

**TOWN OF PITKIN, COLORADO**  
**BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

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## **FINANCIAL SECTION**



## JOHN CUTLER & ASSOCIATES

Board of Trustees  
Town of Pitkin  
Pitkin, Colorado

### INDEPENDENT AUDITORS' REPORT

#### Report on the Financial Statements

##### *Opinions*

We have audited the financial statements of the governmental activities and each major fund, of Town of Pitkin (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 and each major fund of Town of Pitkin as of December 31, 2023, and the respective changes in financial position 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 Town of Pitkin 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.

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 required budgetary information on page 15 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.

Management has not presented the management's discussion and analysis that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion is not affected by this missing information.

### **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 State Compliance information as listed in the table of contents, is 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 State Compliance 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 State Compliance are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole

*John Luttrell & Associates, LLC*

July 30, 2024

## **BASIC FINANCIAL STATEMENTS**

TOWN OF PITKIN, COLORADO

STATEMENT OF NET POSITION

As of December 31, 2023

|                                                              | Governmental<br>Activities |
|--------------------------------------------------------------|----------------------------|
| ASSETS                                                       |                            |
| Cash and Investments                                         | \$ 475,922                 |
| Restricted Cash and Investments                              | 19,514                     |
| Other Recievables                                            | 16,424                     |
| Property Taxes Receivable                                    | 31,494                     |
| Capital Assets, Not Depreciated                              | 19,400                     |
| Capital Assets, Depreciated, Net of Accumulated Depreciation | 158,273                    |
|                                                              |                            |
| TOTAL ASSETS                                                 | 721,027                    |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES                |                            |
| Accounts Payable                                             | 5,403                      |
|                                                              |                            |
| TOTAL LIABILITIES                                            | 5,403                      |
| DEFERRED INFLOWS OF RESOURCES                                |                            |
| Deferred Revenue - Property Taxes                            | 31,494                     |
|                                                              |                            |
| TOTAL DEFERRED INFLOWS OF RESOURCES                          | 31,494                     |
| NET POSITION                                                 |                            |
| Net Investment in Capital Assets                             | 177,673                    |
| Restricted for Emergencies                                   | 5,175                      |
| Restricted for Parks and Recreation                          | 19,514                     |
| Unrestricted                                                 | 501,282                    |
|                                                              |                            |
| TOTAL NET POSITION                                           | \$ 703,644                 |

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

TOWN OF PITKIN, COLORADO

STATEMENT OF ACTIVITIES  
Year Ended December 31, 2023

| FUNCTIONS/PROGRAMS               | PROGRAM REVENUES  |                         |                                          |                                        | Net (Expense)                          |
|----------------------------------|-------------------|-------------------------|------------------------------------------|----------------------------------------|----------------------------------------|
|                                  | Expenses          | Charges<br>for Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Revenue and Changes<br>in Net Position |
| PRIMARY GOVERNMENT               |                   |                         |                                          |                                        |                                        |
| <b>Governmental Activities</b>   |                   |                         |                                          |                                        |                                        |
| General Government               | \$ 53,130         | \$ -                    | \$ -                                     | \$ -                                   | \$ (53,130)                            |
| Public Works                     | 102,621           | 10,771                  | 3,288                                    | 22,750                                 | (65,812)                               |
| Parks and Recreation             | -                 | -                       | -                                        | -                                      | -                                      |
| Total Governmental<br>Activities | <u>\$ 155,751</u> | <u>\$ 10,771</u>        | <u>\$ 3,288</u>                          | <u>\$ 22,750</u>                       | (118,942)                              |
| GENERAL REVENUES                 |                   |                         |                                          |                                        |                                        |
| Property Taxes                   |                   |                         |                                          |                                        | 25,737                                 |
| Sales Tax                        |                   |                         |                                          |                                        | 107,975                                |
| Other Tax                        |                   |                         |                                          |                                        | 3,002                                  |
| Interest                         |                   |                         |                                          |                                        | 18,931                                 |
| Other                            |                   |                         |                                          |                                        | 625                                    |
| TOTAL GENERAL REVENUES           |                   |                         |                                          |                                        | <u>156,270</u>                         |
| CHANGE IN NET POSITION           |                   |                         |                                          |                                        | 37,328                                 |
| NET POSITION, Beginning          |                   |                         |                                          |                                        | <u>666,316</u>                         |
| NET POSITION, Ending             |                   |                         |                                          |                                        | <u>\$ 703,644</u>                      |

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



TOWN OF PITKIN, COLORADO

BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2023

|                                                                                                                          | GENERAL<br>FUND          |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------|
| ASSETS                                                                                                                   |                          |
| Cash and Investments                                                                                                     | \$ 495,436               |
| Restricted Cash and Investments                                                                                          | 19,514                   |
| Other Receivables                                                                                                        | 16,424                   |
| Property Taxes Receivable                                                                                                | <u>31,494</u>            |
| TOTAL ASSETS                                                                                                             | <u><u>\$ 562,868</u></u> |
| LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES                                                                         |                          |
| LIABILITIES                                                                                                              |                          |
| Accounts Payable                                                                                                         | <u>\$ 5,403</u>          |
| TOTAL LIABILITIES                                                                                                        | <u>5,403</u>             |
| DEFERRED INFLOWS OF RESOURCES                                                                                            |                          |
| Deferred Property Tax Revenue                                                                                            | <u>31,494</u>            |
| FUND BALANCES                                                                                                            |                          |
| Restricted for Emergencies                                                                                               | 5,175                    |
| Restricted for Parks and Recreation                                                                                      | 19,514                   |
| Committed Resources                                                                                                      | 2,582                    |
| Unassigned                                                                                                               | <u>498,700</u>           |
| TOTAL FUND BALANCES                                                                                                      | 525,971                  |
| 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. | <u>177,673</u>           |
| Net position of governmental activities                                                                                  | <u><u>\$ 703,644</u></u> |

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

TOWN OF PITKIN, COLORADO

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

|                            | GENERAL<br>FUND |
|----------------------------|-----------------|
| REVENUES                   |                 |
| Taxes                      | \$ 136,714      |
| Charges for Services       | 10,771          |
| Interest                   | 18,931          |
| Other                      | 26,663          |
|                            | <hr/>           |
| TOTAL REVENUES             | 193,079         |
|                            | <hr/>           |
| EXPENDITURES               |                 |
| Current                    |                 |
| General Government         | 45,503          |
| Public Works               | 102,621         |
| Parks and Recreation       | -               |
|                            | <hr/>           |
| TOTAL EXPENDITURES         | 148,124         |
|                            | <hr/>           |
| NET CHANGE IN FUND BALANCE | 44,955          |
|                            | <hr/>           |
| FUND BALANCE, Beginning    | 481,016         |
|                            | <hr/>           |
| FUND BALANCE, Ending       | \$ 525,971      |
|                            | <hr/> <hr/>     |

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

TOWN OF PITKIN, 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                                                                                                                                                                                                                        | \$ 44,955        |
| 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 of the depreciation expense for the year. | <u>(7,627)</u>   |
| Change in Net Position of Governmental Activities                                                                                                                                                                                                                              | <u>\$ 37,328</u> |

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

# TOWN OF PITKIN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS December 31, 2023

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

The accounting policies of the Town of Pitkin, Colorado (the “Town”) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. Following is a summary of the more significant policies:

#### **Reporting Entity**

The financial reporting entity consists of the Town and organizations for which the Town is financially accountable. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the Town. In addition, any legally separate organizations for which the Town is financially accountable are considered part of the reporting entity. Financial accountability exists if the Town appoints a voting majority of the organization’s governing board and is able to impose its will on the organization, or if the organization provided benefits to, or imposes financial burdens on the Town.

Based upon the application of these criteria, no organizations are includable within the Town’s reporting entity.

#### **Government-Wide and Fund Financial Statements**

The Town financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Town. Governmental activities, which normally are supported by intergovernmental revenues, are reported in a single column.

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 patrons or others 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. Unrestricted intergovernmental revenues not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported in separate columns in the fund financial statements.

# TOWN OF PITKIN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

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

#### **Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The Town's government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of governmental activities for the Town. Governmental activities normally are supported by taxes and intergovernmental revenues.

The government-wide financial statements are presented on an *economic resources* measurement focus and the accrual basis of accounting. Accordingly, all of the Town's assets and liabilities, including capital assets, and infrastructure assets, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

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. Available means collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Property taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period.

The Town reports the following major governmental fund:

*General Fund* – This is the Town's operating fund. It accounts for all activities of the government.

#### **Assets, Liabilities and Fund Equity**

*Cash* – Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the Town's cash.

*Accounts Receivable* – Receivables consist of amounts due from other governments. An allowance for doubtful accounts is not necessary as they have been fully collected in the succeeding year.

## TOWN OF PITKIN, COLORADO

### NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

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

##### **Assets, Liabilities and Fund Equity** (Continued)

*Capital Assets* – Capital assets are defined by the Town as assets with an initial, individual cost of more than \$1,000 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 assets are recorded at estimated fair market value at the date of donation.

*Long Term Obligations* - In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. The Town has no long term obligations as of December 31, 2023.

##### **Deferred Inflows of Resources**

In addition to liabilities, 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 inflows of resources, represents an acquisition of net position and fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

##### **Net Position**

The government-wide financial statements, utilize a net position presentation. Net position is categorized as investment in capital assets, restricted, and unrestricted.

*Net Investment in Capital Assets* includes the Town's capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted Net Position* includes assets that have third-party (statutory, bond covenant, or granting agency) limitations on their use. The Town typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project.

# TOWN OF PITKIN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

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

#### **Net Position** (Continued)

*Unrestricted Net Position* typically includes unrestricted liquid assets. The Board has the authority to revisit or alter this designation.

#### **Net Position/Fund Balance Classification**

*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 in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact. The Town has no amounts classified as nonspendable for the year ended December 31, 2023.
- 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.
- 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 has committed resources for Streets, Cemetery, Town Hall, Parks and Recreation, and Capital Improvements, 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.

## TOWN OF PITKIN, COLORADO

### NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

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

##### **Net Position/Fund Balance Classification** (Continued)

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.

##### **Property Taxes**

Property taxes are levied on or before December 15 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.

#### **NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

##### **Budgets and Budgetary Accounting**

Budgets are adopted on a basis consistent with generally accepted accounting principles. An annual appropriated budget is adopted for the General Fund. All annual appropriations lapse at fiscal year-end.

The Town adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- Budgets are required by state law for all funds. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year end.
- Public hearings are conducted by the Board of Directors to obtain citizen comments.
- Prior to December 31, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level.
- Revisions that alter the total expenditures of any fund must be approved by the Board of Directors. Budgeted amounts reported in the accompanying financial statements are as originally adopted and amended by the Board of Directors.



TOWN OF PITKIN, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

**NOTE 3: CASH AND INVESTMENTS**

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

|               |                          |
|---------------|--------------------------|
| Cash Deposits | \$ 171,298               |
| Investments   | <u>370,167</u>           |
| Total         | <u><b>\$ 541,465</b></u> |

**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 a formal policy that limits their exposure to custodial credit risk. This policy limits deposits only to accounts managed in accordance with the Colorado Public Deposit Protection Act (PDPA).

At December 31, 2023, the Town had deposits with financial institutions with a carrying amount of \$171,298. The bank balances with the financial institutions were \$181,338. All of these balances were covered by federal depository insurance.

**Investments**

Interest Rate Risk

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

TOWN OF PITKIN, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

**NOTE 3: CASH AND INVESTMENTS** (Continued)

**Investments** (Continued)

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
- Bankers' acceptances of certain banks
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

Local Government Investment Pool

The Town had invested \$370,167 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 Statutes, 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 cost 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.

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 statutes, 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.

# TOWN OF PITKIN, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

### NOTE 4: CAPITAL ASSETS

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

|                                                 | Balances<br><u>12/31/22</u> | <u>Additions</u>  | <u>Deletions</u> | Balances<br><u>12/31/23</u> |
|-------------------------------------------------|-----------------------------|-------------------|------------------|-----------------------------|
| <b>Governmental Activities</b>                  |                             |                   |                  |                             |
| Capital Assets, not depreciated                 |                             |                   |                  |                             |
| Land                                            | \$ 19,400                   | \$ -              | \$ -             | \$ 19,400                   |
| Capital Assets, depreciated                     |                             |                   |                  |                             |
| Buildings                                       | 244,190                     | -                 | -                | 244,190                     |
| Furniture & Fixtures                            | 24,208                      | -                 | -                | 24,208                      |
| Total Capital Assets, depreciated               | 268,398                     | -                 | -                | 268,398                     |
| Less Accumulated Depreciation                   |                             |                   |                  |                             |
| Buildings                                       | 78,290                      | 7,627             | -                | 85,917                      |
| Furniture & Fixtures                            | 24,208                      | -                 | -                | 24,208                      |
| Total Accumulated Depreciation                  | 102,498                     | 7,627             | -                | 110,125                     |
| Total Capital Assets, depreciated, net          | 165,900                     | (7,627)           | -                | 158,273                     |
| Governmental Activities,<br>Capital Assets, Net | <u>\$ 185,300</u>           | <u>\$ (7,627)</u> | <u>\$ -</u>      | <u>\$ 177,673</u>           |

Depreciation expense was charged to the General Government activity.

### NOTE 5: CAPITAL CREDITS

The Town has been purchasing power from the Gunnison County Rural Electric Association (GCEA), a co-op, for street lights. According to GCEA, certain capital credits were to be allowed to purchasers of power and were to be paid out after 15 years. GCEA must hold such credits pursuant to mortgage requirements. Due to outside circumstances beyond the control of GCEA, the uncertainty of electric rates and the fact that payment of the credits is at the discretion of the GCEA Board of Directors, there is no assurance that these credits will be paid out in the future. Therefore, no provision has been made

### NOTE 6: COMMITMENTS AND CONTINGENCIES

*Tabor Amendment* – In November 1992, Colorado voters passed the Tabor Amendment to the State Constitution which limits state and local government tax powers and imposes spending limitations. Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation and growth. On November 2005, voters within the Town approved the collection, retention and expenditure of property taxes, specific ownership taxes, interest income and any other income of the Town. 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 \$5,000 was recorded in the General Fund.

TOWN OF PITKIN, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

**NOTE 7: RISK MANAGEMENT**

The Town is exposed to various risks of loss relating to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carried commercial insurance for these risks of loss. Settled claims have not exceeded insured amounts in the last three years.

**NOTE 8: CONSERVATION TRUST FUND**

For the year ended December 31, 2023, the Town reported \$336 of receipts from the State of Colorado, \$945 of interest earned and \$0 of lottery receipts shared by the Gunnison County Metropolitan Recreation District. The Town had \$0 of Conservation Trust Fund expenditures. The year-end balance of remaining Conservation Trust Funds was \$19,514, which is reported as restricted fund balance in the General Fund.

**NOTE 9: SUBSEQUENT EVENTS**

Potential subsequent events were considered through July 31, 2024. It was determined that no events were required to be disclosed through this date.

## **REQUIRED SUPPLEMENTARY INFORMATION**

## TOWN OF PITKIN, COLORADO

GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
Year Ended December 31, 2023

|                            | 2023                            |            |                                    |
|----------------------------|---------------------------------|------------|------------------------------------|
|                            | ORIGINAL<br>AND FINAL<br>BUDGET | ACTUAL     | VARIANCE<br>Positive<br>(Negative) |
| REVENUES                   |                                 |            |                                    |
| Local Sources              |                                 |            |                                    |
| Property Taxes             | \$ 26,286                       | \$ 25,737  | \$ (549)                           |
| Sales Txs                  | 59,250                          | 107,975    | 48,725                             |
| Other Taxes                | 2,580                           | 3,002      | 422                                |
| Grants and Donations       | 26,025                          | 26,038     | 13                                 |
| Charges for Services       | 5,050                           | 10,771     | 5,721                              |
| Interest                   | 2,000                           | 18,931     | 16,931                             |
| Miscellaneous              | 26,824                          | 625        | (26,199)                           |
| TOTAL REVENUES             | 148,015                         | 193,079    | 45,064                             |
| EXPENDITURES               |                                 |            |                                    |
| General Government         |                                 |            |                                    |
| Salaries and Benefits      | 10,800                          | 10,334     | 466                                |
| Office Expenses            | 13,450                          | 11,528     | 1,922                              |
| Insurance                  | 4,541                           | 4,604      | (63)                               |
| Contract Services          | 4,800                           | 10,087     | (5,287)                            |
| Professional Fees          | 11,000                          | 7,618      | 3,382                              |
| Repairs and Maintenance    | 37,266                          | 1,332      | 35,934                             |
| Public Works               |                                 |            |                                    |
| Contract Labor             | 30,000                          | 24,988     | 5,012                              |
| Repairs and Maintenance    | 56,000                          | 77,633     | (21,633)                           |
| Parks and Recreation       |                                 |            |                                    |
| Repairs and Maintenance    | 6,700                           | -          | 6,700                              |
| TOTAL EXPENDITURES         | 174,557                         | 148,124    | 26,433                             |
| NET CHANGE IN FUND BALANCE | (26,542)                        | 44,955     | 71,497                             |
| FUND BALANCE, Beginning    | 63,349                          | 481,016    | 417,667                            |
| FUND BALANCE, Ending       | \$ 36,807                       | \$ 525,971 | \$ 489,164                         |

See the accompanying independent auditors' report.

## **STATE COMPLIANCE**



**Steps for printing your content and returning to 'Edit Mode**

1. Click Ctrl + A on a Windows machine or Command + A on a Mac to select all data.
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: thetownofpitkin@gmail.com  
City/County: Pitkin

### Receipts, Disbursements & Costs

#### II - Receipts for Road & Street Purposes

##### A. Receipts from local sources

|                                                                  |    |           |
|------------------------------------------------------------------|----|-----------|
| 2. General Fund Appropriations:                                  | \$ | 53,378.00 |
| 3. Other local imposts: <i>from A.3. 'Total' below)</i>          | \$ | 29,009.21 |
| 4. Miscellaneous local receipts: <i>from A.4. 'Total' below)</i> | \$ | 225.00    |
| 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: \$ 82,612.21

##### 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                            | \$ 4,572.00         |
| b. Other Local Imposts                                       |                     |
| 1. Sales Taxes:                                              | \$ 23,806.97        |
| 2. Infrastructure and Impact Fees:                           | \$ 0.00             |
| 3. Liens:                                                    | \$ 0.00             |
| 4. Licenses:                                                 | \$ 630.24           |
| 5. Specific Ownership and/or Other:                          | \$ 0.00             |
| <b>Total:</b> (a + b) carried to 'Other local imposts' above | <b>\$ 29,009.21</b> |

#### A.4. Miscellaneous local receipts

|                                                                    |                  |
|--------------------------------------------------------------------|------------------|
| a. Interest on Investments:                                        | \$ 0.00          |
| b. Traffic fines and Penalties:                                    | \$ 0.00          |
| 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:                                           | \$ 225.00        |
| h. Other:                                                          | \$ 0.00          |
| <b>Total:</b> (a through h) carried to 'Misc local receipts' above | <b>\$ 225.00</b> |

#### C. Receipts from State Government

|                                 |                     |
|---------------------------------|---------------------|
| 1. Highway User Taxes:          | \$ 18,051.00        |
| 3. Other State funds:           |                     |
| c. Motor Vehicle Registrations: | \$ 0.00             |
| d. Other (Specify):             |                     |
| Comments: undefined             | \$ 0.00             |
| e. Other (Specify):             |                     |
| Comments: undefined             | \$ 0.00             |
| <b>Total:</b> (1+3c,d,e)        | <b>\$ 18,051.00</b> |

#### 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        |
| <b>Total:</b> (2a-f)               | <b>\$ 0.00</b> |

## Receipts, Disbursements & Costs

### III - Disbursements for Road & Street Purposes

#### A. Local highway disbursements

|                                                                      |    |           |
|----------------------------------------------------------------------|----|-----------|
| 1. Capital outlay: <i>(from A.1.d. 'Total Capital Outlay' below)</i> | \$ | 500.00    |
| 2. Maintenance:                                                      | \$ | 39,570.59 |
| 3. Road and street services                                          |    |           |
| a. Traffic control operations:                                       | \$ | 0.00      |
| b. Snow and ice removal:                                             | \$ | 24,988.44 |
| c. Other:                                                            | \$ | 11,047.36 |
| 4. General administration and miscellaneous                          | \$ | 0.00      |
| 5. Highway law enforcement and safety                                | \$ | 0.00      |
| Total: <i>(A.1-5)</i>                                                | \$ | 76,106.39 |

#### 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: <i>(1+2)</i> | \$ | 0.00 |

C. Payments to State for Highways: \$ 0.00

D. Payments to Toll Facilities: \$ 0.00

Total Disbursements: *(A+B+C+D)* \$ 76,106.39

## Receipts, Disbursements & Costs

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

|                        | A. ON NATIONAL<br>HIGHWAY SYSTEM | B. OFF NATIONAL<br>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 | \$ 500.00 | \$ 500.00 |
| 5. Total Construction:                                        |         |           | \$ 500.00 |
| d. Total Capital Outlay: <i>(Lines A.1.a. + 1.b. + 1.c.5)</i> |         |           | \$ 500.00 |

## 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<br>(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<br>Balance | B. Total Receipts | C. Total<br>Disbursements | D. Ending Balance | E. Reconciliation |
|-------------------------|-------------------|---------------------------|-------------------|-------------------|
| \$ 3,371.99             | \$ 100,663.21     | \$ 76,106.39              | \$ 27,928.40      | \$ -0.41          |

#### Notes and Comments:

undefined

Please enter your name: undefined

Please provide a telephone number where you may be reached: 9707870031

Please click on the "Save" button before viewing the data in a print format.



Contact: Eric Ehrbar | Email: Eric.Ehrbar@state.co.us | Phone: 303.512.4914

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