,884
Restricted	130,000	120,000	250,000	250,000
Unreserved	709,330	2,102,141	2,811,471	2,971,564
TOTAL NET POSITION	$ 3,543,610	$ 3,618,541	$ 7,162,151	$ 7,246,448
	-	-	-	-

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

TOWN OF NEDERLAND, COLORADO

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE
Year Ended December 31, 2023

	SEWER	WATER	TOTALS 2023	TOTALS 2022
OPERATING REVENUES				
Charges for Services	$ 707,675	$ 519,030	$ 1,226,705	$ 1,231,497
TOTAL OPERATING REVENUES	707,675	519,030	1,226,705	1,231,497
OPERATING EXPENSES				
Personnel	192,358	192,360	384,718	383,013
Operations	364,419	437,667	802,086	597,715
Depreciation	472,405	267,730	740,135	693,748
TOTAL OPERATING EXPENSES	1,029,182	897,757	1,926,939	1,674,476
OPERATING INCOME	(321,507)	(378,727)	(700,234)	(442,979)
NON-OPERATING REVENUES (EXPENSES)				
Sales and Use Taxes	270,598	270,598	541,196	547,498
Interest Income	9,562	28,858	38,420	1,433
Miscellaneous	3	7,476	7,479	17,244
Interest Expense	(19,728)	(20,043)	(39,771)	(42,889)
TOTAL NON-OPERATING REVENUES (EXPENSES)	260,435	286,889	547,324	523,286
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	(61,072)	(91,838)	(152,910)	80,307
TRANSFERS AND CAPITAL CONTRIBUTIONS				
Transfers Out	(48,954)	-	(48,954)	(43,158)
Plant Investment Fees	26,976	79,091	106,067	177,946
Tap Fees	4,900	6,600	11,500	23,232
TOTAL CAPITAL CONTRIBUTIONS	(17,078)	85,691	68,613	158,020
CHANGE IN NET POSITION	(78,150)	(6,147)	(84,297)	238,327
NET POSITION, Beginning	3,621,760	3,624,688	7,246,448	7,008,121
NET POSITION, Ending	$ 3,543,610	$ 3,618,541	$ 7,162,151	$ 7,246,448

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

TOWN OF NEDERLAND, COLORADO

STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPES
Year Ended December 31, 2023
Increase (Decrease) in Cash and Cash Equivalents

			TOTALS	
	SEWER	WATER	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	$ 671,510	$ 562,147	$ 1,233,657	$ 1,114,775
Cash Paid to Employees	(188,902)	(187,055)	(375,957)	(390,743)
Cash Paid to Suppliers	(363,752)	(372,515)	(736,267)	(612,094)
Net Cash Provided by Operating Activities	118,856	2,577	121,433	111,938
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Sales Taxes Received	270,598	270,598	541,196	547,498
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Grants Received	-	-	-	2,841
Other Revenue Received	3	7,476	7,479	17,244
Capital Contributions	31,876	85,691	117,567	158,020
Purchase of Capital Assets	(194,984)	(228,364)	(423,348)	(210,012)
Payments (to) from Other Funds	77,462	90,997	168,459	286,361
Proceeds from Issuance of Long-term Debt	-	-	-	-
Loan Payments	(269,799)	(122,784)	(392,583)	(390,164)
Interest Payments	(19,728)	(20,043)	(39,771)	(45,035)
Net Cash Used by Capital and Related Financing Activities	(375,170)	(187,027)	(562,197)	(180,745)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	9,562	28,858	38,420	1,434
Net Increase (Decrease) in Cash and Cash Equivalents	23,846	115,006	138,852	480,125
CASH AND CASH EQUIVALENTS, Beginning	1,072,274	2,390,666	3,462,940	2,982,815
CASH AND CASH EQUIVALENTS, Ending	$ 1,096,120	$ 2,505,672	$ 3,601,792	$ 3,462,940
	-	-		
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating Income	$ (321,507)	$ (378,727)	$ (700,234)	$ (442,979)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities				
Depreciation and Amortization	472,405	267,730	740,135	693,748
Changes in Assets and Liabilities				
Accounts Receivable	(36,165)	43,552	7,387	(116,722)
Other Receivable	-	-	-	-
Prepaid Expense	16	(641)	(625)	(2,096)
Accounts Payable	651	65,793	66,444	(12,283)
Accrued Liabilities	(349)	1,500	1,151	(1,680)
Unearned Revenue	-	(435)	(435)	-
Accrued Compensated Absences	3,805	3,805	7,610	(6,050)
Total Adjustments	440,363	381,304	821,667	554,917
Net Cash Provided by Operating Activities	$ 118,856	$ 2,577	$ 121,433	$ 111,938

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

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

The Town of Nederland, Colorado (the "Town") was incorporated in 1874 and is governed by a Mayor and six-member council elected by the residents.

The accounting policies of the Town of Nederland, Colorado conform to generally accepted accounting principles as applicable to governments. Following is a summary of the more significant policies.

Reporting Entity

In accordance with governmental accounting standards, the Town of Nederland 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 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 includes the following organization in its reporting entity:

Downtown Development Authority - The Nederland Downtown Development Authority (the Authority") was established by the Town's Board of Trustees to halt and prevent deterioration of property values within its district and to assist in the development and redevelopment of its district and to use its power to promote the general welfare of the district by use of its direct and supplemental powers. The Authority has a separate Board with members appointed by the Town's Board of Trustees. Although the Authority is legally separate from the Town, the Authority's primary revenue source, property taxes, can only be levied by the Town. The Authority is reported as a blended component unit of the Town.

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.

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

Government-Wide and Fund Financial Statements (Continued)

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.

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.

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

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

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 *Community Center Fund* accounts for the operations, capital improvements, and debt service for the Town's Community Center.

The *Downtown Development Fund* is a special revenue fund that accounts for the operations, capital improvements, and debt service for the Nederland Downtown Development Authority.

The Town reports the following major proprietary funds:

The *Sewer Fund* accounts for the financial activities associated with the provision of sewer services.

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.

NOTE 1: ***<u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u>*** (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds in the fund financial statements. Infrastructure assets used to support governmental activities, which include streets, bridges, sidewalks, drainage systems and trails, are excluded from the financial statements except for additions since January 1, 2004. Capital assets are defined by the Town as assets with an initial, individual 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 acquisition value at the date of donation. Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

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:

Land Improvements	20 years
Building	40 years
Utility Plants	20-50 years
Machinery and Equipment	5-10 years
Vehicles	5-10 years

Compensated Absences

Employees of the Town are allowed to accumulate paid time off with a maximum of 320 hours to be carried forward at year end. Upon retirement or separation from the Town, employees will be paid for any accumulated paid time off up to the maximum amount allowed.

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

NOTE 1: *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES* (Continued)

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 position. 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.

Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "Interfund Amounts". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflow of resources*, represents a consumption of net position and fund balance that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net position and fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (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.

Net Position

In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. The Town considers amounts required by the debt covenant to be restricted in the Water and Sewer Funds.

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:

- Nonspendable – This classification includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. At December 31, 2023, the Town reports prepaid items as nonspendable.

- 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 and amounts held by the Community Center Fund, Conservation Trust Fund, and the Downtown Development Authority as being restricted because their use is restricted by State Statute for declared emergencies, and for parks and recreation, and for urban renewal.

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

Fund Balance Classification (Continued)

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees. These amounts cannot be used for any other purpose unless the Board of Trustees 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 did not have any committed resources 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 resources.

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, complete comparative data in accordance with generally accepted accounting principles has not been presented since its inclusion would make the financial statements unduly complex and difficult to read.

Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

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 Board of Trustees 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 31, the budget is legally enacted through passage of a resolution.

- 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 Board of Trustees.

- 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).

- Budgeted amounts in the financial statements are as originally adopted or as amended by the Board of Trustees. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

NOTE 3: ***DEPOSITS AND INVESTMENTS***

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

Petty Cash	$ 798
Cash Deposits	4,984,057
Investments	1,563,690
Total	**$ 6,548,545**

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

Governmental Activities	$ 2,946,753
Business-type Activities	3,601,792
Total	**$ 6,548,545**

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. 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. At December 31, 2023, State regulatory commissioners have indicated that all financial institutions holding deposits for the Town are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. 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.

The Town has no policy regarding custodial credit risk for deposits.

At December 31, 2023, the Town had deposits with financial institutions with a carrying amount of $4,984,057. The bank balances with the financial institutions were $4,975,115. Of these balances, $500,000 was covered by federal depository insurance and $4,475,115 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

NOTE 3: *DEPOSITS AND INVESTMENTS* (Continued)

Investments

Interest Rate Risk

The Town has a formal investment policy that limits interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily with durations of no longer than five years, money market mutual funds, or similar investment pools.

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which includes:

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

The above investments are authorized for all funds and fund types used by Colorado municipalities.

Local Government Investment Pools

The Town had invested $1,563,690 in the Colorado Surplus Asset Fund Trust (CSAFE) an investment vehicle established for local government entities in Colorado pursuant to Title 24, Article 75, Part 7 of the Colorado Revised Statues, to pool surplus funds for investment purposes. The State Securities Commissioner administers and enforces the requirements of creating and operating the Pools. CSAFE reports its underlying investments at amortized and is considered a qualifying external investment pool under GASB Statement 79. CSAFE operates similar to money market funds where each share is equal in value to $1.00. The fair value of the position in the pools is the same as the value of the pooled shares.

NOTE 3: *DEPOSITS AND INVESTMENTS* (Continued)

Investments (Continued)

CSAFE is rated AAAm by Standard and Poor's. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities are owned by the pools and held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pools. Investments of the pools comply with state statues, consisting of U.S. Treasury bills, notes and note strips, repurchase agreements, U.S. Instrumentalities, Commercial Paper, Bank Deposits and Money Market Funds. CSAFE does not have any limitations or restrictions on participant withdrawals.

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant observable inputs.

The Town has no investments requiring categorization as of December 31, 2023.

NOTE 4: *CAPITAL ASSETS*

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

	Balances 12/31/2022	Additions	Deletions	Balances 12/31/2023
Governmental Activities				
Capital Assets, not depreciated				
Land and Sites	$ 701,805	$ -	$ -	$ 701,805
Construction in Process	549,525	165,381	-	714,906
Total Capital Assets, not depreciated	1,251,330	165,381	-	1,416,711
Capital Assets, depreciated				
Land Improvements	480,265	-	-	480,265
Infrastructure	2,663,339	87,741	-	2,751,080
Buildings	5,485,873	42,916	-	5,528,789
Transportation Equipment	260,977	83,395	106,080	238,292
Other Equipment	892,909	451,648	-	1,344,557
Total Capital Assets, depreciated	9,783,363	665,700	106,080	10,342,983
Less Accumulated Depreciation				
Land Improvements	368,716	23,171	-	391,887
Infrastructure	1,270,118	138,514	-	1,408,632
Buildings	2,644,392	193,400	-	2,837,792
Transportation Equipment	227,255	17,679	73,351	171,583
Other Equipment	567,350	145,372	-	712,722
Total Accumulated Depreciation	5,077,831	518,136	73,351	5,522,616
Total Capital Assets, depreciated, Net	4,705,532	147,564	32,729	4,820,367
Governmental Activities, Capital Assets, Net	**$ 5,956,862**	**$ 312,945**	**$ 32,729**	**$ 6,237,078**

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

Governmental Activities	
General Government	$ 79,510
Law Enforcement	19,441
Highway and Streets	235,486
Community Center	150,097
Parks and Recreation	33,602
Total	**$ 518,136**

NOTE 4: *CAPITAL ASSETS* (Continued)

	Balances 12/31/2022	Additions	Deletions	Balances 12/31/2023
Business-Type Activities				
Capital Assets, not depreciated				
Land	$ 11,436	$ -	$ -	$ 11,436
Water Rights	35,000	-	-	35,000
Total Capital Assets, not depreciated	46,436	-	-	46,436
Capital Assets, depreciated				
Plant and Infrastructure	14,880,086	250,449	-	15,130,535
Equipment	812,292	172,899	15,687	969,504
Transportation Equipment	352,120	-	-	352,120
Total Capital Assets, depreciated	16,044,498	423,348	15,687	16,452,159
Less: Accumulated Depreciation				
Plant and Infrastructure	6,820,286	657,202	-	7,477,488
Equipment	661,693	71,243	15,687	717,249
Transportation Equipment	328,432	11,690	-	340,122
Total Accumulated Depreciation	7,810,411	740,135	15,687	8,534,859
Total Capital Assets, depreciated, Net	8,234,087	(316,787)	-	7,917,300
Business-Type Activities, Capital Assets, Net	**$ 8,280,523**	**$ (316,787)**	**$ -**	**$ 7,963,736**

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

Business-Type Activities	
Sewer Fund	$ 472,405
Water Fund	267,730
Total	**$ 740,135**

NOTE 5: *INTERFUND BALANCES AND TRANSFERS*

Advances to Other Funds

During 2023, the Town loaned the Downtown Development Authority $120,000. During 2023, the Downtown Development Authority paid this loan in full. At December 31, 2023, there was no outstanding balance.

Due to and Due from Other Funds

The balances reported as Due to and Due from Other Funds are the result of the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made. It is anticipated that these amounts will clear after year end.

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.

	Balance 12/31/2022	Additions	Reductions	Balance 12/31/2023	Due In One Year
Debt from Direct Borrowings Direct Placements					
Leases	46,096	511,000	76,968	480,129	111,416
Compensated Absences	49,225	19,305	-	68,530	-
Total	$ 95,321	$ 530,305	$ 76,968	$ 548,659	$ 111,416

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

NOTE 6: *LONG-TERM DEBT* (Continued)

Leases

In April 2023, the Town entered into a lease agreement for the purchase of equipment. The lease carries an interest rate of 4.21%. The Town is required to make semi-annual lease payments in the amount of $57,201 through May 2028.

In January 2017, the Town entered into a lease agreement for the purchase of equipment. The lease carries an interest rate of 2.72%. The Town is required to make semi-annual lease payments in the amount of $15,785 through January 2024.

Annual debt service requirements for the outstanding leases at December 31, 2023 are as follows:

Year Ended December 31,	Principal	Interest	Total
2024	$ 111,416	$ 18,771	$ 130,187
2025	99,920	14,482	114,402
2026	104,170	10,231	114,402
2027	108,602	5,800	114,402
2028	56,022	1,179	57,201
Total Debt Service Requirements	**$ 480,129**	**$ 50,464**	**$ 530,593**

Business-Type Activities

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

	Balance 12/31/2022	Additions	Payments	Balance 12/31/2023	Due In One Year
Debt from Direct Borrowings					
Direct Placements					
CWRPDA Loan – Water	$ 1,054,226	$ -	$ 122,784	$ 931,442	$ 125,252
CWRPDA Loan – Sewer	1,945,180	-	193,664	1,751,516	193,664
CWRPDA Premium	17,364	-	1,969	15,398	-
CWRPDA Biosolids Loan – Sewer	1,256,233	-	76,135	1,180,098	76,135
Compensated Absences	4,736	7,608	-	12,344	-
Total	**$ 4,277,739**	**$ 7,608**	**$ 394,552**	**$ 3,890,798**	**$ 395,051**

NOTE 6: *LONG-TERM DEBT* (Continued)

CWRPDA Loan - Water

On January 30, 2009, the Town entered into a loan agreement with the Colorado Water Resources and Power Development Authority ("CWRPDA"). Loan proceeds were used to finance the cost of upgrades and improvements to the Town's water treatment facility. Payments of principal and interest are due semi-annually on May 1 and November 1, beginning on May 1, 2011, through November 2030. Interest accrues at 2% per annum. This loan is payable from a 1% sales and use tax, and from revenues of the water utility system after deducting operation and maintenance expenses.

CWRPDA Biosolids Loan - Sewer

In November 2018, the Town entered into a loan agreement with the Colorado Water Resources and Power Development Authority ("CWRPDA"). Loan proceeds up to a maximum principal amount of $2,000,000 will be used to finance the construction of biosolids improvements at the wastewater treatment plant. This loan will be made on a draw down basis as requested by the Town.

Payments of principal and interest are due semi-annually, beginning on November 1, 2019, through May 2039. Interest does not accrue on the loan if the finally constructed project is certified as a Green Project. If the project is not certified as a Green Project, interest will accrue at a rate of 2%.

Future Debt Service Requirements

Annual debt service requirements for the outstanding bonds at December 31, 2023 are as follows:

Year Ended December 31,	Principal	Interest	Total
2024	$ 395,051	$ 34,263	$ 429,314
2025	397,569	31,345	428,914
2026	400,138	28,377	428,515
2027	402,756	25,257	428,013
2028	411,283	21,554	432,837
2029 – 2033	1,437,514	33,136	1,470,650
2034 – 2038	380,676	-	380,676
2039	38,069	-	38,069
Total Debt Service Requirements	**$ 3,863,056**	**$ 173,932**	**$ 4,036,988**

NOTE 7: ***EMPLOYEE PENSION PLAN***

Deferred 457 Compensation Plan

The Town offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan is available to all employees and permits them to defer a portion of their salary until future years. The Board of Trustees determines the Town's contributions to the plan, currently a matching contribution up to a maximum of 4% of each employee's salary. During the years ended December 31, 2023 and 2022, the Town contributed $28,190 and $32,166, respectively, to the plan. The plan is administered by the International Town/County Management Association Retirement Corporation (ICMA-RC), and all plan assets are held in trust for the exclusive benefit of the participants.

NOTE 8: ***COMMITMENTS AND CONTINGENCIES***

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. On November 5, 1996, voters within the Town approved the collection, retention and expenditure of the full revenues generated by the Town in 1996 and subsequent years for street improvement projects, capital projects, basic municipal services and/or lawful municipal purposes, notwithstanding the provisions of the Amendment.

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 $147,000 was recorded as a restriction of fund balance in the General Fund.

NOTE 9: SUBSEQUENT EVENTS

Potential subsequent events were considered through July 22, 2024. It was determined that no events required disclosure.

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REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF NEDERLAND, COLORADO

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2023

	2023 ORIGINAL BUDGET	2023 FINAL BUDGET	2023 ACTUAL	2023 VARIANCE Positive (Negative)	2022 ACTUAL
REVENUES					
Taxes	$ 2,386,451	$ 2,386,451	$ 2,362,502	$ (23,949)	$ 2,074,038
Licenses and Permits	35,375	35,375	134,805	99,430	133,124
Intergovernmental	2,737,876	2,741,626	308,768	(2,432,858)	283,174
Charges for Services	247,362	247,362	31,969	(215,393)	29,943
Fines and Forfeitures	157,898	86,970	35,885	(51,085)	19,715
Miscellaneous	122,200	633,200	112,752	(520,448)	366,872
Interest	-	-	31,056	31,056	3,102
TOTAL REVENUES	5,687,162	6,130,984	3,017,737	(3,113,247)	2,909,968
EXPENDITURES					
Current					
General Government	3,010,455	3,024,562	582,228	2,442,334	781,211
Administration and Finance	455,477	564,014	548,135	15,879	405,933
Municipal Court	23,200	23,200	18,505	4,695	23,600
Law Enforcement	1,003,111	957,051	846,790	110,261	817,954
Planning and Zoning	153,780	160,267	158,084	2,183	158,485
Parks	411,757	419,517	298,993	120,524	-
Highway and Streets	383,884	405,880	358,665	47,215	636,081
Capital Outlay	336,043	808,069	577,699	230,370	4,116
Debt Service					
Principal	-	-	106,984	(106,984)	38,874
Interest	-	-	14,135	(14,135)	3,607
TOTAL EXPENDITURES	5,777,707	6,362,560	3,510,218	2,852,342	2,869,861
(UNDER) EXPENDITURES	(90,545)	(231,576)	(492,481)	(260,905)	40,107
OTHER FINANCING SOURCES (USES)					
Proceeds from Issuance of Debt	-	-	511,000	511,000	-
Transfers In	-	-	106,155	106,155	43,158
Transfers Out	(69,300)	(12,099)	-	12,099	-
TOTAL OTHER FINANCING SOURCES (USES)	(69,300)	(12,099)	617,155	629,254	43,158
NET CHANGE IN FUND BALANCE	(159,845)	(243,675)	124,674	368,349	83,265
FUND BALANCES, Beginning	1,014,051	1,014,051	1,363,598	349,547	1,280,333
FUND BALANCES, Ending	$ 854,206	$ 770,376	$ 1,488,272	$ 717,896	$ 1,363,598

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

COMMUNITY CENTER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2023

	2023				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2022 ACTUAL
REVENUES					
Sales and Use Taxes	$ 411,533	$ 411,533	$ 406,127	$ (5,406)	$ 410,623
Intergovernmental	17,000	17,000	-	(17,000)	-
Charges for Services	111,415	111,415	142,023	30,608	115,396
Interest	-	-	5,348	5,348	-
Miscellaneous	1,250	1,250	1,830	580	550
TOTAL REVENUES	541,198	541,198	555,328	14,130	526,569
EXPENDITURES					
Community Center	425,538	442,181	370,181	72,000	341,575
Debt Service					
Principal	-	-	-	-	112,879
Interest	-	-	-	-	4,531
Capital Outlay	26,500	26,500	32,598	(6,098)	31,181
TOTAL EXPENDITURES	452,038	468,681	402,779	65,902	490,166
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	89,160	72,517	152,549	80,032	36,403
FUND BALANCE, Beginning	266,547	266,547	347,808	81,261	311,405
FUND BALANCE, Ending	$ 355,707	$ 339,064	$ 500,357	$ 161,293	$ 347,808

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

DOWNTOWN DEVELOPMENT AUTHORITY
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2023

	2023 ORIGINAL AND FINAL BUDGET	2023 ACTUAL	2023 VARIANCE Positive (Negative)	2022 ACTUAL
REVENUES				
Taxes	$ 381,600	$ 399,262	$ 17,662	$ 404,680
Intergovernmental	714,630	-	(714,630)	-
Interest	3,501	16,441	12,940	6,578
TOTAL REVENUES	1,099,731	415,703	(684,028)	411,258
EXPENDITURES				
General Government	38,701	42,852	(4,151)	35,585
Debt Service				
Principal Payments	715,130	-	715,130	-
Interest Expense	-	250	(250)	350
Capital Outlay	714,630	306,577	408,053	406,013
TOTAL EXPENDITURES	1,468,461	349,679	1,118,782	441,948
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(368,730)	66,024	434,754	(30,690)
NET CHANGE IN FUND BALANCE	(368,730)	66,024	434,754	(30,690)
FUND BALANCE, Beginning	1,074,378	1,191,645	117,267	1,222,335
FUND BALANCE, Ending	$ 705,648	$ 1,257,669	$ 552,021	$ 1,191,645

See the accompanying independent auditors' report.

COMBINING AND INDIVIDUAL FUND SCHEDULES

TOWN OF NEDERLAND, COLORADO

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2023

	SPECIAL REVENUE		TOTALS	
	CONSERVATION TRUST FUND	STREET FUND	2023	2022
ASSETS				
Cash and Investments	$ 28,621	$ 274,825	$ 303,446	$ 324,133
Other Receivables	-	21,008	21,008	21,427
TOTAL ASSETS	$ 28,621	$ 295,833	$ 324,454	$ 345,560
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ -	$ -	$ -	$ 29,792
Due to Other Funds	3,667	61,341	65,008	9,498
Unearned Revenues	-	-	-	-
TOTAL LIABILITIES	3,667	61,341	65,008	39,290
FUND BALANCES				
Restricted	24,954	234,492	259,446	306,270
TOTAL LIABILITES AND FUND BALANCES	$ 28,621	$ 295,833	$ 324,454	$ 345,560

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
Year Ended December 31, 2023

	SPECIAL REVENUE			
	CONSERVATION TRUST FUND	STREET FUND	TOTALS 2023	TOTALS 2022
REVENUES				
Taxes	$ -	$ 135,299	$ 135,299	$ 136,874
Intergovernmental	20,628	-	20,628	18,941
Interest	-	3,678	3,678	97
TOTAL REVENUES	20,628	138,977	159,605	155,912
EXPENDITURES				
Highway and Streets	-	113,477	113,477	79,275
Parks and Recreation	10,000	-	10,000	29,792
Capital Outlay	-	25,751	25,751	19,242
TOTAL EXPENDITURES	10,000	139,228	149,228	128,309
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	10,628	(251)	10,377	27,603
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(57,201)	(57,201)	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(57,201)	(57,201)	-
CHANGE IN FUND BALANCES	10,628	(57,452)	(46,824)	27,603
FUND BALANCES, Beginning	14,326	291,944	306,270	278,667
FUND BALANCES, Ending	$ 24,954	$ 234,492	$ 259,446	$ 306,270

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

CONSERVATION TRUST FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2023

	2023			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2022 ACTUAL
REVENUES				
Intergovernmental	$ 16,000	$ 20,628	$ 4,628	$ 18,941
TOTAL REVENUES	16,000	20,628	4,628	18,941
EXPENDITURES				
Parks and Recreation	27,000	10,000	17,000	29,792
NET CHANGE IN FUND BALANCE	(11,000)	10,628	21,628	(10,851)
FUND BALANCE, Beginning	11,385	14,326	2,941	25,177
FUND BALANCE, Ending	$ 385	$ 24,954	$ 24,569	$ 14,326

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

STREET FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2023

	2023 ORIGINAL BUDGET	2023 FINAL BUDGET	2023 ACTUAL	2023 VARIANCE Positive (Negative)	2022 ACTUAL
REVENUES					
Taxes	$ 137,178	$ 137,178	$ 135,299	$ (1,879)	$ 136,874
Interest	10	10	3,678	3,668	97
TOTAL REVENUES	137,188	137,188	138,977	1,789	136,971
EXPENDITURES					
Highway and Streets	145,500	145,500	113,477	32,023	79,275
Capital Outlay	140,000	82,799	25,751	57,048	19,242
TOTAL EXPENDITURES	285,500	228,299	139,228	89,071	98,517
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(148,312)	(91,111)	(251)	(90,860)	38,454
OTHER FINANCING SOURCES (USES)					
Transfers Out	-	(57,201)	(57,201)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(57,201)	(57,201)	-	-
NET CHANGE IN FUND BALANCE	(148,312)	(148,312)	(57,452)	90,860	38,454
FUND BALANCE, Beginning	226,469	226,469	291,944	65,475	253,490
FUND BALANCE, Ending	$ 78,157	$ 78,157	$ 234,492	$ 156,335	$ 291,944

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

SEWER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2023

	2023			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2022 ACTUAL
REVENUES				
Charges for Services	$ 685,775	$ 707,675	$ 21,900	$ 682,801
Sales and Use Taxes	274,355	270,598	(3,757)	273,749
Grants	95,000	-	(95,000)	-
Interest	45	9,562	9,517	298
Tap Fees	-	4,900	4,900	10,416
Plant Investment Fees	58,100	26,976	(31,124)	65,508
Miscellaneous	-	3	3	188
TOTAL REVENUES	1,113,275	1,019,714	(93,561)	1,032,960
EXPENDITURES				
Personnel	255,951	192,358	63,593	191,505
Operations	451,653	364,419	87,234	296,402
Capital Outlay	247,000	194,984	52,016	205,008
Depreciation Expense	-	-	-	-
Debt Service				
Principal	269,799	269,799	-	269,799
Interest and Fiscal Charges	22,008	19,728	2,280	20,402
Transfers Out	-	48,954	(48,954)	43,158
TOTAL EXPENDITURES	1,246,411	1,090,242	156,169	1,026,274
NET INCOME, Budget Basis	$ (133,136)	(70,528)	$ 62,608	6,686
GAAP BASIS ADJUSTMENTS				
Loan Principal Payments		269,799		269,799
Capital Outlay		194,984		205,008
Depreciation		(472,405)		(454,112)
NET INCOME, GAAP Basis		(78,150)		27,381
NET POSITION, Beginning		3,621,760		3,594,379
NET POSITION, Ending		$ 3,543,610		$ 3,621,760

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

WATER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2023

	2023			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2022 ACTUAL
REVENUES				
Charges for Services	$ 559,100	$ 519,030	$ (40,070)	$ 548,696
Sales and Use Taxes	274,355	270,598	(3,757)	273,749
Interest	800	28,858	28,058	1,135
Tap Fees	-	6,600	6,600	12,816
Plant Investment Fees	107,220	79,091	(28,129)	112,438
Miscellaneous	-	7,476	7,476	17,056
TOTAL REVENUES	941,475	911,653	(29,822)	965,890
EXPENDITURES				
Personnel	255,421	192,360	63,061	191,508
Operations	401,016	437,667	(36,651)	301,313
Capital Outlay	260,000	228,364	31,636	5,004
Debt Service				
Principal	122,785	122,784	1	120,365
Interest and Fiscal Charges	20,474	20,043	431	22,487
TOTAL EXPENDITURES	1,059,696	1,001,218	58,478	640,677
NET INCOME, Budget Basis	$ (118,221)	(89,565)	$ 28,656	325,213
GAAP BASIS ADJUSTMENTS				
Principal Payments on Long Term Debt		122,784		120,365
Capital Outlay		228,364		5,004
Depreciation		(267,730)		(239,636)
NET INCOME, GAAP Basis		(6,147)		210,946
NET POSITION, Beginning		3,624,688		3,413,742
NET POSITION, Ending		$ 3,618,541		$ 3,624,688

See the accompanying independent auditors' report.

STATE COMPLIANCE

COLORADO
Department of Transportation

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2. Right-click your mouse and select Print.
3. Confirm that print settings are correct - make sure "selection only" isn't checked.
4. Print hard copy or to PDF.
5. Click "Edit Mode" to return to modifying your data.
6. Remember to click "Save" to save any changes.

Annual Highway Finance Report - CY23

Email address: acctg@nederlandco.org
City/County: Nederland

Receipts, Disbursements & Costs

II - Receipts for Road & Street Purposes

A. Receipts from local sources

2. General Fund Appropriations:	$	743,885.00
3. Other local imposts: *from A.3. 'Total' below)*	$	165,233.00
4. Miscellaneous local receipts: *from A.4. 'Total' below)*	$	43,750.00
5. Transfers from toll facilities	$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	$	0.00
b. ¦Bonds - Refunding Issues:	$	0.00
c. Notes:	$	0.00
SubTotal:	$	952,868.00
B. Private Contributions	$	0.00

Receipts, Disbursements & Costs

II - Receipts for Road & Street Purposes (Detail)

A.3.¦ Other local imposts

a. Property Taxes &and Assessments	$	0.00
b. Other Local Imposts		
1. Sales Taxes:	$	135,299.00
2. Infrastructure and Impact Fees:	$	0.00
3. Liens:	$	0.00
4. Licenses:	$	0.00
5. Specific Ownership and/or Other:	$	29,934.00
Total: *(a + b) carried to 'Other local imposts' above)*	$	165,233.00

A.4.¦ Miscellaneous local receipts

a. Interest on Investments:	$	0.00
b. Traffic fines and Penalities:	$	35,326.00
c. Parking Garage Fees:	$	0.00
d. Parking Meter Fees:	$	0.00
e. Sale of Surplus Property:	$	0.00
f. Charges for Services:	$	0.00
g. Other Misc. Receipts:	$	8,424.00
h. Other:	$	0.00
Total: *(a through h) carried to 'Misc local receipts' above)*	$	43,750.00

C. Receipts from State Government

1. Highway User Taxes:	$	57,667.00
3. Other State funds:		
c. Motor Vehicle Registrations:	$	119,258.00
d. Other (Specify): Comments: undefined	$	0.00
e. Other (Specify): Comments: undefined	$	0.00
Total: *(1+3c,d,e)*	$	176,925.00

D. Receipts from Federal Government

2. Other Federal Agencies

a. Forest Service:	$	0.00

b. FEMA:	$	0.00
c. HUD:	$	0.00
d. Federal Transit Administration:	$	0.00
e. U.S. Corp of Engineers	$	0.00
f. Other Federal:	$	0.00
Total: *(2a-f)*	$	0.00

Receipts, Disbursements & Costs

III - Disbursements for Road & Street Purposes

A. Local highway disbursements

1. Capital outlay: *(from A.1.d. 'Total Capital Outlay' below)*	$	0.00
2. Maintenance:	$	442,784.00
3. Road and street services		
a. Traffic control operations:	$	0.00
b. ¦Snow and ice removal:	$	51,140.00
c. Other:	$	19,908.00
4. General administration and miscellaneous	$	44,521.00
5. Highway law enforcement and safety	$	571,440.00
Total: *(A.1-5)*	$	1,129,793.00

B. Debt service on local obligations

1.¦ Bonds		
a.¦Interest	$	0.00
b.¦Redemption	$	0.00
2.¦ Notes		
a.¦Interest	$	0.00
b.¦Redemption	$	0.00
SubTotal: *(1+2)*	$	0.00

C. Payments to State for Highways:	$	0.00
D. Payments to Toll Facilities:	$	0.00

Total Disbursements: *(A+B+C+D)*	$ 1,129,793.00

Receipts, Disbursements & Costs

III - Disbursements for Road & Street Purposes - (Detail)

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A.1. Capital Outlay			
a. Right-Of-Way Costs:	$ 0.00	$ 0.00	$ 0.00
b. Engineering Costs:	$ 0.00	$ 0.00	$ 0.00
c. Construction			
1. New Facilities:	$ 0.00	$ 0.00	$ 0.00
2.¦Capacity Improvements:	$ 0.00	$ 0.00	$ 0.00
3. System Preservation:	$ 0.00	$ 0.00	$ 0.00
4. System Enhancement:	$ 0.00	$ 0.00	$ 0.00
5. Total Construction:			$ 0.00
d. Total Capital Outlay: *(Lines A.1.a. + 1.b. + 1.c.5)*			$ 0.00

Receipts, Disbursements & Costs

IV. Local Highway Debt Status

	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	$ 0.00	$ 0.00	$ 0.00	$ 0.00
1. Bonds (Refunding Portion)		$ 0.00	$ 0.00	$ 0.00
B. Notes (Total):	$ 0.00	$ 0.00	$ 0.00	$ 0.00

Receipts, Disbursements & Costs

V - Local Road & Street Fund Balance

A. Beginning Balance	B. Total Receipts	C.Total Disbursements	D. Ending Balance	E. Reconciliation
$ 0.00	$ 1,129,793.00	$ 1,129,793.00	$ 0.00	$ 0.00

Notes and Comments:

undefined

Please enter your name: Rita Six

Please provide a telephone number where you may be reached: 303-258-3266x1020

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